



UNCDF SPECIAL PROJECTS IMPLEMENTATION REVIEW EXERCISE – SPIRE –

FINAL REVIEW

**SUPPORT TO THE LOCAL ECONOMY IN MWANZA
PROGRAMME (SLEM)
Tanzania**

May 2011

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UNCDF Special Projects Implementation Review Exercise (SPIRE) ***Final Review: Support to Local Economy Mwanza - SLEM, Tanzania***

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Design: UNCDF Partnerships Unit.

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BASIC GEOGRAPHIC AND DEMOGRAPHIC DATA

Country Area:	947,300 Km ²
Country Population:	43,739,051 (WB statistics 2009)
Capital City:	Dodoma
People:	Mainland - African 99% (of which 95% are Bantu consisting of more than 130 tribes), other 1% (consisting of Asian, European, and Arab); Zanzibar - Arab, African, mixed Arab and African
Language:	Kiswahili or Swahili (official), English (official, primary language of commerce, administration, and higher education), Arabic (widely spoken in Zanzibar), many local languages
Religion:	Mainland - Christian 30%, Muslim 35%, indigenous beliefs 35%; Zanzibar - more than 99% Muslim
Project Location:	Northern districts of Mwanza
Population covered:	750.000

Source: The World Factbook, www.cia.gov/library/publications/the-world-factbook/geos/tz.html



Intervention
zone

BASIC ECONOMIC AND SOCIAL DATA

HDI rate - value, Human Development Report, 2009		151/182 - 0,530
HDI components	Life expectancy at birth (years) (2007)	55,0
	Adult literacy rate (% aged 15 and above) (1999-2007)	72,3
	Combined gross enrolment ratio in education (%) (2007)	57,3
	GDP per capita (PPP USD) (2007)	1.208
GDP (current USD) (billions), 2009		21,623
GDP growth (annual %), 2009		-1,9
Inflation, GDP deflator (annual %), 2009		8,9
Balance of payments, current account (million USD), 2008		- 2,307

Source: WB <http://data.worldbank.org/country/tanzania>; HDR <http://hdr.undp.org/en/statistics/>

ACRONYMS & ABBREVIATIONS

ALAT	Association of Local Authorities of Tanzania
ASDS	Agricultural Sector Development Strategy
BDSS	Business Development Service Shop
BDSP	Business Development Service Provider
BMU	Beach Management Unit
BEST	Business Environment Strengthening for Tanzania
CD	Capacity Development
CBCG	Capacity Building Capital Grant
CBO	Community Based Organisation
CC	Coordinating Committee
CDO	Community Development Officer
CMT	Council Management Team
CSO	Civil Society Organisation
DADP	District Agricultural Development Project
DAS	District Administrative Secretary
DASIP	District Agricultural Support and Improvement Project
DBC	District Business Council
DC	District Commissioner
DCC	District Coordinating Committee
DCC	District Consultative Committee
DED	District Executive Director
DFLE	District Forum for Local Economy
DPLO	District Planning Officer
DPWGLGR	Development Partners' Working Group for Local Government Reform
GoT	Government of Tanzania
FMI	Financial Management Institution
FP	Focal Person
IFPA	Inclusive Finance Practice Area
IL	Intervention Logic
ILO	International Labour Organisation
JAS	Joint Assistance Strategy
JICA	Japan International Cooperation Agency
LED	Local Economic Development
LEDCE	Local Economy Development Capital Fund
LG	Local Governments
LGA	Local Government Authorities
LGRP	Local Government Reform Programme
MDGs	Millennium Development Goals
MF	Microfinance
MFI	Micro Financial Institution
MIC	Mwanza Investment Centre
MSME	Micro, Small and Medium Enterprise
MTEF	Medium Term Expenditure Framework
NGO	Non-Governmental Organisation
NMB	National Microfinance Bank
NSGRP	National Strategy for Economic Growth and Reduction of Poverty
O&OD	Obstacles and Opportunities to Development

PADEP	Participatory Agricultural Development and Empowerment Project
PCU	Programme Coordinating Unit
PMO-RALG	Prime Minister's Office Regional Administration and Local Government
PPP	Public Private Partnership
RAC	Regional Advisory Committee
RAS	Regional Administrative Secretariat
RCC	Regional Consultative Committee
RDS	Rural Development Strategy
RRS	Resource and Result Framework
SACCOS	Savings and Credit Cooperative Societies
SIDO	Small Industries Development Organisation
SISC	Sengerema Informal Sector Centre
SLEM	Support to Local Economy Mwanza
SMEs	Small and Medium Enterprises
SNV	Netherland's Development Organisation (Stichting Nederlandse Vrijwilligers)
SPIRE	Special Programme Implementation Review Exercise
TASAF	Tanzania Social Action Fund
TDV 2025	Tanzania Development Vision 2015
TCCIA	Tanzania Chamber of Commerce, Industry & Agriculture
TIC	Tanzania Investment Centre
ToR	Terms of Reference
TZS	Tanzanian Shillings (1 USD=1,470 TZS)
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
VCA	Value Chain Analysis
VCD	Value Chain Development
VEO	Village Executive Officer
WEO	Ward Executive Officer

PROGRAMME DATA SHEET

Financial Breakdown (USD)

Delivery (by donor), USD:

	amount in USD	% of total commitments	amount in USD	% of committed amount
UNCDF	1,500,000	50%	1,560,813.00	104%
UNDP	1,500,000	50%	484,217.00	32%
Government of Tanzania*		-		
Total commitments	3,000,000.00	-	2,045,030.00	68%

Source: Programme document and consultant's calculation based on UNCDF and UNDP yearly delivery reports, PCU Implementation Report 2010 and specific discussions with the PCU and UNCDF.

Original Project Budget:	USD 7,860,000.00
Total committed to date:	USD 3,000,000 (38% of original project budget)
Non-committed (unfunded budget amount)	USD 4,860,000 (62% of original project budget)
Total delivery to date:	USD 2,045,030 (68% of committed budget or 26% of original project budget)

Executing Agency:	Prime Minister's Regional Administration and Local Governments
Implementing Agency:	Local Governments and Private Sector
Approval Date of project:	25/01/2006
Project Duration :	June 2006 to 31 December 2010.
Evaluation Date:	16 – 30 November, 2010

Other current UNCDF projects in-country:	None, but participating in One UN Joint Programme in North Western Tanzania
Previous UNCDF Projects:	1. Support to Decentralisation, Mwanza 2. Support to Good Local Governance
Previous evaluations :	Mid-Term Evaluation of the Support to Good Local Governance Programme, April 2004

EXECUTIVE SUMMARY

Programme Profile

i. The SLEM programme was executed in the Sengerema and Misungwi districts¹ in the Mwanza region in the Northern part of Tanzania from June 2006 to the end of 2010. The two districts have respectively app. 500,000 and 250,000 citizens. The programme had a budget of USD 7.86 million, of which USD 2.0 million were provided from UNCDF (USD 1.560 million) and UNDP (USD 0.484million.). Final spending, which corresponds to the available funding, amounts to app. USD 2.045 million, i.e. only 26% of the original budget foreseen in the ProDoc.

ii. The table below summarizes the programme's goal and objectives as well as the planned budget (ProDoc) and actual spending.

Goal	<i>Reduce poverty in the Mwanza</i>	<i>Budget, USD</i>	<i>Actual, USD</i>
Output 1	Commitment of LGs to promote LED and a business supportive environment	1,230,000	421,118
Output 2	LGs plan local development and provide support to local enterprises	5,065,000	678,979
Output 3	Policy Impact and Replication to regional and national level	230,000	30,433
Output 4/5	Management and Technical Support	1,135,000	914,500
Others / miscel.		200,000	0
Total (incl. mis.)		7,860,000	2,045,030

iii. The rationale of the SLEM programme

The rationale of the SLEM programme – as reflected in the development hypothesis and ensuing **intervention logic** – is based on the assumption that a conducive relation can be established by which (i) improved systems and capacities for LED based on the driving role of LGAs, (ii) a supportive business environment and (iii) enhanced competitiveness of localities and enterprises, act as complementary elements enabling effective economic governance and inclusive growth. The conditions are therefore established for sustainable socio-economic development and poverty reduction, both within the programme implementation area and within larger boundaries as a result of policy development, up-scaling and replication.

The Final Review of the SLEM programme and SPIRE

iv. The final review (FR) of the 'Support to Local Economy in Mwanza - SLEM' programme is part of a broader UNCDF initiative, the *Special Projects Implementation Review Exercise* (SPIRE). SPIRE aims at combining two levels of analysis: (i) reviewing different programmes on the basis of their specific design and (ii) connecting them to the UNCDF corporate strategy as a basis for cross-country comparison. The **approach** to the FR – consistent with the SPIRE methodology - is to test the development theory underlying a programme against evidence on its implementation performance.

v. Overall, the review has focused on 8 core evaluation questions (EQs) - based on the general SPIRE evaluation matrix including relevant sub-questions and indicators, and adjusted in order to reflect the specificity of the programme and incorporate the issues included in the original ToR for the review (the full matrix is included in annex 7).

¹ Tanzania is divided into 21 regions divided into districts, municipalities and cities.

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1. To what extent was the programme design coherent and relevant?
 2. To what extent has the programme contributed to improved systems and capacities for LED?
 3. To what extent has the programme contributed to the improved assessment and planning of LED?
 4. To what extent have the programme's investments contributed to enhance the local economies?
 5. To what extent are the programme results likely to be sustainable in the longer-term?
 6. How effective has the management of the programme been at national and local level?
 7. To what extent did piloted approaches lead to policy developments as a basis for up-scale and replication?
 8. To what extent did the programme enhance the partnership with the government and other donors at national and regional level?
-

vi. The review was carried out in 3 phases:

- A preparatory phase, based on the preliminary review and analysis of relevant documentation, which led to the drafting of a launch note with a view to share with UNCDF/SLEM staff the team's understanding of the programme and to ensure the responsiveness of the EQs to the programme's specificities and to the purposes of the final review.
- A field phase, with an in-country mission in Tanzania which took place in the period 16th -30th November 2010, during which the team met with programme staff, UNDP management, government officials, community members, other donors and stakeholders through individual or group interviews. A total of six workshops were held at national, regional (Mwanza) and district level (Sengerema and Misungwi) i.e. two launching workshops, and 4 seminars aiming at presenting and discussing the preliminary findings.
- A reporting phase.

Overview of Programme Implementation Status

vii. The implementation of the programme differed to a substantial extent from what originally described in the ProDoc as:

- The SLEM original design was not entirely consistent and not commensurate to available resources and existing capacities, failing therefore to provide a sound basis for implementation
- The programme document was never formally revised and was used as a guidance rather than as a blue-print for implementation; the implementation of the programme has therefore resulted from gradual and incremental adjustments on the basis of needs as interpreted by programme implementers and consultants involved
- Only USD 2.045 million – out of a projected budget of USD 7.86 million – were actually made available for programme implementation
- Given these constraints, the actual implementation of the programme has maintained the approach suggested in the ProDoc and activities and the implementation modalities selected by the management have been meaningful and appropriate to the programme context in the two districts.

viii. As it took time to adjust the programme on the basis of the available budget, including redesign of entire components such as financial support to MSMEs, implementation was substantially delayed. An overview of the implementation structured by output is provided below.

ix. Under **Output 1 "Commitment of LGs to promote LED and a business supportive environment"** implementation was relatively fast and was strongly supported by national and international TA up to early 2007. During the first quarter of 2007: two SLEM district focal persons with responsibilities for coordination of the programme at district level, two major researches for Local Economic Development (LED) perspectives in the districts were carried out and two District Forums for Local Economy (DFLEs) were established as focal points for the programme and public private partnership building in each district. From July 2007 and throughout the remaining part of the year more than 2,700 economic groups were registered and two Business Development Service Shops (BDSSs) opened. Furthermore capacity development (CD) and training started from August 2007

facilitated by the two DFLEs and BDSSs and approximately 700 people (38% of which women) have been trained during the implementation of the programme.

x. Under **output 2 “LGs plan local development and provide support to local enterprises” the main activity has been the setting up of the microfinance scheme**, which was time consuming due to delayed international TA. Memorandums of understanding (MoU) between the two district administrations and two microfinance institutions were signed in November 2008 and the first loans to economic groups were provided as late as March 2009. In total 339 groups benefited from loans during the programme. Other planned activities were related to the carrying out of four value chain analyses in 2008, which were then used for training and for the provision of advice in the two Business Development Service Shops (BDSSs). Compared to the budgeted amounts in the programme document (ProDoc) the SLEM programme only spent 34% and 13% for output 1 and 2 respectively.

xi. Under **output 3 “Policy Impact and Replication to regional and national level” the SLEM was supposed to develop a programme monitoring system and a communication strategy** to document and promote the SLEM results. This, however, did not happen and communication has mainly taken place through communication letters and through a national LED conference held in Dar es Salaam in December 2009. Only 13% of the budget in the ProDoc has been executed for this output, which reflects the implementation’s reduced focus on output 3.

xii. Under **outputs 4 and 5 “Management and Technical Support”**, the government’s Regional Administrative Secretariat (RAS) in Mwanza delegated 3 staff to the **Programme Coordination Unit in the fourth quarter of 2006 and a UNCDF programme officer took responsibility for the programme** (located in the UN compound in Dar es Salaam). TA support to the programme was readily available during early implementation up to early 2007. Thereafter, TA was slower, in particular for the micro finance (MF) component, where the deployment of international TA was delayed and not adequate. For output 4 actual spending corresponds to 64% of the budget in the ProDoc, while expenditure for output 5 is 31% higher than what initially planned for according to the ProDoc.

xiii. Without having any particular gender programming, the SLEM had a high participation of women in all activities (40-50%) and has also supported women groups through specific training activities, loans and advice from the BDSSs.

Main Findings

xiv. **The Programme is relevant but the design does not provide a realistic basis for implementation (EQ 1).** The SLEM programme design – in its original formulation as well as in its gradually modified versions – is well aligned with the country’s priorities and needs, as presented in the main relevant strategic documents and in the country’s key policies and set-up for decentralization. The SLEM programme was also relevant to the broader donors’ assistance framework for Tanzania although not a part of the national Local Government Reform Programme (LGRP).

xv. The original design of the SLEM programme did not constitute a realistic and balanced framework for implementation. In practice, the provisions in the programme document have served as guidance rather than as a ‘blue-print’ for implementation.

xvi. During implementation, the ProDoc was never formally revised by the programme management and no documented evidence of a comprehensive attempt to re-shape the programme’s design in response to the changed conditions was found. Implementation of the programme has resulted instead from gradual and incremental adjustments e.g. by giving-up capital investments for LED – mainly due to lack of funding, by reducing training and capacity development (CD) and by redefining the implementation of the Local Economy Development Capital Fund to a microfinance loan scheme as this was the preferred modality of the GoT.

xvii. Finally, the original design did not include proper mechanisms for up-scaling and replication; for building partnerships and resources mobilization capacity and for establishing close relation with the

national policy framework. Such mechanisms would have been necessary to counter the limitations of a smaller area-based programme.

xviii. **The programme has contributed to enhancing the main stakeholders' perception and understanding of the role of LGAs and their relation with other actors for LED promotion. (EQ2).** The improvement of the 'institutional architecture' for LED is probably among the core achievements of the SLEM programme. Two Districts Forums for Local Economy (DFLEs) were established as the cornerstone of the programme implementation set-up and were found to constitute appropriate and fairly effective institutional mechanisms to promote synergies between local stakeholders.

xix. The foundation of the DFLE's membership basis through a gradual clustering process starting from the grassroots level has proved effective and favoured the strong recognition of the DFLE by local stakeholders. The issue of the adequate representation of community groups remains a critical one as does the strong concentration of leadership functions in the hands of LGAs.

xx. Evidence of DFLE capacity to take initiative and relevant decisions has been provided, although mostly in direct relation with the implementation of the programme's activities and resources.

xxi. A more dynamic relation between LGAs/DCs and other actors such as cooperatives, NGOs and BDS providers, research and training institutes has been established, although advances in LGA functions and capacities to channel LED enabling measures (including improved decision making and resource allocation, private public partnerships and other modalities for effective service delivery) are still at very initial stages.

xxii. The Private Public Partnership (PPP) modality has been introduced with some results, yet its application is still limited to the implementation of the programme components and related modalities (policy dialogue in the DFLE, and the private management of public assets in the credit scheme and BDSS). Moreover, the programme has had limited effects in enhancing institutional relations for LED promotion between the district and the regional level, as the Programme Coordination Unit and Regional Advisory Committee have mainly carried out coordinating functions.

xxiii. The programme has contributed to enhance the technical and managerial skills of some of its main stakeholders. All economic groups interviewed confirmed the relevance of the trainings received and their substantial contribution in improving their capacities. On the other hand, improvements in the capacity of LGA officers have been more limited, and are mostly focused on the programme's implementation and less on specific LED functions.

xxiv. The fact that the programme has contributed to substantial improvements in the availability of advisory services for (micro) enterprise development and to a lesser extent of financial services, is unquestioned. This result is mainly associated with the functioning of the established BDSSs. The high number of visitors in BDSSs confirms the significant impact of the BDSS provision system at the district level, also confirmed by the widespread recognition and appreciation of the role of the BDSSs and the services provided.

xxv. **Relevant strategies and assessments have been produced, but LED is not yet integrated into LGs' planning processes (EQ3).** Relevant and accurate research work has been conducted in the framework of the programme, including both preliminary background mapping and appraisal exercises and strategic LED and value chain analysis. Despite the relevance of the strategic documents developed, their use as a basis for the integration of LED priorities within the broader planning process at the district level is still very limited. Nevertheless some initial promising efforts geared at integrating LED measures in the broader planning framework have been observed e.g. district administrations plan to incorporate LED investments into the new district strategic plans and some budgeting for SLEM activities have already been incorporated into the districts medium term expenditure frameworks (MTEF) during the programme for the funding of approximately 20% of all programme activities (except microfinance).

xxvi. Finally, notwithstanding the poorly structured and non-systematic communication and feedback flows linking up districts (and DFLEs) with lower administrative levels, informal interaction mechanisms have proved fairly effective and have contributed to starting some LED dynamics. On the other hand, the still limited integration of LED aspects in the planning process shows the limitations of such prevalently informal communication and consultation patterns. A strong demand is therefore emerging for a better articulation of the bottom-up economic planning and budgeting process through a decentralized DFLE framework.

xxvii. **The programme investment has effectively supported the income generating capacity of informal groups, but has hardly served as ‘trigger’ of strategic LED dynamics (EQ4).** The capital investment component has suffered from an unclear and unrealistic design: i) no resources were available for funding investments in infrastructure (with the exception of the two premises of the BDSSs); and ii) the option of providing support to businesses through grants did not respond to government policies in this area, and a microfinance component replaced the fund itself. Once established, as late as November 2008, the financial support to micro enterprises has been provided in the form of micro-loans through a revolving scheme operated in partnership with local microfinance institutions and DFLEs/districts.

xxviii. The scheme’s features and terms are perceived to be both relevant and appropriate to beneficiaries/clients’ needs and capacities, but several shortcomings in the design of the scheme hamper effective implementation and oversight. Financial support has been systematically coupled with capacity development and technical assistance. This said, the performance of the fund is altogether mixed as unsatisfactory repayment rates (91% in Sengerema and 81% in Misungwi) affect prospects for sustainability and leverage. Moreover, the decision to work through Savings and Credit Cooperative Organizations (SACCOs) was strategically chosen to expand outreach through a cascade lending mechanism at the community level.

xxix. However, despite the relevance and sound implementation of supported investments that have contributed to expand the economic capacity and income basis of supported groups, the prevailing focus on group lending for micro/informal economic activities has limited, alongside other factors, the strategic relevance of the loans as catalytic factors for LED and Value Chain Development.

xxx. **Ownership and institutional embedeness at local level are strong elements for ensuring sustainability of the programme outputs (EQ 5).** The institutionalisation of the programme into the district administration management structures and of the PCU in the RAS structure in combination with the ownership of SLEM expressed and shown by all actors (DFLE members, district administrations, economic groups, MFIs, district/regional commissioners), provide a good foundation for the sustainability of SLEM activities.

xxxi. The limited involvement of the Prime Minister’s Office - Regional Administration and Local Government (PMO-RALG) in the programme is, however, a concern, and has limited knowledge about the programme at national level. This – together with the lack of a programme monitoring and evaluation system and a formal communication strategy, documenting and disseminating results and best practices- has affected the potential up-scaling of the programme, the regional dimension and also the programme’s ability to provide inputs for changes to the LGAs’ mandate for LED.

xxxii. Districts’ co-funding of 20% of all SLEM activities (except capital investments) has been an important instrument to ensure ownership and active involvement but it is critical that districts provide increased funds starting from the budget 2011/2012 (in 2010/2011, TZS 11.7 millions (USD 8,000) and TZS 10 millions (USD 6,800) were collected in Sengerema and Misungwi respectively). One of the identified weaknesses of the SLEM is that it has not addressed the collection of districts’ own revenues to improve the financing of SLEM activities in the future.

xxxiii. Strong interest for microfinance, as evidenced by an increase in the loan portfolio and in the number of clients served, as well **widespread satisfaction and appreciation of consulted clients** with respect to the support received, demonstrate that there is a strong potential for microfinance activities.

xxxiv. A concern is the sustainability of the two new BDSSs, whose structures were completed in late 2010. The BDSSs have no business plans and are still dependent on finance from SLEM since almost no own revenues from services provided are collected. This is, in particular, an issue in Sengerema, where the installation of water and electricity had not been completed during the field visit of the review team.

xxxv. **Programme management has been effective but TA has been slow and not always consistent (EQ6).** The Programme has in general been well managed by an active PCU and SLEM district key staff (focal persons, DED, BDSS managers, MFIs directors). The programme is well integrated into the government structure at regional and district levels, and follows national and local procedures except for the funding. Few changes in key staff have taken place and annual work plans have been followed.

xxxvi. The DFLEs have been instrumental in programme implementation at district level, while the Regional Advisory Committee (RAC) has filled its role for coordination despite its limited strategic decision making stance. The subsequent changes in the PMO-RALG representative at the RAC have made the RAC less effective and have increased the area based character of the programme.

xxxvii. The programme's funding modality was parallel to the government system with funds from UNCDF transferred to PCU in RAS and then furthered for direct payment of activities. The process has been smooth and only occasional delays have occurred.

xxxviii. National TA up to early 2008 and international LED assistance up to early 2007 were adequate and responded to the need for a relatively quick start-up/implementation of the programme. Thereafter, TA requests have been slowly met by UNCDF. A particular issue was the delayed TA for the redesign of Local Economy Development Capital Fund (LEDCF), which led to the late implementation of the microfinance component (November 2008).

xxxix. **The programme has not supported a systematic effort for up-stream policy development and replication of piloted approaches (EQ7).** The programme's intention to support national policy development and to replicate good practices to other districts has not been prioritized in the SLEM implementation.

xl. The programme lacked a structured M&E system to produce timely and accurate documentation on SLEM experiences for policy making and up-scaling, and a communication strategy has not been developed towards up-streaming either. The latter has mainly concentrated on communication within the districts/region. Despite the organisation of a national event (the National LED Conference in December 2009), knowledge about the programme among the national stakeholders (government, donors, the Association of Local Authorities Tanzania (ALAT) remains therefore limited.

xli. At national level, the advocacy for the programme has been limited and communication flows between UNCDF and PMO-RALG have been reduced to meetings of the Development Partner Working Group for Local Government Reform (DPWGLGR). It should also be emphasised that RAC meetings have been attended by different non-senior staff from PMO-RALG with no knowledge of SLEM.

xlii. No systematic up-scaling/replication of the programme to other districts/regions took place although experiences have been duplicated with Business Development Service Shops (BDSSs) in at least 3 districts and some platforms for Private Public Partnership (PPP) similar to DFLEs have been established, even if a non-structured (informal) manner. Replications were the combined result of: i) visits to the BDSSs from representatives of other districts or regions; and ii) willingness of the SLEM actors (BDSS managers, DFLE members, economic groups) to disseminate and share the experience and knowledge gained.

xliii. **Effective partnerships with government and donors have not been established (EQ8).** The programme did not establish partnerships for implementation with other donors nor with the Government. The only partnership established was that with UNDP that came to an end in 2008, when UNDP stopped funding the SLEM and shifted funds to other priorities.

xliv. At regional/district level the programme has established some synergies with other programmes and institutions i.e. the Small Industries Development Organisation (SIDO), the Tanzania Chamber of Commerce, Industry & Agriculture (TCCIA), the National Microfinance Bank, the District Agriculture Support and Improvement Project (DASIP) and local MFIs.

xlvi. UNCDF has participated in meetings with other donors in decentralisation (DPWLGR) for coordination, but in the post Paris Declaration set up since 2005 with the GoT (PMO-RALG) taking the lead, UNCDF has no particular role for donor coordination.

xlvi. Furthermore, the expectation that other donors would provide funds to SLEM during implementation was unrealistic as other donors had committed their funds to the Local Government Reform Programme and SLEM is not a part of this.

Conclusions:

xlvi. **An effective and valued area-based programme, with still limited implications for LED dynamics and policies between local and national level with good integration of women in all activities.**

xlvi. **The programme has provided a promising foundation for enabling economic development in the pilot districts, in particular initiating a LED promotion 'system' made up of ad-hoc institutional arrangements and business support mechanisms**, based on a newly introduced public-private partnership principle. Such system is well owned and institutionalised at the local level, even though it still shows limited implications in terms of expansion of relevant LGAs' functions and capacities (particularly on planning and budgeting for LED). **However**, as a result of the above-mentioned limitations in resources and constraints to implementation, **the reduced scale and coverage of the intervention are found to have strongly limited the potential of the programme.**

xlix. Essentially, **the SLEM programme is a relevant and well implemented area-based intervention, with promising results in improving the local institutional set-up but weak up-stream linkages and a prevailing focus on small-scale livelihoods development that has not allowed more structural effects on the competitiveness of localities and enterprises**, which constitutes a crucial aspect of any integrated LED and territorial development approach.

Recommendations:

i. **Consolidation phase. It is recommended that** a consolidation phase of one year be foreseen in order to increase sustainability of programme's results. Issues to be addressed include: Business Development Service Shops (completion of structures, agreement with districts, business plans, revenues), MFI (multiannual agreements with districts), and District LED planning (LED strategies, LED in MTEF, synergies with other programmes).

ii. **A new programme?** During the consolidation phase, UNCDF should consider preparing a follow-up initiative, in the form of a new programme, or a second phase of the SLEM programme, covering all interested districts in the Mwanza region.

iii. The programme should be implemented through (or reproduce, in the case of new districts) the existing set-up (DFLE, BDSSs, MFIs), and consist of a more integrated and strategic approach to LED, including a strong anchorage at the national level, the introduction of a meaningful 'regional' dimensions (beyond mere coordination functions), and built-in mechanisms for up-scaling and replication through the development and mainstreaming of a national policy framework.

1. INTRODUCTION

1. This report presents the findings of a final review of the *Support to Local Economy in Mwanza (SLEM)* Programme, implemented by UNCDF and UNDP in two districts of the Mwanza region, in northern Tanzania. The review was carried out by a team of two international experts and one national expert between October 2010 and January 2011. A field mission was carried out by the team from 16th to 30th November 2010.

2. PURPOSE OF THE EVALUATION

2.1. SCOPE AND OBJECTIVES OF THE EVALUATION

2. The final review (FR) of the *Support for Local Economy in Mwanza - SLEM* programme in Tanzania is part of a broader UNCDF initiative, the *Special Projects Implementation Review Exercise* (SPIRE). SPIRE has two key objectives:

- to ensure UNCDF compliance with its mandatory evaluation requirements specified in its evaluation policy for the period 2010-2011 and
- to ensure a quality check of the relevance, effectiveness, efficiency and “evaluability of a significant sample of UNCDF programmes.

3. The challenge presented by SPIRE is, therefore, to formulate an evaluation approach at two levels, allowing assessing country programmes against their specific design, and connecting them with UNCDF’s corporate strategy as a basis for cross-country comparisons and for the tracking of progress towards global objectives.

4. The objectives of the FR are to:

- Assist the recipient government, partners and beneficiaries to assess the general performance of the programme, and in particular to understand the relevance, the efficiency, the effectiveness and sustainability of results and ensuring accountability for results.
- Assess the level of satisfaction of programme stakeholders and beneficiaries on the programme performance and results.
- Contribute to UNCDF and partners learning from programme experience, particularly in a LED that constitutes a potential major thematic area for UNCDF programmes
- Assess the effectiveness of UNCDF and its partners’ ‘positioning’ to achieve results in line with the assumed added value of the intervention.
- Determine the challenges and draw on lessons learnt for future programme implementation, particularly in relation to the value and opportunity for broader replication and/or the need for follow-up on the intervention and general direction for future activities in the country.

5. It is worth noting that the initially planned mid-term review of SLEM was not carried out. After over four years of implementation the SLEM programme is now coming to an end, and it is envisaged that the findings of the final review will feed into a Tripartite review meeting (involving UNCDF, UNDP and the Govt of Tanzania) scheduled for 2011, which will contribute to the definition of future UNCDF activities in the country.

2.2. EVALUATION METHODOLOGY AND LIMITATIONS

6. The **approach** to the final review is based on the methodology developed for the SPIRE initiative, which entails the following main steps:

- extracting the development hypothesis underlying the programme design and reconstructing the implementation logic flowing from the hypothesis;
- comparing the programme’s implementation logic with the effects diagram constructed for the SPIRE initiative, based on a generic model of the UNCDF’s LDPs;
- adjusting and fine-tuning the SPIRE ‘generic’ evaluation matrix (clustering, adding/changing questions, sub-questions and indicators) in order to suit the specificity of the programme. The core evaluation questions are set out in Table 1, below whereas the detailed matrix including questions, sub-questions, main findings per indicator and source of evidence is presented in annex 7).

- presenting and discussing the conceptual framework and the evaluation questions with the main stakeholders at the national and local level, in order to reach preliminary consensus and introduce further adjustments if needed. To this end, the team prepared a launch note prior to the start of the in-country mission. The note described the team's understanding of the programme (development hypothesis), presented a first draft of the EQs and sub-EQs and was shared and discussed with UNCDF/SLEM staff upon arrival. An input to the note was SPIRE ToR for the FR developed by UNCDF, which was, however, only received by the team a week before departure².
- testing and deepening the team's understanding of the programme design and its emerging findings and recommendations through a structured dialogue with the programme stakeholders and the service users.

7. A key methodological issue concerned **the adjustment and fine-tuning of the general SPIRE evaluation matrix** (with its set of sub-questions and indicators) in order to align it with the SLEM programme design as resulting from the programme document (with its results and resources framework) and other core subsequent materials (e. g. the SLEM 'technical note' and a short presentation of the programme (serving as inception report).

8. The fine-tuning of the general evaluation matrix – carried out by the team at the beginning of the exercise – led to a fairly comprehensive readjustment as: i) the SLEM programme has a strong LED focus, which diverges from the general LDP model on the basis of which the matrix had been conceived; ii) substantial differences exist between the original design of the programme and its actual implementation; and iii) SLEM is anchored at the regional government level.

9. This second aspect, in particular, raised a critical methodological concern as to whether the evaluation matrix should rather combine the general SPIRE conceptual framework with a reference to the original design of the programme or – more realistically – to its actual nature, as it has gradually evolved throughout implementation. The former option would have led to a disproportionate number of critical considerations mainly related to factors beyond the control and responsibility of the programme staff, whereas the latter entailed a risk to merely reflect what had been done, overlooking crucial observations on how the initial set-up had influenced further developments. The final choice of the team was to strike a balance between the two, whereby a specific analysis of the original design and the consequences of its limitations has been concentrated in the first evaluation question, with punctual references under the other questions.

10. Additions and amendments, which applied both at the level of the main questions and of sub-questions and indicators, did not alter, however, the overall orientation and relevance of the matrix as a guiding instrument and a flexible checklist to frame interviews and the data collection process throughout the review.

11. The eight evaluation questions resulting from the fine-tuning of the standard SPIRE evaluation matrix are:

Table 1: Summary of core evaluation questions

1. To what extent was the programme design coherent and relevant?
2. To what extent has the programme contributed to improved systems and capacities for LED?
3. To what extent has the programme contributed to the improved assessment and planning of LED?
4. To what extent have the programme's investments contributed to enhance the local economies?
5. To what extent are the programme results likely to be sustainable in the longer-term?
6. How effective has the management of the programme been at national and local level?
7. To what extent did piloted approaches lead to policy developments as a basis for up-scale and

² The ToR lacked detailed information on programme implementation and consistent financial data. Upon arrival in Mwanza and the districts, the team received detailed implementation reports developed by the PCU and district administrations coordinated by focal persons. Better financial data was received during the mission in the form of UNDP and UNCDF Combined Delivery Reports (CDR) for each year. All financial information in the present report has been developed by the evaluation team with the CDRs as source and detailed discussions with UNCDF/PCU.

replication?

8. To what extent did the programme enhance the partnership with the government and other donors at national and regional level?

12. **Data collection tools** used throughout the review included:

- documentary analysis covering: Programme design documents; TA and supervision missions reports; annual and synthetic monitoring reports; existing assessments of programme components; summary programme implementation reports prepared respectively by the regional PCU and the district administrations, councils development plans and budgets; brief reports prepared by visited economic groups and partner MFIs; summary overview on programme implementation prepared by programme staff ('LED stories'); (national and local) LED workshops materials; context assessments and LED strategies produced by the program; national policies and strategies; other donors programmes documents and strategies etc.;
- hard data analysis (quantitative figures on programme implementation);
- individual and group discussions with programme staff at national (programme officer) regional (the three SLEM officers in the Programme Coordination Unit) and local level (programme focal persons in Sengerema and Misungwi districts);
- interviews with two district and one regional commissioners;
- individual and focus group discussions in the two districts with: i) about 30 district councils' officials and technical staff /coordination management team (CMT); and ii) about 32 members of the District Forums for Local Economies (DFLE) members;
- interviews and focus group discussions with implementing partners (two BDSSs managers and MFIs (2 directors and approximately 8 board members);
- field visits and focus groups discussions with 18 economic groups and cooperatives supported by the programme (more than 300 economic actors).

13. More details are provided on **documentation** in annex 2 and on **people met** annex 3.

14. No **relevant** baseline data for measuring the programme' impacts were available.

15. **Available documentation was altogether rich in information and of fairly good quality, although information pertaining to the monitoring of programme was not structured and systematic** (see more details on this under § 4.6 and 4.7)

16. Except for an introductory meeting with the UNDP Country Director, **no other meetings with institutional counterparts (Prime Minister Office for Regional Authorities and Local Governments- PMORALG) and other donors were organized** in the capital city at the outset of the mission. This is due to the specific institutional set-up of the programme, which is centred on the regional level, but also **shows a significant 'gap' in terms of anchorage and visibility of the programme at the national/policy level and in relation to the broader donor community** (more specific considerations on this are included in the section on findings and conclusions).

17. Considering the specific set-up of the SLEM programme (limited presence and exposure at the national level; a PCU and a Steering Committee but no programme activities at the regional level; and actual implementation taking place in two districts), **kick-off meetings** were only undertaken at the districts level in parallel with the initial meeting with district councils representatives and officers.

18. On the other hand, **debriefing workshops** for the presentations and discussions of preliminary findings were carried out at different levels: In the districts, debriefings were held at DFLE meetings. At the regional level, a large seminar was held with the programme's Regional Advisory Committee in the presence of regional administration officials and staff, SLEM staff, officials from the two districts including commissioners and other districts in Mwanza, PMO-RALG and chaired by the Regional Administrative Secretary (RAS).

19. At the national level, a meeting was organized with the Japanese International Cooperation Agency (JICA) and the Netherlands Development Organisation (SNV), and a larger debriefing

workshop was carried out with representatives of the UN family in the framework of the ONE UN initiative.

20. Following negative experience from previous SPIRE reviews, and considering the specific (and in this respect little conducive) nature of the SLEM institutional set-up, it was decided not to establish a **Reference Group** (RG)³ for the review.

21. As a complement to the above described data collection methods – and with the aim of ‘testing’ the relevance and applicability of an additional tool for possible more extensive use in future evaluations – the team distributed a **written opinion survey** tailored to the specific audience at the occasion of debriefings (e.g. before presentation of the findings) at District and Regional levels. The results of the surveys are presented in annex 8.

22. The team acknowledges good and punctual cooperation by the programme staff in facilitating data and document collection and in supporting the organisation of stakeholders’ meetings and site visits.

23. The **work plan** of the in-country mission is summarised in the table that follows:

Table 2: Summary work-plan

Before departure	Home based	Preparation and preliminary sharing with programme Staff and UNCDF HQ and regional office of a launch/inception note with the proposed intervention logic and revised evaluation matrix
16-17/11	Dar Es Salaam	Introductory meetings with programme staff (PO) and UNDP country director Further discussion on the programme design and set-up, and fine-tuning of the Evaluation Matrix in agreement with the PO.
18/12	Mwanza	Introductory meetings with Regional Secretariat (acting director) and PCU
19-22/12	Sengerem a District	-Meeting with District Council authorities and staff/kick-off; implementation report by SLEM staff -Visit/meeting with BDSS manager and Microfinance Institutions -Visits to project sites/economic groups and cooperatives (two days) -Meeting with DFLE/debriefing
23-25/12	Misungwi District	-Meeting with District Council authorities and staff/kick-off; implementation report by SLEM staff -Visit/meeting with BDSS manager and Microfinance Institutions -Visits to project sites/economic groups and cooperatives (two days) -Meeting with DFLE/debriefing
26/12	Mwanza	Debriefing workshop at Regional Secretariat
26-30/12	Dar es Salaam	-Follow-up/Additional meetings at nat. Level (Nat. Association of Municipalities-ALAT), ECO group (VNG, JICA) -Preliminary elaboration of findings and debriefing workshop with UN agencies

³ A RG is normally composed of national stakeholders more closely exposed to/involved in the Programme activities and is set up before the start of the mission with the aim of ensuring continuous feedback and follow-up to the evaluation team’s work. However, the RG did not bring particular added value to previous exercises, probably for lack of clarity as to how further exchange with the team, beside launching and debriefing workshops, would be channelled.

3. COUNTRY CONTEXT

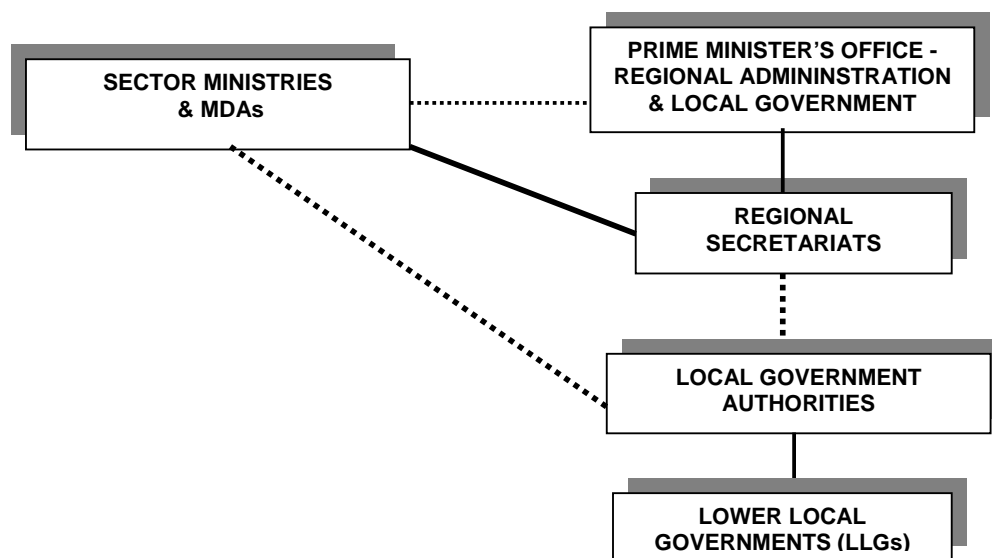
24. The United Republic of Tanzania (URT) consists of mainland Tanzania and Zanzibar. The URT is a unitary State, with two governments: The Government of United Republic of Tanzania, and the Government of Zanzibar, the latter having autonomy for non-union matters.

25. Administratively, Tanzania is divided into 26 regions, 21 on the Mainland and 5 in Zanzibar. The regions are divided into districts, which are further sub-divided into divisions, wards, villages, vitongoji and mitaa.

3.1. CENTRAL GOVERNMENT AND ITS DE-CONCENTRATION

26. The Minister for Regional Administration and Local Government is responsible for LGAs and under the Prime Minister's Office, Regional Administration and Local Government (PMO-RALG). Its main role is to formulate broad national policies and monitor local authorities to ensure that national policies are integrated into local development programmes in collaboration with sector ministries, which also formulate sector policies that impact on local governments. The executive functions of the government within a region or district are exercised through a regional/district commissioner (RC/DC) supported by a regional/district administrative secretary. RCs and DCs are appointed by the president. The division (516 units) is the lowest level in the central government chain.

Figure 1: Governments structure and institutional Relations between different tiers



27. The RC has responsibility for monitoring the legal conduct of councils. The Regional Consultative Committee (RCC) serves as an advisory committee for LGAs in a region. As part of the ongoing public service reforms, Regional Secretariats (RSs) have been given a development function to provide support services to LGAs as part of decentralisation by devolution (D by D). At the district level a District Consultative Committee (DCC) exists, which serves as an advisory committee to the district council.

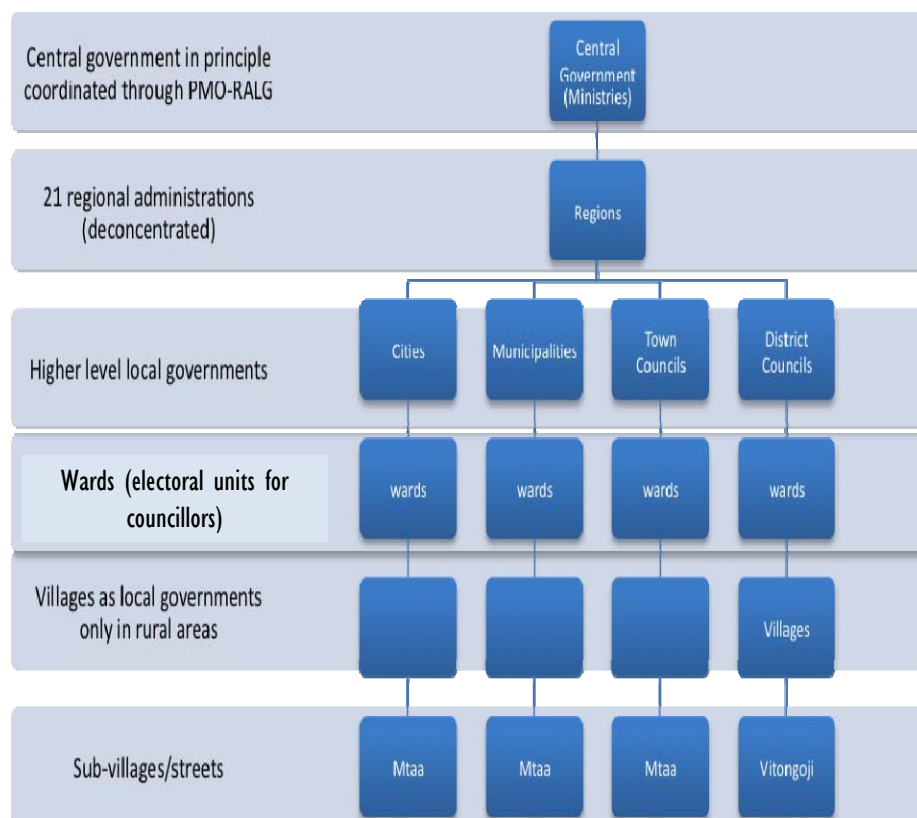
3.2. LOCAL GOVERNMENT STRUCTURE

28. The districts constitute the local government system. The LG system was re-established in the late 1970s after being abolished in the early 1970s. Local government is a non-union matter and is enshrined in the Constitution (Chapter 8, Art 146): 'to enhance the democratic process within its area of jurisdiction and to apply the democracy for facilitating the expeditious and faster development of the people'.

29. The current local government system for the mainland is guided by a policy on LG reform prepared in 1998, which was followed by the implementation of the Local Government Reform Programme (LGRP 1- 2000 – 2008), and thereafter LGRP 2.

30. Local Government Authorities (LGAs) are classified into two categories i.e. urban and rural. Currently, 27 urban councils and 106 district/rural councils exist, of which 4 are city councils, 17 municipal and 6 town councils. Urban councils are sub-divided into wards and mitaa (lowest administrative level). District councils are sub-divided into wards, villages and vitongoji (lowest administrative level). The local government structure is presented in figure 1 below.

Figure 2: Local Government Structure



Source: Per Tidemand 2010

3.3. LGA FUNCTIONS

31. The main legislation governing local government in mainland Tanzania is the Local Government (District Authorities) Act, No.7 1982, the Local Government (Urban Authorities) Act, No.8 1982, the Local Government Finance Act, No.9 1982, the Urban Authorities (Rating) Act, No.2 1983 and the Regional Administration Act, No.19 1997. The principal LG Acts were amended in 1999 by the Local Government Laws (Miscellaneous Amendments) Act, No.9 1999 as part of implementation of the Government Policy of Decentralisation by Devolution.

32. Basic functions of LGAs are, in particular:

- Promotion of the economic and social welfare of the people within their jurisdiction
- Ensuring effective and equitable delivery of services to people in their areas.
- Formulating, coordinating and supervising the implementation of plans for economic, social and industrial development in their areas
- Regulating and coordinating development plans, projects and programmes of villages and township authorities within their areas.

33. District councils must have three standing committees and other statutory committees as provided under LG (District Authority) Act No. 7 1982. Moreover, LGAs have discretion to establish further committees with a view to fostering community participation in social and economic activities. For example sector specific institutions exist such as school, health, water and forest committees as well as the Beach Management Units (BMUs) and various project committees.

34. LGAs in Mainland Tanzania have formed an association, the Association of Local Authorities of Tanzania (ALAT). Its functions are to provide a forum for exchanging views and experiences among member LGAs, to provide advocacy on policy and legislative matters likely to affect LGAs and to disseminate information and provide expert advice.

3.4. LOCAL GOVERNMENT PLANNING

35. Planning and implementation of all economic and social interventions in Tanzania is guided by the Tanzania Development Vision 2025 (TDV 2025). In order to realise the vision a number of national policies and strategies have also been developed and key among them is the National Strategy for Economic Growth and Reduction of Poverty (NSGRP). The NSGRP is not only informed by the aspirations of the TDV 2025 but it is also committed to the MDGs.

36. LGAs as key implementers of national policies and strategies are supposed to: i) align their strategic plans and programmes to the NSGRP and ii) plan and implement programmes in collaboration with other actors including communities, households, private sector, CSOs etc.

37. In addition to the NSGRP, the Government is also implementing the Rural Development Strategy (RDS) as a complementary initiative. Whereas the NSGRP is implemented in rural areas mainly through the Agriculture Sector Development Strategy (ASDS), the RDS covers all dimensions of poverty reduction, including agriculture, non-farm economic activities, social services and economic infrastructure. Like the NSGRP, the RDS puts emphasis on participatory planning through community based management strategies where communities are actively involved in the preparation of district development plans. Similarly, the RDS envisages a strong partnership between local authorities, private sector and NGOs, so that NGOs/CBOs and the private sector play a more proactive role in assisting local councils plan, manage and maintain social economic services and infrastructure.

4. PROGRAMME PROFILE

4.1. PROGRAMME DESCRIPTION

38. The Support to Economic Development in Mwanza (SLEM) has been implemented in the Mwanza region in the Northern part of Tanzania from 2006 to 2010.

39. The programme is based on experiences from earlier UNDP/UNCDF programmes in Mwanza and is a "second generation" LED programme. Former programmes are "Support to Decentralization in Mwanza" (SDP) and "Support to Good Local Governance". The SDP focused on the establishment of basic infrastructure in particular feeder roads and infrastructure development funded through the establishment of a local development fund. The rationale of SLEM is to move further in LED and focus on: i) the interaction between the public and private sectors (PPP); ii) Capacity development (CD) for all actors involved in LED, agriculture development and diversification; and iii) investments in infrastructure relevant for LED (location development).

40. The SLEM programme has been conceived as a pilot programme starting in Sengerema and Misungwi districts to be then replicated in other districts during programme implementation. The two districts have been selected according to size and relative poverty – Sengerema is the second largest district in Mwanza and Misungwi the smallest. In 2005, Sengerema district was among the more developed districts, while Misungwi was the poorest district in Mwanza.

Furthermore, both are within fairly easy reach of Mwanza.

41. Experiences and lessons learnt throughout

implementation would then be shared with both the remaining Mwanza districts and Mwanza City, and the national government and donor partners supporting the local government reform programme, thereby informing policy developments for LED and LGAs mandate and replication to other regions of Tanzania.

42. The following table summarizes the objectives and results framework of the programme:

Table 4: SLEM: Goal, outcomes, and outputs

Goal	Reduce poverty in the Mwanza Region
Outcomes	Reference to Country UNDAF (2001-2006): 1. Enhancing national capacity for development management to eradicate poverty, including capacity for policy analysis, monitoring and evaluation, and coordination 2. Contributing to the improvement of the quality of, and universal and equitable access to, services to meet basic needs of the poor 3. Strengthening/promoting an enabling environment for people-centred and community driven development 4. Strengthening/promoting an enabling environment for sustainable and equitable economic growth
Output 1	Local governments are committed to promote institutions for local economic development and to enhance a business supportive environment
Output 2	Local governments actively support planning of local development and provide support to local enterprises
Output 3	Policy Impact and Replication – Lessons learnt and good practices documented and disseminated to influence regional and national debates
Output 4	Technical Support Provided (Regional Administrative Secretariat)
Output 5	Advisory Technical and Administrative Services provided (UNCDF)

Source: SLEM, Programme Document (ProDoc).

Table 3: Mwanza Region, population (2002), area and LGA structure

	Population	Women (%)	Area Km2	Population Density	Wards	Villages
Sengerema	498,993	49.3	3,335	149,6	25	124
Misungwi	256,133	51,0	1,947	131,6	20	78
Mwanza total	2,929,644	50.4	20,187	145,0	174	683

Source: Village Statistics, Mwanza, 18. January 2010.

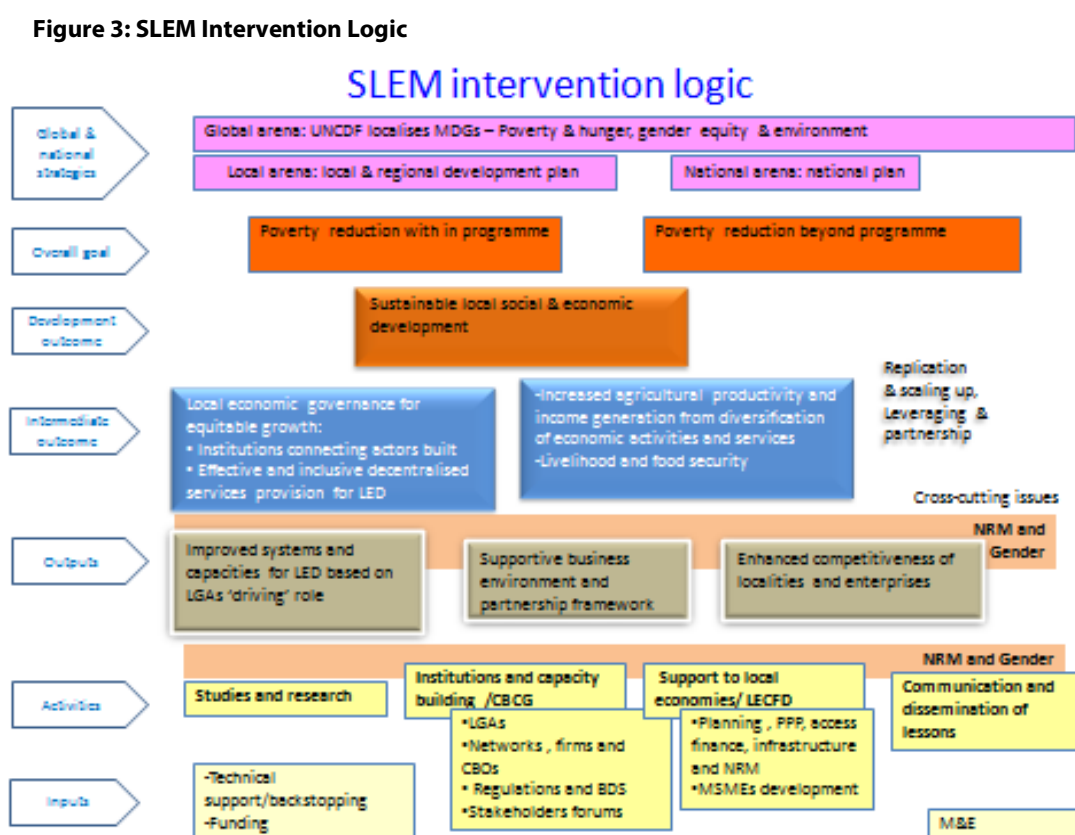
<http://www.tanzania.go.tz/nbsf.html>

43. The ProDoc further specifies for each output related targets, activities, overall inputs and budget for each activity.

44. The development hypothesis underlying the SLEM programme is that:

Institutional support and the introduction of a partnership framework between LGAs and other economic actors – combined with improved BDS provision and investment in strategic infrastructure – foster an integrated LED promotion system and enabling environment for inclusive growth. The system enhances the competitive advantage of localities and favours business development opportunities, thus reducing vulnerability, raising incomes and stimulating employment creation. Simultaneously the resource basis and legitimacy of LGAs are reinforced, and ultimately their role to impulse and coordinate sustained socio-economic development processes as a basis for poverty reduction. The systematic monitoring and dissemination of lessons from experiences piloted at the local level following the above rationale serve as input for replication/up-scaling and policy developments within a donor harmonisation and alignment perspective.

45. The intervention logic, which visualises the logical sequence of input/activities and the chain of results forming the theory of change of the programme, follows below:



4.2. PROGRAMME IMPLEMENTATION

46. The SLEM programme was implemented from June 2006 and finalised by the end of 2010. The actual implementation of the programme differs substantially from the design in the programme document (ProDoc) as presented in heading 4.1 above. The reason for this can be divided into the following:

1. **Programme design.** The design lacked a clear practical link to implementation. The ProDoc covered all aspects of LED, and activities are numerous. Furthermore, the key financial instruments, Capacity Building Development Grant (CBCG) and Local Economy Development Capital Fund (LEDCF), had no appropriate tools for the programme given the country context as:

i) no appropriate provider exists to manage the CBCG at local level; and ii) it is not the policy of the Tanzanian government to provide grants to the private sector - loans are preferred.

2. **Limited resources.** The programme was designed with a funding gap of USD 4.86 million. The strategy was that other development partners including other UN agencies and the government would provide additional funding during the programmes implementation. However, as of 2006, the GoT decided to implement the Local Government Reform Programme (LGRP) and all development activities within decentralisation were then channelled to this programme by means of a budget support programme supporting decentralisation. UNCDF decided not to join this initiative and go ahead with the implementation of the SLEM as an area based programme, but donor funds were channelled into the LGRP. As UNDP decided to provide only USD 0.5 million to the programme instead of the USD 1.5 million committed in 2006, the available resources corresponded only to USD 2.045 million compared to an originally envisaged budget of USD 7.9 million. The areas that have strongly been affected by the lack of funds are: i) Development of the local infrastructure for LED, ii) training and capacity development in particular LGA LED planning, diversification of rural economy, delivery of pro poor services; and iii) the replication to other districts in Mwanza region.

3. **Re-design.** Due to 1) and 2) it has been necessary to re-design the programme and prioritise within a substantial number of activities in the ProDoc. The actual implementation of the programme maintained the approach suggested in the ProDoc although activities were down-scaled with activities and implementation modalities selected by the management on the basis of an appropriate and meaningful assessment of the context in the two districts.

47. The table below summarises the implementation status of the programme and, by doing so, also highlights the differences between the activities planned for in the programme document and the actual implementation status of the final set of activities. The originally envisaged budget and the actual levels of spending per output are also provided. More details on financial issues follow in section 3.2.

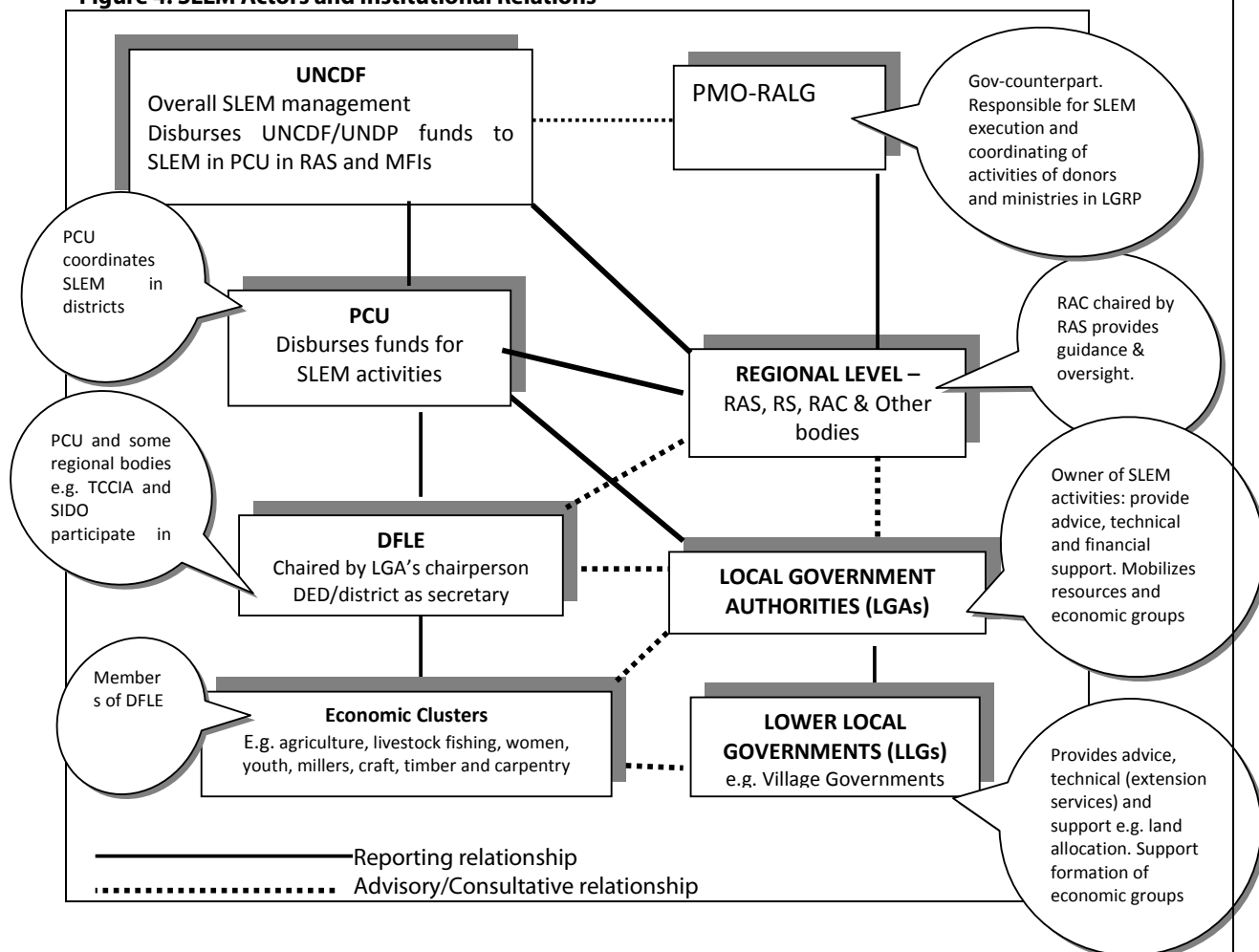
Table 5: Summary Programme Implementation Status

Output /targets	Indicative activities	Implementation status
Overall	USD 7.9 millions	USD 2.1 millions
		Overall: Implementation has been slow due to the re-design of main implementation modalities. Due to budget restraints, many activities have been cancelled/ reformulated (e.g. investment in infrastructure, enhancement of business environment, training on LED for LGA, Ms&E) or implemented on a more reduced scale (e.g. planning, as support at Wards and village level was not carried out). The implementation of all activities was limited to two districts. Following completion of the MFI set-up (early 2009), the programme's combination of training, advisory services, DFLEs and CC meetings, studies on LED and MFI are now functioning well. Results can now be seen in the form of empowerment and development of micro businesses (CBOs) in the informal sector.
Output 1: Promotion of institutions and business supportive environment	Budget: USD 1.23 million	USD: 0.42 Million Overall: Relatively fast implementation with quick set up of DFLE and studies. BDSs were functional from May 2007. First training started in August 2008. Training has been less than planed due to budget constraints.
<u>Institutions</u> - LGAs awareness and sensitisation on services delivery options and PPPs - LGAs enabled to 'drive' appropriate measures	1. Capacity Building Capital Grant (CBCG) set-up 2. CBCG manual 3. LED forums set-up and procedures 4. Annual workshops to strengthen LGA capacity for	1 and 2 partly implemented. CBCG not established as design did not work. Instead done by capacity development through BDSs and private providers. 3. Fully implemented. District DFLE set-up with coordination committees with quarterly meetings. 4. Not done (funds not available). 5. Partially implemented (20%). Workshop on SLEM held

for LED - LED stakeholders mobilised	LED 5. Bi-annual forums ward level for LED Analysis of regulatory framework and legal support to MSMEs	at Ward and division level in 2007. Limited implementation (in socio-Economic Appraisal Report). Activity mainly left to the national BEST (Business Environment Strengthening Tanzania) programme.
<u>Business supportive environment</u> - BDS providers strengthened - Local networks/associations strengthened - MSMEs set-up/strengthened	6. Training materials/sessions for LGAs and other officials on planning LED 7. Support to BDS providers 8. Preparation of training materials and sessions for private sector/CBOs on LED 9. Training sessions for private sector/CBOs on LED 10. TA to agricult. / environ. service providers	6. Not implemented due to lack of funds. 7. Fully implemented. BDS providers identified and capacity of 10 business providers built-up. 8. Partly implemented. Some training material prepared. 9. Partly implemented (30%). Trainings conducted for economic clusters, less for private sector. 10. Limited implementation (20%). Through advisory in BDSSs and partly through 4 value chain analysis. No environmental analysis.
Output 2: Capital investment to support local economy	Budget: USD 5.065 million	Actual: USD 0.68 million Overall: Implementation has been slow as credit scheme was only set up in March 2009. After that, pace was quickly accelerating, so credit has been given to many CBOs.
LED planning - Locality development, DADP, DDP) - LEDCF and DFLE operational - Enhance competitive advantage of localities - Increase livelihoods and food security - Enhance women participation in environmental management	11. Financial facility (LEDCF), set-up, procedures and manual for LED 12. Support to planning and management: Institutional mapping, local planning process, partnerships, financial services	11. Partly implemented with different modality (25%) with serious delays due to design and lack of TA. Microfinance implemented and investments in two BDSSs structures. No location development. 12. Partly implemented. Institutional mapping and socio-economic assessments (output 1). 12. One district LED strategic plans exists.
MSMEs support - Pilot Innovative services to LGAs by local banks - Provide value chain upgrade facilitators and services - Improve performance of local enterprises - Innovative and sustainable services delivery	13. Development of MSMEs: Productivity of agriculture, diversification of rural economy and pro-poor services by private sector	13. Partial implementation with modified modality. Microfinance set up in both districts and 320,000 USD disbursed as revolving credit to districts/MFIs. 4 value chain analyses carried out. Advisory service established to economic groups (CBOs) from BDSSs.
Output 3: Monitoring and policy impact	Budget: USD 0.23 million	Actual: USD 0.03 million
Policy impact and replication - Simple and efficient M&E system in place - Local Stakeholders auto-evaluation	14. Establish & operate M&E system (surveys, criteria for evaluation of institutional performance, self-assessment by beneficiaries, analysis and dissemination of evaluation data and lessons learnt, horizontal dissemination to other districts)	14. Limited implementation. Some dissemination of data, M&E framework not approved by RAC, socio economic analysis carried out with base line information (output 1) and value chains analysis (output 2). Other activities not implemented.
- Communication outreach	15. Define and establish a comprehensive communication strategy (MIS, national workshops, publications on lesson learned)	15. Partial implementation. One national workshop held, MIS not working, regular communication letter produced. Good informal communication through economic groups/clusters and some formal communication through LGAs system: District – ward – village.

48. Figure 4 below provides an overview of SLEM implementation actors.

Figure 4: SLEM Actors and Institutional Relations



4.3. SLEM'S FIVE MAIN OUTPUTS AND RELATED IMPLEMENTATION STATUS

49. **Output 1 (USD 0.42 million): "Local Governments are committed to promote institutions for local economic development and to enhance a business supportive environment": implementation was relatively fast and was strongly supported by national and international TA up to early 2007.**

50. In the fourth quarter of **2006**, **two SLEM focal persons** were nominated by the districts, and SLEM activities could be initiated at district level. The two focal persons are heads of the districts' community development as well as members of the districts' Coordination Management Team (CMT).

51. Simultaneously, national consultants were selected to carry out two major researches for LED: i) a socio-economic assessment; and ii) an institutional mapping of local actors. The studies identified 13 economic clusters (agriculture, livestock, millers etc.) in Sengerema district and 12 clusters in Misungwi.

52. The creation of **District Forums Local Economy (DFLEs)** is the core activity of the programme. DFLEs were established in Sengerema and in Misungwi, in February and March 2007 respectively. DFLEs operate at the district level and constitute **the cornerstone of the programme implementation set-up**, serving in particular as steering bodies that make and implement crucial decisions about the use of programme resources (features and terms of the credit scheme, provision of loans and trainings through local implementing partners, overall follow-up and

supervision...) and represent the district council in relation to external institutions and implementing partners (MFI, BDS providers...).

53. Since their establishment, DFLEs have met regularly (on a quarterly basis) during the course of the programme. The DFLEs have formed coordination committees, which are in charge of preparing and following up on DFLEs meetings.

Table 6: District Forum Local Economy and Coordination Committee Meetings

	Sengerema	Misungwi
DFLE meeting	13	16
CC meetings	25	18

Fact Box: District Forum for the Local Economy

DFLEs were established in 2007 as 'Forums for Dialogue that bring together development partners from the private sector, civil society, and the public sector in fostering the economic development of the district...'.

Functions. The main functions of the DFLEs are:

- integrated strategic planning
- transparent information sharing (including control/accountability on decision making and use of resources by LGAs and other actors)
- advocacy and decision making on economic development measures
- standardization/streamlining of interventions by different development partners
- dialogue, mutual learning and networking among development partners

Agenda for meetings. Common issues reflected in the agendas include:

- approval of loan applications
- report on the status of loan repayment
- various reports including SLEM implementation and progress reports
- suggestions from economic groups after attending training activities
- loan procedures and
- discussion on invitations of other stakeholders to meetings

Members. DFLE members are representatives from all economic clusters in the district, district chairman, deputy-chairman and DED. According to the establishment workshops in 2007, the idea was to include 2 councillors and representatives from private and public institutions as well as members, but this was not included in the DFLE foundations. The minutes of the DFLE meetings are well recorded for both LGAs indicating the attendance and agenda.

The numbers of attendees are high in both LGAs (above 40). The attendees are from economic clusters, councils' staff and invitees from SLEM programme (expert and accountant), SIDO, TCCIA etc.

Some differences in terms of number of invitees and roles played by the different members are shown in the table below:

Unique aspect	Misungwi	Sengerema	Comment
District chairpersons	Changed status from being just DFLE member to the Chair of the DFLE	Is also chair of the DFLE	Deputy chairperson also deputy chairs
Secretaries	Is the SLEM focal person	District Executive Directors (DED)	n/a
MFIs	Mkukuwami chair and deputy chairpersons attended meetings	Uzinza c/person & loans officer attended	n/a
Other FIs	NMB manager a member	No FI represented	
District commissioner	Evidence of attendance though not included in attendance list	No evidence of attendance	Name mentioned specific item in agenda

Coordination Committee. DFLEs have formed coordination committees, which are in charge of preparing and follow up to DFLEs meeting. The CC meetings are attended by representatives from the PCU, BDSS providers, MFIs, council staff, SIDO, TCCIA and other stakeholders.

Ordinary and special meetings of the coordination committee of the Misungwi DFLE have around 25 people. The same number is reflected in the minutes of an ordinary meeting of CC in Sengerema.

In the ordinary meetings of both CCs the common agenda includes:

- approval of requested loans
- reports on status of loan repayment
- BDSSs, e.g. improvements on infrastructure, provision of water and electricity, fees for the services given, construction of a canteen/restaurant, fees for photocopying services.

Both CCs apply district staff expertise e.g. legal and cooperative officers and the district magistrate in dealing

with specific problems related to loan repayment. The district commissioner for Misungwi advised e.g. the committee to abide to existing laws and procedures.

Minutes from Sengerema DFLE are more detailed with agenda, deliberations and resolutions passed. The Misungwi minutes for the same type of meeting do not show the agenda or same level of details.

Source: Workshops on establishment of DFLEs, minutes and agendas of DFLE and CCs meetings (in Swahili), interviews with DFLEs, district administrations etc.

54. **Business Development Service Shops (BDSSs).** The BDSSs carry out the following main functions: i) provide information and advice on business environment and regulations; ii) provide documentary services (display of leaflets, brochures, manuals etc...); iii) provide administrative and IT support; iv) showcase local products and support the participation of producers in local/regional fairs and exhibitions; iv) display production technologies and equipment; v) provide marketing information (including on labelling and packaging inputs) and contacts.

55. Training and punctual technical support are provided either directly by the BDSS managing institutions, or through a **'referral' mechanism by which adequate competent providers are identified and mobilised 'on demand'** on a case by case basis⁴ with the costs covered through resources available to the programme and allocated by the DFLEs⁵.

56. After 10 potential business providers were identified in early 2007 and trained to enhance their capacity, two were selected to manage the business development shops in the districts. Two offices were rented for the BDSSs in central locations and the BDSSs opened in May 2007. According to the BDSSs, the shops attended to an impressive number of visitors from the districts but also from other districts and regions. 50% of the visitors were women.

Table 7: Business Development Shop Activity

	Visitors	Women
Sengerema	40,071	50%
Misungwi	15,134	NA
Total	55,205	50%

Note: Statistics based on BDSSs visitors' book.

57. Interviews with stakeholders and an assessment of the BDSSs carried out in June 2008⁶ confirm that a large number of the visitors found the advice provided of high quality and directly useful to their economic activity. The BDSSs have been instrumental in giving advice to economic groups individuals and some private companies as could also be seen in the field where new technologies (new crops and machinery) had been introduced among farmers e.g. power tillers, fruit and flower processors, .

58. To establish more appropriate facilities and avoid payment of office rent, the SLEM donated funds for the construction of two new BDSSs; the new structure in Misungwi was completed in September 2010, while the structure in Sengerema was – at the time of the visit (November 2010) almost finished.

59. **Economic Groups.** An important task of the BDSSs has been to identify and formalise economic groups (Community Based Organisations - CBOs) to prepare them for economic activities. Most of these groups operate in the informal sector, but their

Table 8: Registration of economic groups

	Sengerema	Misungwi
2007	500	412
2010	1,770	952

⁴ Most training sessions were actually provided through the Small Industries Development Organization-SIDO, a para statal body with a statutory mandate to build capacity of small industries. In this case the programme covered only daily accommodation and attendance allowance for participants.

⁵ This mechanism has replaced the initially envisaged LEDCF, based on which funds would have been allocated based on comprehensive proposals by local providers.

⁶ Business Development Services Shop Assessment, Sengerema and Misungwi, UNCDF, UNDP. June 2008

registration has moved them further towards the formal economic structure and has enabled them to become beneficiaries for the SLEM programme's loans. In Sengerema, the number of groups has more than tripled, from 500 to 1,770, between 2007 and 2010, while the number in Misungwi has doubled, to 952 groups. Some of the groups are women or youth groups. No group activities are specifically directed towards disabled persons⁷.

60. **Capacity Development (CD) and Training.** The next step in the programme was the upgrading of the CBOs through the provision of training and capacity development activities. This has been done through a cascade approach (training of trainers), where 2-3 members of each group have participated in SLEM CD and training. Thereafter, the participants were supposed to transfer knowledge to other members within their groups. The training started in August 2007 and it has been provided by the BDSSs through private service providers. In total almost 700 persons have been trained, of which approximately 38% were women.

Table 9: SLEM. Training and Capacity Development

Issues	Sengerema		Misungwi	
	Participants	Women	Participants	Women
Entrepreneurship	231	39%	240	35%
Food processing	30	NA	46	56%
Business Dev.	16	NA		
Rice Value Chain development	36	NA		
Entrepreneurship and brick making			27	89%
Financial management (MFIs)			13	23%
Tomato Value Chain			37	60%
Total	313	39%	363	38%

61. **Output 2 (USD 0.68 million): "Local governments actively support planning of local development and provide support to local enterprises".** The main activity has been the **setting up of the microfinance scheme**. It is worth noting that some of the studies under output 1 also cover issues dealt with under output 2, e.g. institutional mapping.

62. According to the ProDoc, the programme would provide grants to micro, small and medium size enterprises for investments through a grant mechanism (Local Economy Development Capital Fund, LEDCF) managed by the district councils. This activity was, however, not implemented as the provision of grants to the private sector goes against Tanzanian government policy. When the grant mechanism was proposed, the Regional Advisory Committee (RAC) decided to establish a loan mechanism managed by a local microfinance institution (MFI). Previous experiences gained by UNCDF with a grant mechanism under other LED programmes were also in line with the suggested shift from grants to loans.

Table 10: Provision of loans to economic groups 2008-2010

Sengerema			Misungwi
Groups	Members	Women	Groups
229	4,597	46%	110

Source: SLEM implementation reports from Sengerema and Misungwi districts 2006-2010.
 *Based on available information, no data regarding loan was available for Misungwi.

	Sengerema	Misungwi
Total loans given, TZS	667,300	504,350
Payback rate	91%	81%
Total capital by 2010, TZS	234,780	283,614

⁷ Among the 16 groups met by the team, two were youth groups and 3 were women groups. A single disabled person was included in one of the groups.

63. The preparation for the credit mechanism was very time consuming due to delayed international TA; a memorandum of understanding was only signed between the two councils and two MFIs in November 2008. Thereafter, the MFIs were ready to sign the first loan agreements with CBOs in March 2009.

Source: SLEM implementation reports from Sengerema and Misungwi districts 2006-2010.

64. Although the number of clients served (see table 10) remains below the initial target (respectively 500 and 200 'economic enterprises') it remains significant considering that financial operations only started in March 2009. On the other hand, performance of the fund is mixed as the reported negative repayment rates (see table 11) affect prospects of sustainability.

65. **Value Chain Analysis (VCA).** For the support to agriculture production and diversification the SLEM produced 4 value chain analyses for rice, Nile perch, tomato, and chick pea in 2008, all of which were used for the provision of training and advice in the BDSSs. The rice VCA was financed by the Agricultural Sector Investment Programme (DASIP).

66. **Output 3 (USD 0.03 million): "Lessons learnt and good practices documented and disseminated to influence regional and national debates programme".** A monitoring officer was hired from 2007 to 2008 to implement and manage an appropriate system that could document results and experiences from the programme. During that time various indicators were proposed for monitoring but no system was set up. In 2008, a report on monitoring was produced with indicators to be measured through regular surveys. The proposed system was deemed not appropriate for the SLEM and was rejected by the RAC. No other efforts were undertaken on this and no monitoring has therefore been carried out on results, and reporting on progress is scattered and unstructured with the exception of 3 final implementation reports 2006-2010 (Sengerema, Misungwi, RAS) produced for the present final review.

67. The main event for this component was a national LED conference arranged by the SLEM programme in Dar es Salaam in December 2009 with participation of many key stakeholders within the Development Partners' Working Group for Local Government Reform (DPWGLGR). The programme presented experiences from the programme and papers were produced on LED policies and the mandates of LGAs.

68. The SLEM's communication strategy has been based on the production of newsletters, and formal and informal communication through the district system to ward and village level facilitated by community development officers and by through the economic groups and clusters.

69. **Output 4 (USD 0.55 million): "Technical support provided locally (RAS, district)",** the RAS delegated staff to the **Programme Coordination Unit (PCU) in the fourth quarter of 2006** and the premises of the PCU were set up as part of the RAS Planning Department. The government officials in the CPU consist of three persons (programme coordinator, finance officer and programme officer) and no change in positions has taken place during the course of the programme. The PCU staff had already been involved in the implementation of previous UNCDF programmes in the area.

70. The SLEM programme has in general had a stable staff situation at all levels - district, regional and national level, as focal persons, BDSS manager in Sengerema, PCU RAS staff and programme specialist (UNCDF) have been the same during the course of the programme. Only the manager in the BDSS Misungwi has been changed twice (last time in September 2010). Further district management teams and districts commissioners have been relatively stable.

71. **Output 5 (USD 0.37 million): "Advisory Technical and Administrative Services Provided (UNCDF)".** The programme's office was established in the UN compound in Dar es Salaam in 2006 with the existing programme specialist as programme manager and no additional support staff. As the regional UNCDF LED adviser was based in Tanzania, technical support to the programme was readily available during early implementation up to the advisor's retirement in 2007. Thereafter the

support has been less frequent. For the MFI component, international TA was initially provided by a UNCDF MFI advisor in April 2008, but thereafter no TA was provided in this area.

4.4. PROGRAMME FINANCIAL DATA

72. The programme has spent a total of USD 2.045 million⁸, which corresponds to 26% of the originally envisaged budget. The yearly allocations and total from UNCDF and UNDP are presented in Table 12.

Table 12: Delivery (per donor), USD:

	2006	2007	2008	2009	2010	Total
UNCDF	144,431	92,334	429,208	418,206	476,634	1,560,813
UNDP	63,403	259,592	162,637	-1,415	0	484,217
Total	207,834	351,926	591,845	416,791	476,634	2,045,030
Budget						7,860,000
Percentage						26%

73. The distribution of the budget per output and actual expenditures are presented in Table 13, as is the relative distribution per output of actual expenditure.

74. For both output 2 and 3 only 13% of the foreseen budget has been spent, while the allocation for management and TA from UNCDF (output 5) is 31% higher than in the foreseen budget.

Table 13: Budget, expenditures and percentage executed: 2006 to 2010

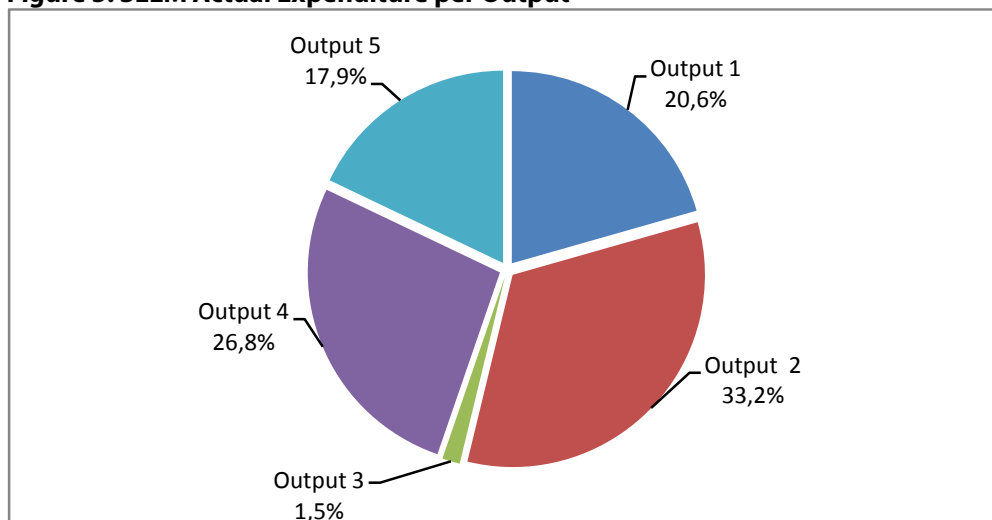
Outputs	Activity	Approved budget as per ProDoc (USD)	Actual expenditure (USD)	Actual to budget (%)
Output 1: Local Governments are committed to promote institutions for local economic development and to enhance a business supportive environment	Salary costs		36,206	
	Local Consultants		39,492	
	Capacity Development		279,548	
	Travel		14,200	
	Operating/Adm. costs		51,672	
	Sub-total Output 1	1,230,000	421,118	34.2%
Output 2: Local governments actively support planning of local development and provide support to local enterprises	Capital Grants		419,000	
	Constructions		160,627	
	Salary costs		9,027	
	Local Consultants		21	
	Capacity Development		73,481	
	Operating / Adm. costs		16,823	
	Sub-total Output 2	5,065,000	678,979	13.4%
Output 3: Lessons learnt and good practices documented and disseminated to influence regional and national debates	Local Consultants		1,118	
	Travel		4,972	
	Operating / Adm. costs		24,343	
	Sub-total Output 3	230,000	30,433	13.2%
Output 4: Technical support provided locally (RAS)	Salary costs		185,292	
	International Consultants		120	
	Local Consultants		113,612	
	Travel		47,176	
	Operating / Adm. Costs		201,836	
	Sub-total Output 4	855,000	548,036	64.1%
Output 5: Advisory technical and administrative services provided	Salary costs		8,208	
	International Consultants		13,033	
	Local Consultants		60,128	

⁸ Source for all financial data in the section: ProDoc, UNCDF and UNDP combined delivery reports and specific information from the PCU and UNCDF during meetings in Tanzania (see more details in annex 5).

(UNCDF)	Capacity Development		1,100	
	Travel		6,603	
	Operation/Adm. Costs		277,392	
	Sub-total Output 5	280,000	366,464	130.9%
	Miscellanea	200,000		
Total		7,860,000	2,045,030	26.0%

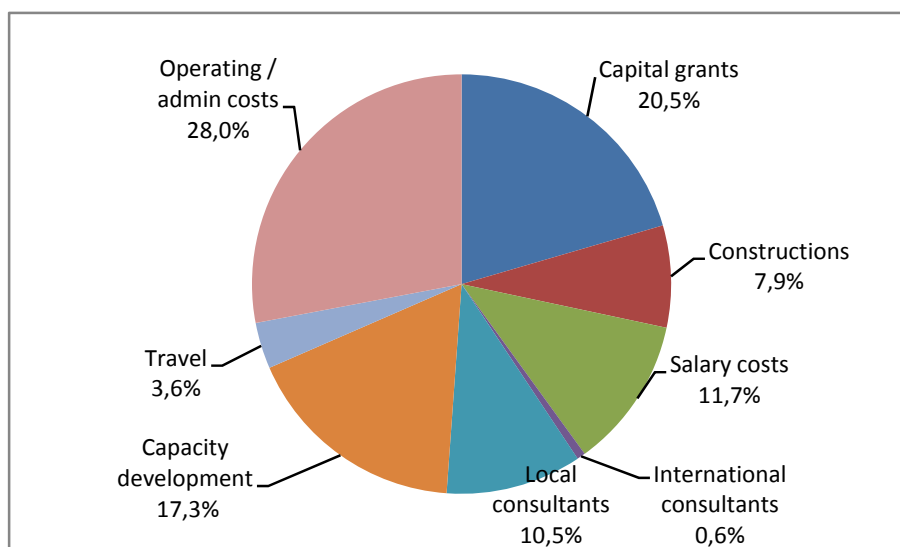
75. Figure 5 presents the relative distribution of actual expenditure divided into the five outputs. It is worth highlighting that 54% or USD 1.1 million of the programme funds, have been spent for outputs 1 and 2, which are the specific LED activities at district level; and almost 45% or USD 0.8 million has been spent on TA and programme management.

Figure 5: SLEM Actual Expenditure per Output



76. Programme expenditures according to the different type of activities are presented below. It can be seen that the major expenditures have been on grants (20%) and capacity development (17%) on the one hand, and administration (28%), salary costs (12%) and consultancies (11%) on the other.

Figure 6: SLEM Expenditures per Type of Expenditure



5. EVALUATION FINDINGS

77. This chapter is structured along the 8 evaluation questions retained for this evaluation (see Table 1); additional evidence to support the findings outlined in the following sections is presented in annex 7.

78. The 8 questions - derived from the standard matrix associated to the original SPIRE methodology and adjusted to reflect the specificity of the SLEM programme - are intended to complement the presentation of the implementation status in assessing the overall performance of the project against its rationale as reproduced in the development hypothesis and intervention logic. Where applicable, at the beginning of each question, the nature and extent of correspondence with the RRF structure has been recalled.

5.1. A HIGHLY RELEVANT PROGRAMME INADEQUATELY DESIGNED

EQ1: "To what extent was the programme design coherent and relevant?"

The programme objectives are highly relevant to the government priorities and strategies, and consistent with the broader donors' support framework.

However, the (area-based) nature of the programme and its implementation set-up would have entailed a number of pre-requisites i.e. mechanisms for up-scale and partnership building, close relation with national policy dimension, that are not embedded in programme design. This reduces the overall relevance of the intervention.

The design of the programme results rather over-ambitious, lacks internal coherence and is hardly commensurate to available means and absorption capacities. Original design was therefore used more as an open-ended reference than as a blue-print. Substantial changes were gradually introduced in the course of implementation without a comprehensive re-consideration of the overall programme rationale and relevance in light of changed conditions.

5.1.1 The programme is well with aligned with national policies and donors' assistance framework

79. The SLEM programme design – in its original formulation as well as in its gradually modified versions – is well aligned with the country's priorities and needs as outlined in the following core strategic documents:

- National Development Vision 2025.
- National Strategy for Growth and Reduction of Poverty -NSGRP, or 'Mkukuta II' (2005).
- Rural Development Strategy – RDS (2001).

80. One of the five pillars of the Vision 2025 is the building of a strong and competitive economy, where technical knowledge and capacities play a critical role. The programme's goal and intervention logic are also in line with the three cluster objectives of the Mkukuta (see Table 14). In particular, the SLEM has reflected the evolution from the first Poverty Reduction Strategy Paper (PRSP) to the 'second generation' NSGRP (Mkukuta II), which is based on an explicit recognition of the relation between economic growth and poverty reduction, as well as of the role of public-private partnership in fostering improved service delivery and economic development. The NSGRP also reflects the need to address geographical disparities by tailoring interventions to the specific conditions and resources endowment of regions and districts.

81. The programme's design is also well aligned and integrated with the national key policies and (legal and institutional) systems for decentralization, although considerations in this respect are bound to the extent by which original provisions on implementation modalities have actually been adjusted in progress.

82. The Local Government Reform Programme (LGRP 1 and 2) is the key instrument for the operationalisation of the Decentralization by Devolution (D by D) process, which in turn informs the NSGPR. The two core principles of the SLEM programme: (i) Leadership of LGAs and (ii) joint involvement of public and private sectors are in line with the key assumptions of the LGRP, which supports the ultimate goal of increased LGAs capacities to efficiently deliver services, foster local economic development and alleviate poverty. The reform also foresees an improved planning cycle at LGAs level by enhancing participation of communities and unleashing local entrepreneurship in support to local economy, poverty reduction and improvement of food security.

83. The following elements from SLEM design also show a correspondence with the broader decentralization framework as defined under the Local Government Reform Programme (LGRP).

- the mandated functions and roles of LGAs assumed under the SLEM programme correspond in general to LGRP provisions (in particular, 'the function of formulation, coordination and supervision of the implementation of all plans for economic, industrial and social development')
- LGRP's District Agricultural Development Plans (DADPs) and District Development Plans (DDPs) were assumed as a common planning framework also for the SLEM programme; moreover, the capacity development component was intended to complement the Institutional Strengthening Programme (ISP) of the LGRP.⁹

84. The programme management structure is fully embedded into existing governing structures at the regional and local level (but not at the national level). Moreover, the programme funding provisions were set to be aligned with national procedures, by establishing a Local Economic Development Capital Fund (LEDCE) to be set up and disbursed in accordance to the national Local Government Capital Development Grant system¹⁰.

85. The programme also intended to make use of the Government monitoring systems (Planning and Reporting database and Local Government Monitoring Database) and to be integrated with national planning guidelines by working 'closely with LGAs to adapt and strengthen the *Opportunities and Obstacles to Development* (O&OD) approach to development planning at the village level.'

86. **The SLEM programme design was and has remained relevant to the broader donors' assistance framework for Tanzania.** This aspect bears additional value and potential implications as Tanzania is one of the pilot countries for the 'ONE UN' initiative, which aims to harmonize the intervention of different UN agencies in reflecting and seeking support to the development objectives outlined in the government strategic documents.

87. The SLEM was designed with explicit reference to the outcomes of the United Nations Development Assistance Framework (UNDAF) 2002-2006 (see Table 14) and to the principles associated to the Joint Assistance Strategy-JAS (national/local ownership; joint funding arrangements). Outcomes of the UNDAF 2007-2010 also show a substantial correspondence with the SLEM programme. The new UNDAF currently in preparation for the period 2011-2015 is moreover expected to give further explicit emphasis to LED.

⁹ Major changes have been introduced with respect to original design as far as the two dimensions of planning and capacity building are concerned; there is little evidence from implementation of any complementarity with the broader planning and capacity building framework in the originally stated terms.

¹⁰ Capital grants were supposed to be provided as support to the investment budget of LGAs, through an earmarked District Agriculture Development Programme - DADP 'basket fund' within the framework of the Agricultural Sector Development Programme (ASDP). Technically, this set-up would be very complicated (and time consuming) in practical terms in particular the earmarked part. The LEDCE was never set up as a fund – the capital was used for micro finance and structures for BDSSs.

88. The SLEM programme also falls within goals 1.3 (local poverty initiatives, including microfinance), 1.5 (private sector development) and 2.6 (decentralization, local governance and urban/rural development) of the UNDP Strategic Plan.

Table 14: SLEM's relevance vis à vis the main national and donors' strategic frameworks

NSGRP (Mkukuta II)			
Cluster I	Cluster II	Cluster III	
Broad based and equitable growth is achieved and sustained	Improved quality of life and social well-being with focus on the poorest	Good governance, accountability, democracy, stability and cohesion	
UNDAF 2002-2006			
Outcome I	Outcome II	Outcome III	Outcome IV
National capacity for development management	Services for basic needs	Community driven development	(enabling environment for) sustainable economic growth
UNDAF 2007-2010			
Outcome I	Outcome II	Outcome III	
Increased access to income opportunities, employment and food security in the rural and urban areas	Increased access to quality basic social services with focus on poor/vulnerable groups	Strengthened democratic structures and systems of good governance	
SLEM			
Overall goal: Strengthening and promoting an enabling environment for sustainable, equitable poverty reduction and pro-poor economic development and growth			
Output I	Output II	Output III	
Supporting local institutions and business environment	Capital investment to support the local economies	Policy impact and replication	

5.1.2 The design of the programme is rather inconsistent and unrealistic.

89. The **programme design has been found to build incrementally on lessons from previous UNCDF experience** (in particular service provision through private actors, LG capital grants systems), **following at the same time the evolution of the broader country strategic framework**, which gives growing emphasis to some of the core 'assumptions' associated to the SLEM programme rationale: the relation between economic growth and poverty reduction; the enhanced role of non public players under the leadership of local governments; ownership as a result of local stakeholders participation.

90. However, **if the objectives of SLEM are in line with government needs and priorities, the same does not automatically apply to the nature of the programme and related implementation set-up**. The SLEM is an 'area-based' intervention, as such hardly aligned with prevailing aid modalities (Budget Support, basket funds) and a national strategy based on sector approach: in order to counter risks to fall into a traditional 'single' project approach (with the likely consequence of limited impact and sustainability of a small/localised programme) **a set of strong pre-requisites should apply**: (i) a clear framework (means and processes) for up-scaling and replication, i.e. (ii) the full integration with existing structures/modalities for the implementation of policies and funds at the national and local level, including other programmes, and (iii) a close relation with the national policy framework and evolving priorities. Additional **critical assumptions** more explicitly built-in the original design of the programme entail:

- Additional resources mobilization at the beginning and throughout implementation;¹¹

¹¹ The projection of additional resources was based on the assumption of a strong buy-in and a solid partnership with other donors. However, specific mechanisms for channelling such partnership and related frameworks for complementary action were not clearly defined in the original design of the programme.

- Strong partnership building strategy / capacity to develop synergies with donors and other key actors.

91. Following the review of relevant documentation¹² and confronting findings on the results of programme implementation, the evaluation team did not find evidence that the design of the SLEM programme established sufficient conditions for meeting the above assumptions.

92. Further critical elements result from the review of the original design of the programme, and reinforce the conclusion that **the original design of the SLEM programme did not constitute on the whole a consistent, realistic and balanced framework for implementation**, and appears to be more a theoretical reference framework than an actual reflection of what could be done and how, given available resources and existing/ prospective capacities. The following examples are brought in support to the above considerations:

1. **some key concepts** (for instance the analysis of public-private partnerships - PPPs and models for public-private and community services delivery) **are presented in a confused manner, and without clear provisions/framework for their realistic implementation, given available resources and existing capacities**
2. **the framework for linking capital investment to the different elements/sub-outputs under output II ('support to the local economy') is not clearly formulated:** many areas and implementation modalities are covered without indication as to what and how could be eventually implemented. The same applies to the very large and diversified potential uses associated to the investment capital fund. In addition, **the set-up and operating modality for channelling financial support to businesses does not seem sufficiently clear:** the LEDCF contributions were intended (among other purposes) to finance micro/small and medium enterprises, including through venture funds and local matching contributions, but there is no clear indication as to why grants should be preferred to loans and under what conditions.¹³
3. **the overall coherence/sequence of outputs and activities** is not always smooth, particularly with respect to the sequencing from output I (institutional systems/capacity building) to output II (capital support to local economies). The District Forums for Local Economies, for instance, which constitute a core activity of the programme, are included under output II in the text of the ProDoc, and under output I in the Results and Resources Framework.
4. **the scale and coverage of programme operations in relation to available and projected resources is also quite loosely defined:** what strategy and resources were foreseen for up-scaling and replication of activities? What provisions and tools existed for horizontal (between districts) and vertical (between district and region) integration? Assuming (adopting) **the regional level as entry point for the programme and basis for its replication has been an appropriate choice;** however, no provisions for meaningful activities at a regional scale were introduced, with the consequence that the role of the PCU and Regional Advisory committee has been reduced to a mostly coordinating function.¹⁴
5. the programme design was based on **a projection of resources with the assumption that additional donors would top up with more funds.** However, specific mechanisms for establishing such partnership were not clearly defined. This would have required a clear and solid relation with available **resources, existing capacities to be coupled with technical support/follow-up, a well-defined framework for** complementary action and partnership building.

¹² The following documents constitute the reference for the analysis of the programme design: Final Programme Document (April 2006); General presentation of the SLEM programme, (2007) and Technical Note on implementation of the SLEM (February 2007). Quotes and examples in the following paragraphs are extracts from these documents.

¹³ The set-up for the provisions of loans to MSMEs has requested major adjustments to original design, and has resulted in considerable delays. This will be more detailed under section 4.4 of the report.

¹⁴ The assumption in the PRODOC was that relevant bodies at the regional level (investment forum/business council) would take up a public-private platform function matching the role of DFLEs at district level. However, these bodies result non active, and there is no evidence that measures were taken to address the gap through programme activities at a regional scale.

93. The Results and Resources Framework (RRF) reflects a substantial simplification of design as laid out in the document. Targets in the RRF are fairly realistic (probably also because they are quite general...), despite some duplications and overlapping with activities between outputs I and II (particularly on the establishment of DFLEs...).

94. In practice, the **provisions in the programme document have served as indicative and open-ended reference rather than as a 'blue-print' for implementation**. The subsequent inception report and the technical note redacted in 2007 provide a reduced and more realistic version of the initial design. Specific challenges and constraints (above all, reduced available resources and a weaker advocacy and institutional support by UNDP) were such that the programme steering and managing bodies have had to gradually adapt to evolving conditions and change (in some cases substantially) the original design.

95. There is, however, **no documented evidence of any comprehensive attempt to re-shape the programme's design as a whole** (i.e. balancing and compensating in order to limit departures from the original intended rationale) in light of changed conditions. Implementation of an eventually quite different programme has resulted instead from gradual and incremental adjustments (i.e. giving-up some components or activities like support to regulatory framework or capital investment in productive infrastructure, cutting down coverage for all activities to two districts, or redefining the whole implementation arrangement for ill-defined components like the micro-credit scheme).

96. The discrepancy between design and implementation makes it difficult to assess the **overall relevance of the SLEM programme in relation to evolving UNCDF approaches to LED**; in general terms, the combined focus on institutions, strategies/plans and support to businesses is very relevant to the broader focus that is being pursued by the organization.

97. However - and despite some specific positive achievements - the subsequent evolution of the programme (focus on informal/community level, lack of resources for complementary investment in infrastructure) coupled with some of its weaknesses which have become evident during implementation (weak relation with planning and strategic dimension, weak partnership building and resource mobilization capacity) has limited the overall relevance of SLEM programme in relation to the most recent orientations of an integrated LED focus associated to UNCDF LDP models.

5.2. THE PROGRAMME HAS ESTABLISHED A VALUABLE BASIS FOR ENHANCING LED SYSTEMS, BUT THIS IS YET TO BE FULLY TRANSLATED INTO AN EXPANSION OF THE RELEVANT FUNCTIONS AND CAPACITIES OF LGAS

EQ2: "To what extent has the programme contributed to improved systems and capacities for LED?"

The programme has contributed to enhancing the main stakeholders' (Local Government Authorities, Government Agencies, NGOs, Savings and Credit Associations, BDS providers and the business community at large) perception and understanding of the role of LGAs – and their relation with other actors – for LED promotion. Limited evidence exists, however, to prove that this was translated into an expansion of LGA functions and capacities beyond the scope of specific programme initiatives. District Forums for the Local Economy (DFLE) were established and found to constitute appropriate and fairly effective institutional mechanisms for inducing synergies between local stakeholders. The programme has also contributed to enhance the technical and managerial skills of some of its main stakeholders, although improvements in the capacity of district council officers for LED have been rather limited. Finally, the programme has largely contributed to substantial improvements in the availability of financial and advisory services for (micro) enterprise development, mainly as a result of the functioning of the BDSSs, successfully established in both districts and essentially serving as effective unified business support and 'referral' centres.

This EQ refers to output 1 (promoting local institutions and a business supportive environment) in the programme design. The rationale for this output in the original design of the programme was to combine (i) the promotion of local institutions, i.e. good governance and dialogue among local economic actors, as well as organizational settings, rules and competences, with (ii) the enhancement of a business supportive environment, including sensitizing and strengthening the capacities of local stakeholders and in particular LGAs, and supporting business development services to local entrepreneurs. Implementation under this component has been quite consistent with provisions in original design and subsequent work plans, although a capacity building capital grant (CBCG) was not established as foreseen.

5.2.1 Increased awareness and understanding of LED principles, but limited advances in expanding related LGAs' functions and capacities

98. **The programme has substantially contributed to enhance the main stakeholders' (Local Government Authorities, Government Agencies, NGOs, Savings and Credit Associations, BDS providers and the business community at large) perception and understanding of the role of LGAs – and their relation with other actors – for LED promotion.** One of the clear findings of the review is the widespread understanding and recognition among consulted stakeholders of the relatively new concept of Local Economic Development as a result of a joint effort of public and private actors, led and coordinated by LGAs as part of their core mandate. It is a common perception among consulted stakeholders that the public-private coordination was just 'not practiced' before the start of the programme, and that the breaking of mutual scepticisms and mistrust among private and public (and particularly of private towards public) actors has been a considerable achievement of the programme.

99. Evidence in this respect emerges in particular from consultation of relevant officers in the two districts, and in particular the members of the Council Management Team (CMT) representing the different district's departments (e.g. Planning, Agriculture, Cooperatives, Trade & Industry, Land use/NRM...). Consulted officers confirmed an improved understanding and capacity to fulfil their functions and prerogatives in supporting economic activities. Partial confirmation, based on examples and shared perceptions by consulted private/community actors, extends to improvements in the provision of advice and technical support to producers' groups; extension services to farmers; mobilization and support to community based organisations with economic purposes.

100. There is preliminary evidence of **more dynamic relations between LGAs/District Councils and other actors** such as cooperatives, NGOs and BDS providers, research and training institutes, as well as emerging links with new grassroots structures for capacity development and/or natural resources management (Farmers' Fields Schools, Beach Management Units...). The above-mentioned improvements are closely associated – in the perception of local stakeholders – to the exposure of DCs officers to the activities of the District Forums for the Local Economy (DFLE) – and indirect effects of the 'liaison' function ensured by the Business Development Services shops (BDSSs), see following paragraphs for more details.

101. **On the other hand, there is still limited evidence of active involvement of LGAs in LED as a result of an expansion of their functions and capacities in channelling LED enabling measures beyond the scope of specific programme initiatives.** Any development in this respect would first of all descend from specific provisions in the national policy framework. In the Tanzanian context LGA functions in LED are still quite broadly and loosely defined (see context analysis and ref. to the evolving decentralization framework earlier in this report), which might have constituted a basis for building from local experience in enhancing the actual functions of LGAs and informing policy making more than it has been actually been the case.

102. Improvements in **decision making and resources allocation, Public Private Partnership (PPP) and other modalities for effective service delivery are at very initial stages.** There is certainly widespread awareness of the PPP concept among local stakeholders, and evidence of its

effective implementation/application in the major areas of intervention of the programme where it has been applied in its two basic versions, i.e.:

- (i) **structured dialogue between public and private actors**, through the establishment and operation of the DFLEs, which have been acting effectively as 'steering/decision making' bodies for programme's operations and a platform for public-private dialogue on LED issues;
- (ii) **contracts for joint management of facilities and services** on the principle that the public owns/supervises and the private operates, through the micro-credit scheme and BDSs. Both activities (the credit scheme and the shops) are managed with good results, through a PPP principle by which the public actor is the owner of the assets (e.g. the credit portfolio, and the shop infrastructure) that are then managed by private actors as a means to enhance effective use and provision of related services.

103. However, beyond the above examples directly associated to the implementation of the programme, there is no evidence of further specific initiatives where the LGs and private/civil society actors have joined efforts and complemented respective roles and resources in channelling LED enabling measures.¹⁵

5.2.2 No LED activities linking local and regional dimension beyond programme coordination

104. As further detailed under other EQs (see chapters 5.6 & 5.8), both the programme Regional Advisory Committee (RAC) and the Programme Coordinating Unit (PCU) have ensured smooth programme coordination with the constant support of the Regional Administrative Secretariat (RAS). Moreover, effective cooperation has been established with relevant bodies operating at the regional level (like the Small Industries Development Organization - SIDO, which is involved in programme activities as training provider, and to a lesser extent the Tanzanian Chamber of Commerce, Industry & Agriculture - TCCIA). There is some evidence of the initial interest expressed by other districts' authorities in the initiatives and achievements of the programme, which, coupled with the commitment of the RAS to discuss the SLEM programme experience within the RAC, could lead to further linkages and dissemination of best practices at regional level.

105. Despite such positive elements, however, **no substantial attempts were made to set LED enabling initiatives and enhance public-private dialogue and coordination at a regional scale**¹⁶. Arguably, this was not among the expected programme results. However, considering that the Regional Advisory Committee (RAC) and the PCU are embedded within the regional administration as well as the initial intention of the programme to cover (at least with some of the activities) all districts in the region, some relation with improved LED 'functions' at the regional level could have been expected¹⁷.

106. **The improvement of the 'institutional architecture' for LED is among the core achievements of the SLEM programme.** As part of the sub-component 'strengthening the local planning process' under output I, two **District Forums for the Local Economy (DFLE) were established and found to constitute appropriate institutional mechanisms for inducing synergies between local stakeholders.**

¹⁵ A more advanced articulation of PPP mechanisms would entail settings whereby Local Governments intervene through a combination of conducive regulatory/fiscal provisions, incentive schemes, productive assets and facilities, and the private actors steps-in with complementary investments, business operations, economic services provision, networking, marketing, research and innovation.

¹⁶ Even though in Tanzania the regional tier has mainly a function of supervision, coordination and support to the functions of LGAs (i.e. districts councils), the regional dimension remains crucial to LED approaches, particularly in terms of appropriate 'scale' for some core LED areas ('spatial' development and investments in infrastructure, value chain development and territorial marketing...) and relation to the national policy dimension

¹⁷ This could have taken the form of support to regional public/private platforms, region-wide assessments and strategies, capacity building of regional authorities, dissemination of results for up-scaling and policy development etc.

107. **DFLEs' establishment falls within the legal mandate of LGAs** to establish ad-hoc thematic committees or technical bodies in addition to statutory functions and bodies. The operating terms and procedures of the DFLE are in general well detailed and documented, and are established on the basis of specific 'constitutions' that: i) define the nature and functions of the Forums, ii) regulate participation, iii) the organization of meetings etc... (A fact box on DFLE is provided in section 3.2.1).

108. As DFLEs' constitutions are formally stipulated and endorsed by the Councils, the Forums are streamlined into the Councils' procedures, although this is mostly limited to the sharing of information (minutes of DFLE meetings, some reviews in councils sessions) and is not translated yet into a specific integration of DFLE functions (and by extent LED issues) into the broader planning and budgeting process.

109. Existing **risks of duplication** of DFLE with the statutory functions of institutions like the Tanzania Chamber of Industry and Agriculture (TCCIA) and the Tanzania Business Council (TBC) were countered by the fact that during the programme implementation period these bodies had not established branches in Misungwi and Sengerema.

110. **The foundation of the DFLEs' membership basis through a clustering process** starting from the grassroots level (studies, information and consultation of community groups) and culminating with the designation of clusters' representatives to sit in each Forum **has proved appropriate**. The exercise 'per se' has enhanced awareness and involvement of socio-economic groups at community level; at the same time, it has channelled the organization of previously uncoordinated Micro, Small and Medium Enterprises (MSMEs) promotion efforts through an embryonic value chain development focus.

111. On the other hand, **some concerns arise with respect to the approach adopted**: clusters include economic sectors/sub-sectors (agriculture, livestock, fisheries, black smiths, crafts...), as well as service/purpose-based organizations (cooperatives), social (youth, women) and faith based (Christians, Muslims) categories. There is therefore **no homogenous classification criterion as a basis for promoting consistent functional relations between involved actors**. Moreover, representation through clusters introduces a somehow **'artificial' set-up**: clusters are entities that have been created ad-hoc for representation in the forums, whereby the involvement of pre-existent and formally established intermediate bodies, sectoral networks etc.. is still very limited, despite an embryonic presence – based on rather unclear criteria - of other relevant structures (the TCCIA and a few NGOs). There was no evidence either of the participation in the DFLE of other programmes' representatives.

112. **The issue of the adequate representation of - and more broadly exchange and communication with - clusters' members (i.e. small businesses and CBOs) at the community level remains a critical one**. This applies both in terms of: (i) coverage/outreach; and (ii) participation and downstream consultation process (see EQ3 for more details). Mixed results emerge from an assessment of DFLEs conducted in 2009 among a sample of 246 and 150 respondents from economic groups in Sengerema and Misungwi¹⁸, respectively. No specific criteria are introduced to ensure balanced representation and homogeneous geographic coverage. In general terms, the relation between cluster representatives sitting in the DFLEs and their 'constituency' is based on the pro-active attitude of individual community development (CD) officers at Wards level (this constitutes a further element of biased coverage, as most wards have no resources to staff a CD officer).

¹⁸ The 'democratic process' allowing the direct involvement of clusters' members in the selection of their representatives was found satisfactory by 53% and 66% of respondents respectively in the two districts, whereas the issue of adequate representation and feedback/information from clusters representatives to 'members' results somehow more critical (positive answers came respectively from 41%-39% and 37%-36% of respondents in the two Districts). 55% of respondents found that inadequate representation/consultation mechanisms constrain their ability to be informed and voice their economic needs; another 45% confirmed that current representation limits impact on cluster economic development processes.

113. In turn, this scenario affects the quality and extent of information flows and consultations through networking with lower levels. There is a recognized need to enhance proximity relations by further localizing DFLEs at ward /community level, which would allow “addressing gaps in process ownership and networking¹⁹”.

114. **The DFLEs’ leadership set-up constitutes a further element of concern**, as there is a strong concentration of leadership functions in the hands of LGAs (the chairperson and vice chairperson of the DFLEs and DCs coincide; the District Executive Director (DED) is the secretary of the DFLE...). It was reported that members decided upon this set-up to ensure district leadership and because it was difficult to find a chairman with sufficient dedication from the private sector or CBO.

115. **DFLEs’ meetings have been held with regularity** (13 and 16 meetings since establishment respectively in Sengerema and Misungwi), **with reportedly high attendance** (80%). There is good **evidence of a consolidated DFLE capacity to take initiative and relevant decisions** (for example on the terms of implementation of the micro-credit scheme, or on the use of a portion of SLEM resources for specific activities supported through the BDSSs) **although prevalingly in direct relation with the implementation of the programme’s activities and resources**.

116. Overall, there is a **strong recognition and ownership of the DFLE by local stakeholders**, in particular local authorities and DC officers, but also consulted CBOs, NGOs, cooperatives and economic groups, who see in the DFLE a valid platform for discussing and voicing their concerns and enhancing dialogue with local authorities. The DFLEs’ functions acknowledged by consulted cluster members²⁰ include the facilitation of ‘participation in economic decisions by clusters representatives’ and the possibility offered to cluster members ‘to voice and channel their economic concerns at the district level’.

117. Moreover, DFLEs are found to **facilitate partners’ networking and coalitions in supporting LED initiatives²¹**, and to link economic actors organized in clusters with BDS providers and MFIs particularly through the information, training and ‘referral’ services offered by the BDSSs.²² **Although evidence is still limited, it can be said that an integrated system is starting to operate** by which the DFLEs discuss and channel priority concerns and needs of economic actors, facilitating their access to responses and services by local providers through other programme facilities like the BDSS and the micro-credit scheme.

Table 15: Summary DFLE analysis

	Strengths /achievements	Weaknesses /challenges
<i>Institutional set-up</i>	<ul style="list-style-type: none"> - Formal recognition/endorsement by District Councils (DCs) - Ownership and recognition by local stakeholders - Constitutions/operating guidelines - No structured vertical/horizontal links-coordination with other districts/regional level - Operating terms and procedures well 	<ul style="list-style-type: none"> - (Unbalanced?) leadership set-up: DFLE and DCs leadership (chairmen, deputy chairmen, DED) essentially coincide - No up-scale through ‘corresponding’ mechanism at regional level

¹⁹ Source: ‘An Assessment of Sengerema&Misungwi DFLEs and BDSSs, Final Report, 2009’

²⁰ Source: 2009 DFLEs assessment.

²¹ Evidence is related to examples provided in the DFLEs assessment (synergies with SIDO, TCCIA, Telecenter, other bodies unknown to the mission like TANAPA, MWDA) as well as to information collected by the evaluation mission, which includes examples of initial synergies and complementarities facilitated by the DFLE with other Programmes like TASAF (Tanzanian Social Action Fund), DASIP (District Agricultural Support and Improvement Programme), and others as detailed in the following chapter.

²² 45% and 35% among clusters respondents respectively from Sengerema and Misungwi were aware of BDSS and the majority of them had benefited from the trainings offered.

<i>Composition /membership</i>	developed and documented <ul style="list-style-type: none"> - Structuring and Institutionalization of previously uncoordinated economic actors/MSMEs - formalization of clusters as basis for value chain development (VCD) - visibility and recognition (voice) of clusters development concerns 	<ul style="list-style-type: none"> - Mix of economic and social/religious clusters - Artificial set-up (clusters and their representatives), weak presence of statutory/pre-existing intermediate bodies - Clusters representation mechanism (limited coverage/outreach) - No donors/other programme representatives involved - Gender gap
<i>Functions</i>	<ul style="list-style-type: none"> - PPP dialogue started and rooted - Integration with DCs functions and procedures - Integration with other programme's initiatives/enhanced information and access to business services 	<ul style="list-style-type: none"> - Articulation/proximity to ward/village level (towards integration with the bottom-up planning and budgeting process... - Downstream consultation/feedback with economic groups at grassroots level - Activities mainly related to decision/oversight over SLEM programme resources/intervention

5.2.3 Substantial contribution to business skills development, but limited focus on improving LGAs capacities in LED

118. **The programme has substantially contributed to enhance the technical and managerial skills of some of its main stakeholders, although capacity development of district council officers has not been carried out²³.** Main results in this area include: (i) the substantial improvement in the entrepreneurial and technical **capacity** of economic groups and cooperatives; and (ii) the successful establishment of a pattern of interaction between public and private actors based on dialogue, networking and mutual **exchange** (the core undertakings of the SLEM programme, i.e. the DFLE and the BDSSs have been key in favouring such development).

119. A large share of DFLEs' members has been involved (though to a different extent) in training sessions provided through the programme²⁴. A reported 22% (approximately 350) of the total number of economic groups in Sengerema has undergone at least a general entrepreneurship training session during the course of the programme implementation. **All 18 groups visited by the evaluation mission have confirmed the relevance of the trainings received, and their substantial contribution in improving their capacities**, mostly in general organisational and managerial skills (projects write-up, business plans preparation, bookkeeping, etc...) and in some cases in more specific business development issues, including: food processing, marketing etc. All groups confirmed that, also as a result of the combined support provided through training and loans, the programme has directly contributed to upgrade their business activity (more details on this are provided under EQ4).

120. According to figures on business training attendance, 39% of trainees in Sengerema and 38% in Misungwi district were women.

121. In addition, economic groups and cooperatives receiving complementary support in the form of loans have been able to improve their financial management skills through practical experience. A number of Savings and Credit Cooperative Societies (SACCOS), in particular, as

²³ A 'Capacity development for local government training' programme implemented by the PMO-RALG has been executed during the SLEM programme implementation period.

²⁴ Figures on the number of participants to different training sessions are provided in table 10 under the chapter 3.2 on the programme implementation status.

beneficiaries of the loan scheme, have been allowed to substantially increase the volume - and improve the management - of their portfolio, with further beneficial effects on access to adequate credit services by their individual and group members.

122. Through the DFLEs and the BDSS system, local institutions were involved at different stages in providing training, thus contributing to build capacities of local stakeholders in the framework of the programme (for example Traditional Irrigation Project-TIP and 'Micro-Serve' in training the BDSP, SIDO in training the MSMEs...).

123. **On the other hand**, as discussed in other parts of the report, **improvements in the capacity of LGA officers** to devise, budget and lead the implementation of a diverse set of LED enabling measures **have been more limited**. This is found to constitute one of the major shortcomings of the programme. Efforts were mostly focused on the general understanding of the LED and PPP principles and mechanisms in the framework of the programme operation, but less on specific functions that would allow a substantial expansion of the LGAs roles in LED promotion²⁵. Officers, in particular, are not yet fully aware of the implications associated to the integration of LED in the planning process.

5.2.4 Substantial contribution to improvements in BDS provision for MSMEs

124. **It is unquestioned that the programme has largely contributed to substantial improvements in the availability of financial and advisory services for (micro) enterprise development**. This result is mainly associated to the functioning of the BDSSs, successfully established in both districts and essentially serving as effective unified business support centres.

125. **Figures on BDSS attendance** (see 4.3 for details²⁶), **along with the widespread recognition and appreciation by all consulted groups, confirm the relevance of the shops for the BDS provision system at the district level**.

126. The BDSSs are managed through implementing partners, e.g. local providers (NGOs) identified and contracted through the DFLE²⁷. Despite the lack of objective indicators to assess BDSSs beyond proxies such as general attendance trends and clients appreciation, the **performance of the providers results satisfactory**, although the mission did not get a full perception of the exact amount of work (in terms of persons involved and allocation of time) that is put in the running of the service.

127. The two BDSSs are now hosted in newly built premises that constitute the only physical investment funded by the programme. The quality of the premises was found satisfactory²⁸, although the shop in Sengerema was barely completed at the time of the visit by the mission and still missed basic facilities (water, electricity, furniture, IT etc.), whereas the shop in Misungwi was operational although not fully equipped yet.

²⁵ This has probably to do with the nature and extent of the programme's TA as improvements in this area would require a more substantial and continued technical support.

²⁶ According to the shop managers and programme officers, attendance continues to increase thus raising the issue of capacity to absorb demand through current implementing arrangements.

²⁷ The BDS providers were selected out of a total of 10 organizations in the two districts as a result of a broader Training Needs Assessment exercise. The pre-identified providers were trained before final selection of two of them for managing the BDSSs as implementing partners of the program.

Some concerns are now raised as in Misungwi the first implementing partner (TSAEE) has left, and the new one (a donor funded NGO called Rural Housing Program) seems quite active but involved in a number of concomitant initiatives (including an eco-bricks making venture run by the NGO manager on commercial basis..) that risk confusing interest and incentives associated to its role as BDSS manager.

²⁸ Activities of the BDSSs had been previously carried out in rented facilities. Some concerns were raised by the mission regarding the location of the new shop in Sengerema (out of the town centre), but local stakeholders pointed to the fact that the new location is strategic in consideration of the current development of the urban geography.

128. **A recognised and pending challenge for BDSS operations concerns their outreach**, as the location of premises in the towns of Sengerema and Misungwi limits access for most decentralised groups and communities. The possibility to decentralize part of the services at the Ward level through BDSS 'mobile' units was being envisaged at the time of the mission.

129. Finally, as a further contribution to the improvement of business support services in the two districts, **the programme has prepared or adapted a number of manuals** (on cooperatives, marketing, business planning, record keeping, resources mobilisation, small scale processors, group formation and management, etc...) some of which are displayed for consultation in the BDSSs.

5.3. THE PROGRAMME HAS PROVIDED AN ADEQUATE BASIS FOR STRATEGIC ANALYSIS AND ASSESSMENT, BUT THE INTEGRATION OF LED STRATEGIES WITHIN THE BROADER PLANNING AND BUDGETING PROCESS IS STILL LIMITED

EQ3: "To what extent has the programme contributed to the improved assessment and planning of LED?"

Relevant and accurate research work has been conducted in the framework of the programme, including both preliminary background mapping and appraisal exercises, and strategic LED and value chain analysis. These studies proved useful for subsequent programme activities. However, their use as a basis for the integration of LED priorities within the broader planning process at the district level has been limited.

Participation into programme activities at the grassroots level has constituted a rather weak basis for promoting integrated planning: informal communication and feedback flows, although effective for enhancing dialogue and outreach, are not sufficient for channelling structured LED strategies to planning bodies at the district level. Demand has therefore emerged for a better 'articulation of the bottom-up economic planning and budgeting process through a decentralized DFLE framework'.

This EQ refers mainly to output 2 (sub-component: 'supporting the planning and management of economic and physical development') in the programme design. The rationale for this output's component in the original design of the programme was to lay grounds for the implementation of relevant and consistent measures in support to local economic development, including institutional mapping and economic appraisal, strengthening local planning processes, forming partnerships and enabling access to financial services. Implementation under this component has been fairly consistent with provisions in original design and subsequent annual work plans although the part on planning suffered from loose and unclear provisions in the ProDoc (in particular those related to the integration of SLEM activities within the District Agriculture Development Program) that were not taken-up in the following work plans.

5.3.1 Relevant background analysis and strategic elaboration but not as a basis for consistent implementation

130. In the framework of the programme, a **set of research and analytical work** has been carried out, consisting, in particular, of: (i) an institutional mapping; (ii) a socio-economic appraisal.

131. These preliminary studies and 'mapping' exercises are quite accurate and comprehensive and have proved to be **a useful and necessary basis for some of the subsequent programme undertakings**, in particular:

- the identification of the priority needs of economic actors (legal support, managerial skills, market linkages, agro-enterprise development skills) to be addressed through capacity development and BDSSs;
- the clustering and mobilization of local stakeholders in the DFLEs' constitution and operation;

- the definition of the best-suited programme's operation modalities (credit scheme, trainings provision) and related identification of adequate implementing partners (MFIs and BDS providers).

132. Consulted officers are aware of the existence and utility of these tools. A critical concern raised is related to the limited availability of human resources for ensuring the regular updating of the mapping documents, which is a pre-condition for their actual use as a basis for further activities.

133. Preliminary assessments have served as context background for the preparation of **strategic documents produced in the framework of the programme**, namely:

- (i) A LED strategy, only for the district of Sengerema
- (ii) Four Value chains analyses and implementation plans (two for each district, namely fisheries and rice in Sengerema and horticulture/tomatoes and chick peas in Misungwi)²⁹.

134. Local consulting and research institutions were involved at various stages in the preparation of background and strategic documents with the participation of local communities and district technical staff³⁰.

135. Despite the relevance of the strategic documents, their use as a basis for the **integration of LED priorities within the broader planning process at the district level is still very limited**. Improvements in this area are closely associated to (and arguably would descend from) the evolution of the broader policy dimensions.³¹

136. On the other hand, as discussed in the previous chapter, capacities in this areas are still limited, as much as the actual awareness and understanding by local officers of the extent to which background and strategic documents can be turned into practice and associated to the planning and budgeting procedures. The operationalisation of general LED strategies as implementable measures is a rather complex and gradual undertaking that would probably require more substantial technical support and closer follow-up than the programme has been able to provide, in order to build a deep understanding and adequate capacities.

137. There is nevertheless some initial and promising – although still partial - evidence of efforts geared **at integrating LED measures in the broader planning framework and at creating complementarities with other institutions and funding sources**, in particular:

- a few investment priorities identified in the LED and Value Chain Development (VCD) strategies are included in the current Medium-term Expenditure Framework-MTEF (for example investment in irrigation for paddy crops);
- some interventions in LED have been jointly supported by SLEM and other programmes and related funding facilities operating at the district level.³² Complementarities remain however

²⁹ Four other crops for each district were recommended for future value chain analysis: milk and dairy products; cassava; potatoes; timber; poultry; livestock and cotton.

³⁰ In particular, the Agricultural Research Institute-Ukiriguru in Misungwi has carried out the two Value Chain analyses exercises, also training 'on the job' District extension officers who will be now conducting a new VC analysis (on Rosella crops for wine and juice production) for which other donors' funds have been secured.

³¹ Traditionally, participatory planning procedures and ensuing plans have a strong social dimension and are not 'equipped' to integrate strategic economic development issues. The provisions and guidelines associated to the 'Opportunities and obstacles for development' national framework established by the government on Participatory Planning and Budgeting at district level, should therefore be first adjusted to embed a LED dimension in order for LGAs to be able to properly and consistently address its inclusion in their planning practice.

³² In Misungwi, 26 small businesses have been reportedly supported through multi-sectoral collaboration initiatives for a total of TZS 126,4 millions. Examples include: Women and Youth Funds (government funds provided under the community development depts. of the District councils, which are managed through the SLEM partner MFIs; the TASAF (Social Action Fund), which supports an HIV affected group also supported by SLEM through complementary funds for animal breeding; the DASIP (District Agricultural Support Investment Program), which provides subsidized agricultural equipment on a matching contribution basis (a SLEM supported women group in Misungwi has obtained a loan from the microfinance scheme allowing the community to purchase a power tiller).

- 'episodic' and fragmented, as other Programmes are not represented in the DFLEs and there is no evidence that synergies are built with a view to establish a joint platform for strategic planning processes;
- there is some initial evidence that DFLEs and the BDSSs could become recognized platforms for planning, discussing and conducting diverse activities in support to businesses by a number of other local organizations³³

138. Moreover, some consulted District Commissioner officers expressed the intention to take advantage of the preparation during 2011 of a new District Strategic Plan to deepen the integration of LED investment priorities within the broader strategic planning and budgeting process.

5.3.2 Informal patterns of interaction are fairly conducive to initial LED dynamics but limit their integration into the planning process at district level

139. The nature and outreach of public-private dialogue and **downstream consultation processes (see also considerations in the previous chapter) constitute another key determinant of effective integrated planning.**

140. Despite **poorly structured and non systematic communication and feedback flows** linking up districts (and DFLEs) with lower administrative levels (Wards and villages), **informal interaction mechanisms have proved relatively effective and have contributed to some extent to the start of LED dynamics.** These have taken the form of a dynamic exchange (in some cases a 'mouth to mouth' process) within formed clusters, among and between CBOs and Wards and Village development officers, coupled by participation of economic groups and in some cases DFLE representatives in local development committees and other grassroots level entities including cooperatives, women and youth groups, Beach Management Units etc.. The relatively widespread access of CBOs and small businesses to training and micro-credit opportunities through the BDSSs is a good example of effective communication and confirms strong conclusions about ownership and outreach of the initiatives supported by the programme.

141. On the other hand, the limited integration of LED aspects in the O&OD planning process shows the **limitations of such prevailingly informal communication and consultation patterns,** as for instance:

- participation at lower levels is often biased by the extent of personal commitment (as well as the actual presence, heavily constrained by limited resources for staffing³⁴) of community development officers at ward and village level;
- the unstructured relation with nascent community management bodies like Beach Management Units results rather unclear and subject to conflict of interest and capture by local elites;

142. Unless some form of systematic consultation mechanism linking-up communities and lower administrative levels with the district councils through the cluster and DFLE mechanism is put in place, it is unrealistic to expect that LED priorities are properly articulated and fed into strategic plans.

143. The DFLE 2009 assessment confirms widespread concerns expressed by economic groups about limitations in the organization of clusters and their representation in the DFLE: as introduced in the previous chapter, non fully adequate coverage and outreach, limited grassroots participation and weak downstream consultation mechanisms 'limit the impact of (vertical and horizontal)

³³ The Agricultural Research Institute in Misungwi, for instance, has planned to implement its 'Dissemination of New Agricultural Technologies in Africa' (DONATA) project using the BDSSs premises for demonstration purposes and the DFLE for dissemination and promotion; in Sengerema the Telecenter provides subsidized ITC services (internet connection, radio waves) to businesses through the BDSS for market information and access.

³⁴ In Misungwi district for example only 5 out of 27 wards have a community development officer.

networking as the participation of CBOs is not as active as could have been expected³⁵. Related to this, a strong **demand emerges for a better ‘articulation of the bottom-up economic planning and budgeting process through a decentralized DFLE framework’**: the inclusion of Ward Development Committees as local government coordinating structures would allow improving clusters’ participation in the O&OD planning process, by which groups would be able to streamline their economic development concerns in consolidated wards plans³⁶.

5.4. THE PROGRAMME’S INVESTMENTS IN SUPPORT TO LOCAL ECONOMIES HAS CONSTITUTED A RELEVANT AND USEFUL SUPPORT FOR INCOME GENERATION BUT LACKED THE SCALE AND MEANS TO PLAY A STRATEGIC FUNCTION IN TRIGGERING LED

EQ4: “To what extent has the programme investment contributed to enhance the local economies?”

The capital investment component has suffered because of a substantially unclear and unrealistic design, resulting in significant shifts from original provisions. As funds for infrastructure investments were not available to the programme, the investment component was reduced to the implementation of a microfinance scheme, implemented in the form of micro-loans through a revolving scheme operated in partnership with local MFIs. The scheme’s features and terms are perceived to be relevant and appropriate to beneficiaries/clients’ needs and capacities, but several shortcomings in the design of the scheme constrain effective implementation and oversight.

The performance of the fund is altogether mixed, as unsatisfactory repayment rates affect prospects for sustainability and leverage. Despite the relevance and sound implementation of supported investments – which have contributed to the expansion of the economic capacity and income basis of supported groups - the prevailing focus on group lending for micro/informal economic activities has limited – alongside other factors - their strategic relevance as catalytic factors for LED and Value Chain Development.

In particular, the programme’s contribution in stimulating productivity gains and diversification of rural economies, which constitutes a sub-output in the programme design, is still limited and episodic.

This EQ refers to output 2 “capital investment to support the local economies”, and in particular to the sub-component 2.2 ‘supporting the development of micro-small and medium enterprise to stimulate and diversify the rural economy’ of the programme.

5.4.1 A relevant but not fully adequately designed micro-finance scheme

144. **The capital investment component has suffered from a substantially unclear and unrealistic design and following adjustments.** The initial intention was to establish – within the framework of the LG grant system - a USD 5 Million (subsequently brought down to USD 800.000) Local Economic Development Capital Fund (LEDCF) to provide capital investment and financial support to local MSMEs (also in the form of grants, although provisions in the ProDoc are quite inconsistent in this respect, see also related considerations under 4.1).

145. Contrary to provisions made in original design, resources for the funding of ‘locality development’ or productive infrastructure as part of the LEDCF mechanisms were eventually not available to the programme. The only two facilities that have been funded in the framework of the

³⁵ Source: DFLE 2009 assessment.

³⁶ There is full correspondence in this and other respects between the reported results of the participatory DFLE assessment conducted in 2009 and the evidence that the evaluation mission has been able to derive from the different source of information on the implementation of the programme, particularly review of DFLE activities and procedures and feedback from consulted stakeholders at the district and community levels.

programme are the BDSS premises in each district³⁷. As a consequence, **financial support to enterprises, which was initially to be established 'within the framework of the LEDCF', turned out to essentially replace the fund.**

146. The option of providing support to businesses through grants did not correspond to government policies in this area, and was therefore gradually dismissed³⁸ following a rather controversial and lengthy process that led to a further, substantial shift from original design.

147. As the newly introduced micro-finance component was not part as the original design, it has not been linked to any given set of objectives, targets and indicators. It was rather introduced as the result of a gradual, incremental (and largely undocumented) process, mostly driven by local staff without a comprehensive reference to the overall rationale of the program. Technical Assistance and guidance by UNCDF throughout this process of adjustment has been long delayed and prevalently episodic and inconsistent.

148. As a consequence, **implementation was significantly delayed** (MoUs with partner MFIs were only signed in November 2008 and operationalised in March 2009), **changed in nature and reduced in scope. If the choice of a micro-finance scheme turned out - according to consulted stakeholders - to better match national and local priorities and circumstances, there seems to have been - arguably as a result of above described lapse in corporate assistance - little control over its design which is not sufficiently robust, and not fully consistent with UNCDF standards as set-out in the Financial Inclusion Practice Area (FIPA) guidelines and operations manual.**

149. Financial support to MSMEs is **provided** in the form of **micro-loans through a revolving scheme operated in partnership with local microfinance institutions³⁹.**

150. The microfinance scheme is jointly operated through a public-private partnership mechanism by LGAs (District Councils in Sengerema and Misungwi) and the private sector (MFIs selected and contracted in each of two districts)⁴⁰, and is based on the **coordination and distribution of functions among different actors** involved.⁴¹ **The appraisal and supervision of loans** is performed jointly by the SLEM focal point (and districts' community development officer),

³⁷ As discussed more extensively in 5.2, the new premises for the BDSSs in the two districts are relevant in relation to the needs and envisaged use, and seem properly built although concerns are raised as facilities are not completed with furniture and water provision, particularly in Sengerema.

³⁸ Consulted stakeholders and documents tend to make a common but rather indistinct reference to an LED fund as well as to a credit scheme, although, whatever the adopted designation, the originally assumed nature of a Local Economic Development Capital Fund-LEDCF as a mechanism modelled on and embedded within the Local Government Grant system has been essentially dismissed with the shift to a microfinance scheme operation.

³⁹ UZINZA SACCO and MKUKUWAMI SACCO were selected as partner MFIs after an assessment of four and five microfinance institutions in Sengerema and Misungwi respectively. The criteria that led to prefer SACCOS (Savings and Credit cooperative societies) as partner MFIs were: (i) the possibility that the regular provision of credit to members couples support to new SLEM 'clients', and therefore the management of the SLEM credit facility as part of a regular lending portfolio, and (ii) the integration and emphasis on a saving perspective in addition to mere lending operations.

⁴⁰ Under the adopted PPP arrangement, the ownership of the funds, the assessment of loans proposals (and supervision of the scheme performance), and the daily operation and retailing of loans to clients are functions distributed respectively among (or jointly carried out by) the District Council, the DFLE and the implementing partner MFIs respectively.

⁴¹ The DFLE has taken critical decisions regarding the nature of the scheme and applicable terms and conditions, overseeing its overall implementation; its executive arms, the District Coordination Committee (DCC), reviews and screens proposals before submitting them to the DFLE for further final transmission to the MFI for processing. On the other hand, the BDSS provides complementary advice and capacity building to supported MSMEs.

the MFI and the BDSS manager, even though the undertaking of post-loan visits to supported MSMEs is constrained by the acknowledged lack of adequate resources.⁴²

151. Such **management arrangement** is, on the one hand, well embedded into the rationale and functioning of the DFLEs and favours integration of different stakeholders, thus enhancing ownership and outreach. On the other hand however, and even though the evaluators did not find any specific evidence in this sense, it is rather risky from a micro-finance perspective, as it might lead to distortions and favouritisms in the allocation of loans. In addition, the involvement of programme's staff in the loans oversight process is not necessarily conducive to a rigorous business approach to the management of the fund.

152. **The following scheme's features and terms are- in the perception of consulted clients - relevant and appropriate to their needs and capacities**, even though some of them entail a few critical issues and elements of concern:

- A 10% interest rate is applied: 5% of which accrues to the fund, and another 5% covers operating costs of the MFI. This is substantially lower than the average rate applied by commercial banks (24%), even though the comparison is irrelevant as target clients of the scheme do not constitute potential clients of commercial banks. On the other hand, a 10% rate is closer to a subsidy, which might entail distortive effects and an adverse impact on other private lenders (there was however no mention of this by consulted SACCOs, which are lenders on their own as well as clients of the SLEM scheme). At the same time, a 5% margin on the loans does not constitute an adequate incentive to rigorous oversight by the MFIs, with the risk that they act more as a conduit for loans than a lender. In addition, there is no built-in co-funding mechanism (by which the MFI contributes a share of the loans' portfolio from its own resources), which would have allowed introducing a risk-sharing incentive to good performance⁴³.
- Collateral requirements (one and a half time the value of the loan) do not seem to constitute the strongest barrier to access.
- The duration of the loans (six months without grace period) does not account for income generation rhythms, and is found by almost all consulted clients inadequate, as, in particular, agricultural investments mature after a longer time span.
- The size of loans varies from a minimum of TZS 500.000 to a maximum of TZS 5 Million for the first loan; multiple loans can be provided in following batches.
- Access criteria correspond to standard and sound eligibility criteria⁴⁴ but do not allow ranking loan requests on the basis of their relation to a broader LED strategic dimension.
- The scheme funding procedure runs in parallel to existing funding channels, as money were transferred directly from UNCDF to a bank account held in the National Microfinance Bank (NMB) jointly signed and operated by the DED⁴⁵ and the implementing MFIs.

153. **Financial support has been systematically coupled with capacity development and technical assistance.** This confirms the view that the timely and consistent matching of different forms of support is one of the key valuable elements of the SLEM implementation mechanism whereby funds are provided to MSMEs to complete the training they have received⁴⁶.

⁴² According to the SLEM focal point in Misungwi, only a 45% of visits are completed due to lack of staff.

⁴³ The uptake of a risk in the loan portfolio is usually a precondition for successful management by an MFI of a fund owned by a third party. The introduction of a co-funding requirement by the MFI was indeed part of the original design envisaged by UNDCF, but subsequently dismissed as inappropriate and unrealistic by the DFLE in agreement with a UNCDF mission fielded from the regional office in Johannesburg. It is the opinion of the evaluation mission that a share of co-funding (arguably more realistic than the originally proposed 50%) would still be desirable and appropriate to enhance the sustainability of the scheme's operating arrangement. Both the MFI and SLEM staff, however - consulted in Misungwi on the subject of the possible introduction of a co-funding arrangement - showed little awareness and a rather weak understanding of the possible terms and implications of such an option.

⁴⁴ Formal registration, viable ongoing economic activity, bank account opened, no outstanding loans/loans default history.

⁴⁵ District Executive Director

⁴⁶ SLEM synthetic report 2008.

154. **The performance of the fund (and by and large of the two implementing MFIs in operating it) can be considered mixed.** After receiving training from the programme on financial/loans management, concept and management of a cooperative and business plan preparation (one day training for the whole board and a 10 day training for selected staff), UZINZA SACCO and MKUKUWAMI have acquired a sufficient level of understanding of the purpose and operating modalities of the scheme. In the absence of quantified targets and benchmark indicators, proxy indicators of performance are constituted by:

- The number of clients served (229 and 110 respectively⁴⁷ in 10 and 6 phases in Sengerema and Misungwi), which results lower compared to targets⁴⁸ but remains significant considering that financial operations only started in March 2009);
- The Repayment rate, which constitutes the most critical indicator: a 91% rate in Sengerema and 81% in Misungwi are respectively negative and very negative figures, as they entail losses to the fund that a 5% interest rate would not compensate and a consequent risk of de-capitalizing the fund at a fast pace of 20% and more per annum, with obvious implications in terms of sustainability and leverage.
- The loan portfolio increase, from approximately TZS 206 millions (USD 160,000) to TZS 253 millions – or an increase of 22, 8% - in Sengerema and from TZS 204 millions to TZS 283 millions in Misungwi.

Table 16: Summary of the number of loans provided to different clusters members in Sengerema district

Cluster	No. of loans	%
SACCOs	32	13,9
Agriculture	25	10,9
Religions	10	4,3
Women	38	16,6
Small businesses ⁴⁹	91	39,8
Fisheries	8	3,4
Youth	5	2,1
Carpentry	6	2,6
Welding/Blacksmith	6	2,6
Milk	1	0,4
Livestock	4	1,7
Milling	3	1,3

155. An additional qualitative indicator is constituted by the **widespread satisfaction and appreciation of consulted clients** with respect to the support received.

156. Moreover, **the decision to work through SACCOs has been strategic in expanding outreach**, as a 'cascade lending' mechanism through other SACCOs at the grassroots level (which in turn channelled obtained funds to their members) has functioned to some extent as a multiplier.

5.4.2 Relevant and effective investments in support to micro-enterprises, but limited impact in enabling LED dynamics

157. **Support to the establishment and consolidation of MSMEs has been essentially focused on so called 'economic groups'**, which tend to correspond to micro-, community based groups running mostly informal economic activities⁵⁰. Loans are channelled through a **group-lending mechanism to members of different clusters**, which include SACCOs themselves alongside a

⁴⁷ For a total of TZS 667.3 million and TZS 504.4 million respectively in the two districts.

⁴⁸ Support was planned to respectively 500 and 200 'economic enterprises' (the designation is also rather contradictory, as support was actually provided to 'economic groups', which are legally constituted as Community Based Organizations - CBOs).

⁴⁹ The designation 'small businesses' refers to a large number of 'petty trade' and crafting activities (shops, small/informal traders, small crafts workshops, guest houses...), which does not affect the previous consideration regarding the (mostly micro/informal, as opposed to enterprises) nature of supported groups.

⁵⁰ It is important to note that the rationale for members to establish a group is to share productive assets, inputs or to access credit together, but not necessarily to run a single economic venture jointly. The prevailing focus on economic groups constitutes 'per se' a substantial shift from the rationale in the original design (which refers to enterprises as target clients, as do, somehow improperly, most documents on the subsequent implementation of the programme) and a strong characterisation of the ultimate nature of the scheme.

number of social and economic categories. According to available figures for Sengerema district, 46% of economic groups' members benefiting from the loans are women⁵¹.

158. A crucial result of the combined support (advice **and** TA through the BDSSs and financial support through the microfinance scheme) to economic groups is the **substantial increase in the number of groups that have been formally registered as CBOs during the programme implementation period**. The support provided has laid good grounds for the graduation of CBOs into companies, which - in the perception of consulted SLEM and district officers - constitutes an implicit 'next step' objective. This said **there is still very limited evidence of supported groups having already graduated as companies**.

159. There is, on the other hand, **interesting though preliminary evidence of integration with the commercial banking system**, as SLEM supported groups become **bankable entities and fill loan applications, for instance with the National Microfinance Bank (NMB)**.⁵²

160. **With regard to the results of the programme in terms of performance and consolidation of supported groups**, there is good evidence⁵³ of a positive outcome as:

- supported activities are **relevant to the needs of beneficiary groups and are soundly implemented**;
- **most groups declared an increase in their capital as a result of the loans received and have received multiple loans in subsequent batches** (which is a good proxy indicator of good performance and trustworthiness);
- all visited **groups expressed high satisfaction with the loans received**, and confirmed that the loans have substantially helped them – in conjunction with the trainings received – to: (i) either sustain or expand the quality and/or volume of their production (through purchase of inputs and/or equipment); (ii) diversify and add value to their activity (food processing, new crops etc); (iii) access markets and/or find new clients; and (iv) ultimately enhance their income generating capacity thus improving their living conditions.

161. On the other hand, there is a tendency to **mix social and economic dimensions, both in stating the use/destination and in assessing the effects of received support**⁵⁴. The loans are in general used for economic purposes. However, visited projects provided some examples of an 'untied' group-lending mechanism with the risk of dispersion of the money among different group members **'diluting' somehow the economic relevance of a micro-project**, and ultimately its relation with a strategic and integrated LED perspective.

162. It follows that **despite the relevance and positive achievements associated to the investments in support to local economic activities, the strategic relevance of funded**

⁵¹ The active presence of women was also significant in the economic groups visited by the mission: almost each group included women, often with important roles in administration and decision making within the group; three were women-only groups.

⁵² In Misungwi, the NMB is the partner bank of the SLEM MFI for the management of payments. The NMB local branch manager has confirmed that five previous SLEM groups have obtained loans from the bank and two more proposals are under scrutiny.

⁵³ In the absence of benchmark indicators and aggregate figures that would allow drawing general conclusions on the impact of the programme on enterprise development, the presented evidence refers to the projects directly visited by the evaluation mission: the mission visited 11 economic groups' projects in Sengerema, and 8 in Misungwi. Among them women and youth groups, cooperatives/SACCOs, agricultural groups, petty traders, workshops (carpentry, tires puncture, blacksmith...).

⁵⁴ A baseline study conducted in Sengerema from 31 sampled groups on impact of micro finance confirms in this respect the impression that the evaluation mission derived from field visits to supported economic groups, i.e.: a rather indistinct and overlapping reference is made to groups' members' increased ability to: i) pay school fees and uniforms, build and repair houses - on the one hand, and ii) start other micro-projects, improve knowledge and experience in running economic projects and repay loans, participate in trade exhibitions on the other.

activities as catalytic factors for LED has remained limited⁵⁵. In particular, there are limited examples of integration of funded activities within a sector/Value Chain and cluster development perspective.⁵⁶ This is due to the combined effect of a few previously discussed factors, such as the weak relation with the planning process at district (and wards) level, and the limited partnership building capacity of the programme. Moreover, the lack of funds for investment in productive infrastructure has strongly limited the possibility to enhance the LED dimension of the planning process through a 'learning by doing' process focused on the identification and implementation of strategic investments.

163. These factors have limited opportunities to pursue and channel synergies and complementarities between different resources and funded investments (e.g. infrastructure and financial support to business and clusters, technological innovation, business services etc.).

164. In addition, the following factors contributed to limit the strategic coherence of funded investments:

- The **lack of any qualitative filtering criteria for loans' allocation, which** constrains the concentration of resources towards matching LED priorities;
- The **large share of loans granted in relation to petty trade activities, which** results detrimental to a sustained focus on strategic sectors like agriculture

165. In particular, the programme's contribution in stimulating productivity gains and diversification of rural economies, which constitutes a sub-output in the programme document – is still limited. Some punctual positive evidence emerges from visited groups, where productivity gains, improvements in food processing capacity, introduction of new crops with some potential for up-scaling and marketing (sun-flower) were witnessed. However, given the lack of relevant aggregate figures and benchmark data, such partial evidence is not sufficient to suggest a significant impact on the broader dynamics and trends related to the rural and agricultural economies in the two districts.

5.5. STRONG OWNERSHIP OF PROGRAMME ACTIVITIES BY SLEM ACTORS AND SET-UP WITHIN EXISTING INSTITUTIONS ARE PROMISING FEATURES FOR PROGRAMME SUSTAINABILITY

EQ 5 "To what extent are the programme results likely to be sustainable in the longer-term?"

The institutionalisation of the programme within the district administration management structures (CMTs) and RAS structure combined with the ownership of SLEM expressed and shown by all actors (DFLE members, district administrations, economic groups, MFIs, district/regional commissioners) provide a good foundation for sustaining SLEM activities. Districts' co-funding of 20% has been an important instrument for involvement but it is critical that districts increase their budget for these activities starting from the 2011/2012

⁵⁵This constitutes a further element of contradiction with the assumptions in the programme design, by which (as stated in the SLEM technical note): 'a major outcome of these micro-projects would be to demonstrate the efficiency of institutional settings and the validity of the planning process [...] thus paving the road for major LED related investments through the LGCDG system and parallel sectoral funding mechanism'. A strong emphasis is also placed on the 'seed capital' dimension, by which limited financial resources should serve strategic investments with a clear pilot/demonstrative value at grassroots level (see again the technical note of the programme describing 'small scale micro-projects for making demonstrative investments for economic growth and poverty reduction...').

⁵⁶This would include a focus on specific sectors/clusters or type of activities, multiplier potential and economic linkages, removal of bottlenecks to the creation and retention/distribution of value, technological innovation, diversification and improvements in production processes, etc.. Some promising examples were found, as for instance a women group that receives support to engage in food processing (rosella wine and juice) and marketing. However this example as others are rather episodic rather than part of a systematic effort aimed at targeting the upgrading of a strategic potential in the local economies.

budget, so that DFLE, BDSSs and some capacity development/training can carry on. MFIs' revolving funds have been sustained with an increase of 20%, but continued focus is needed to secure improved pay back rates.

This EQ deals with the programme's sustainability and is transversal to the different programme outputs. Two main issues covered under this EQ are: (i) the institutionalisation of the programme intervention into the councils' and government's structure to ensure continuing activities beyond the programme's implementation period; and (ii) the sustainability of the activities implemented with the private sector i.e. DFLE meetings, economic clusters and MFIs.

166. The SLEM programme is set-up within existing structures, institutions and systems for LGAs and regional government. The main consulted stakeholders, i.e. DEDs, CMTs, district commissioners, BDSS managers, participants in DFLE, economic groups and clusters, have shown a strong sense of ownership of the programme initiatives and achievements. The high degree of ownership is inferred from: i) the knowledge of the programme; and ii) main stakeholders' willingness to participate in its activities in particular the DFLEs, where quarterly meetings are held in addition to more frequent meetings for the coordination committee. Although stronger cooperation with existing structures like the district consultative committee (DCC), the Business Council and the TCCIA, as well as with larger private sector players, would have been beneficial, the DFLE is serving its specific purpose well by bringing together the micro sector (CBOs etc). The results of the opinion surveys distributed at the regional and district level confirm the high degree of awareness and ownership – and a substantial appreciation - of the programme among key stakeholders.

167. The programme has created a good institutional link with the district administration and the RAS administration through the following means:

- SLEM focal persons are members of district coordinating management teams (CMTs);
- Participation of district CMT members in DFLE meetings including in their capacity of members of the coordination committees
- District executive director, chairman and deputy chairman act respectively as secretary, chair and vice-chair for DFLE
- Participation of district commissioners in some DFLE meetings;
- The SLEM Programme Coordinating Unit (PCU) in the Regional Advisory Secretariat (RAS) is a part of the planning department in RAS, and
- The existence of a Regional Advisory Committee (RAC) that sees the participation of district and regional stakeholders.

168. A good foundation exists for SLEM results to be integrated into district planning procedures in particular during the preparation of the districts strategic plans in 2011.

Districts have so far included part of the operative costs for SLEM into their Medium-Term Expenditure Framework (MTEF) and will follow that pattern in the MTEF for 2011/2012. To date, this has only been done in relation to direct SLEM activities, but there is willingness to also make provision within the MTEF for funds for infrastructure investments needed for LED.

169. The limited results in the programme's output 3 (on national LED policy and LGA mandate for LED) has somehow affected the integration of LED into district planning processes as central guidelines for planning have not been revised to cater more for districts integration of LED in planning.

170. This may be the reason for the limited integration of LED into district planning, as LGAs tend to follow this literally.

171. Abundant interest for MFIs and increasing funds show the high potential of the microfinance component, although payback rates need to improve considerably to ensure sustainability. MFIs and districts have good cooperation on the credit scheme and the MoUs between MFIs and districts have been signed in 2008 and 2009. It is, however, important that a more formal agreement is signed now that programme support is coming to an end.

172. **SLEM set-up has not focused on the generation of extra district revenues to finance the SLEM activities.** User groups of SLEMs activities (CBOs/economic groups, capacity development, BDSSs users and DFLEs members) are active and involved in SLEM activities, but so far – with the exception of the districts’ co-funding of 20% - contributions have only been the users’ own participation. The BDSSs have some possibilities for raising revenues for their services, but concrete actions have not been taken, and the BDSSs have not yet elaborated business plans for their own sustainability.

173. As anticipated, districts have made some budget provisions for basic SLEM activities (Sengerema: TZS 11.7 million equivalent to USD 8,000 and Misungwi TZS 10 million equivalent to USD 6,800 in 2010/2011), but these amounts are only enough to cover 20% of SLEM activities, e.g. some DFLE meetings and some training. Therefore, they need to allocate a larger proportion of their own revenues for SLEM and given the current level of districts’ own revenues (i.e. Sengerema app. TZS 500 million and app. Misungwi TZS 200 million) this is not realistic.

174. Contrary to what is stated in the ProDoc, the SLEM programme has only allocated a small amount of funds for location development, i.e. business development shops. Therefore, given the limited number of BDSS structures (two), the fact that these have been recently relocated to newly built premises, and given the high level of involvement of stakeholders, **no serious concern exist on the districts’ ability to maintain the BDSSs.**

175. For investments financed from the MFIs, these are normally of small scale and highly relevant to the user groups’ need and with relatively simple technology. Furthermore, user groups have allocated funds for their maintenance.

176. **Neither the ProDoc nor the more recent programme documents foresee a specific exit strategy.** The programme set-up itself has, however, created a good foundation for sustainability by: i) institutionalising the PCU staff, ii) institutionalising the DFLE in districts linked up to community development departments and CMTs; iii) district counterpart funding of SLEM activities (DFLE meetings, training and capacity development, BDSSs); and iv) the progressive build-up of strong ownership.

5.6. MANAGEMENT OF THE PROGRAMME HAS BEEN EFFECTIVE WITH ADEQUATE SET-UP AT REGIONAL AND LOCAL LEVEL

EQ 6 “How effective has management of the programme been at national and local level?”

The Programme has been well managed by an active regional PCU, and adequate and active SLEM district key staff (focal persons, BDSS managers and directors/board of MFI institutions). The M&E system has not been put in place and therefore did not provide the necessary evidence to document experiences to be fed into national LGA policies (LED and LGA mandates) and to promote the scaling-up of the SLEM programme to other districts/regions.

The DFLEs have been instrumental in programme implementation at district level, while the Regional Advisory Committee has filled its role for coordination and to some extent strategic decision making.

National TA has been adequate, while delays in mobilising international TA have in turn delayed the implementation of some programme components.

This EQ focuses on management issues and covers the programme outputs 4 and 5 respectively on: i) technical support to the programme provided locally (PCU) and ii) technical and administrative advisory services provided by UNCDF.

177. **Funds have been transferred efficiently from UNCDF to RAS and districts and only occasionally with delays.**

178. Contrary to the provisions outlined in the ProDoc, UNCDF decided to apply a funding modality parallel to the government system with:

- Transfer of funds from UNCDF to a bank account in RAS managed by the PCU;
- Direct funding of SLEM activities in the districts from the PCU managed bank account;
- Funding to MFIs with direct transfer of funds from UNCDF to bank accounts at district level (NMB) with co-signing MFI/district executive director.

179. This has resulted in a **relatively efficient funding mechanism parallel to GoT**, although a few delays have occurred due to late transfer of funds from UNCDF to PCU.

180. The already mentioned huge discrepancy between the originally envisaged amounts in the ProDoc and what was actually allocated to the programme created some dissatisfaction at local level, e.g. when the actual figures for location development turned out to be approximately USD 150,000 instead of USD 1 million and capacity development (CD) was reduced to USD 350,000 from approximately USD 950,000.

181. This said revised amounts announced in annual SLEM budgets have corresponded with funds transferred to the programme.

182. As mentioned elsewhere in the report, **the Programme is well integrated into the government structure** with the PCU in RAS and focal persons in the districts' CMTs. As regards management issues, this has led to the adoption of national and local procedures for the management with the major exception of the transfer of funds: the programme's activities are integrated into the districts' work plans and into the districts' MTEFs with funding of 20% of all SLEM activities at district level (except microfinance).

183. The staff delegated to the SLEM from the regional and districts levels has been adequate (correspondence between expertise required and actual capacities of delegated staff) and stable as only the manager of the BDSS in Misungwi has been changed twice, while all other staff (PCU, focal persons and BDSS manager in Sengerema) have remained unchanged.

184. **National TA up to 2008 and international LED assistance up to early 2007 were provided in a timely and adequate manner.** The deployment of national and international TA has enabled the relatively quick implementation of research studies, and the set-up of the DFLEs and BDSSs.

185. Thereafter, TA requests have been met with a slower pace and the LED regional TA mission has been less frequent (yearly). More specifically, adequate TA for redesign of the LEDCF has not been met in a timely manner and the first international TA input on microfinance was implemented as late as April 2008, while go ahead for agreements with MFIs followed in August/September 2008. This resulted in a serious delay in the programme implementation⁵⁷.

186. **The regional advisory committee (RAC) has played a role for strategic decision making**, but lack of a functional monitoring system and the limited number of meetings held, have hindered it from acting as a fully fledged steering committee. Some changes in regional commissioner and secretary and subsequent changes in PMO-RALG representative have also made the RAC less effective.

187. This said, the RAC has taken some decisive actions during SLEM implementation and an example is its disapproval of the monitoring system presented in a report in 2008. The RAC found that the system did not capture the reality and need of SLEM. The example shows, however, also RAC's limitation as the consultancy for M&E should have been stopped/redirected at an earlier

⁵⁷ The programme had already promised loans to MSMEs in mid 2007, while the first loans were disbursed in March 2009.

stage. After the Regional Advisory Committee's (RAC) rejection of the proposed system, no other initiatives were taken to establish a monitoring system. UNCDF's Management and Information System (MIS) was not used nor were national indicators adopted. Programme management did not follow up on this either.

188. The lack of the establishment of an M&E system was particularly unfortunate, especially considering that a good starting base existed in the form of reliable baseline data gathered during the research done by SLEM in 2006/2007 (Socio Economic Study).

189. **Management has delivered well on the annual work plans** although these are different from the plans in the ProDoc. AWP's have been monitored according to targets/activities in the final SLEM implementation reports (districts and PCU) and for AWP 2009. Targets met were about 90-100%.

5.7. WITHOUT A SYSTEMATIC EFFORT, THE PROGRAMME HAS PROVIDED SOME INPUTS TO THE GOVERNMENT ON LED AND LGA MANDATE FOR LED

EQ 7 "To what extent did piloted approaches lead to policy development as a basis for up-scaling and replication?"

Without a systematic M&E and a communication strategy, the efforts for up-scaling and policy development have been limited. The Programme has not been linked up to national level (PMO-GALG) and the only major national event for programme advocacy was the successful National LED Conference organised in December 2009.

The programme has not been replicated in other districts or regions with the exception of particular activities like the BDSSs. Recent interest from the GoT to formulate a LED policy as part of the Rural Development Strategy may be linked to the SLEM programme as the programme's national LED conference in December 2009 provided some relevant information on LED and needed changes to LGs mandates.

This EQ deals with the programme's output 3: Policy Impact and Replication: lessons learnt and good practices documented and disseminated to influence regional and national debates". The focus in EQ7 is on the programmes stated intention to document SLEM results and good experiences and communicate these to the GoT and other stakeholders supporting the LGRP and other relevant initiatives in Tanzania.

190. The lack of systematic M&E and the lack of a communication strategy have limited the programme's ability for accurate and timely documentation of SLEM experiences for policy making and up-scaling.

191. The reporting of the programme has been irregular and limited to internal spreadsheets in annual and final **reports** with information on achieved targets/activities compared to planned ones.

192. The programme has not developed a formal communication strategy to address particular groups, donors or central government. Communication has mainly concentrated on district/region levels through DFLEs, economic groups/clusters, district structure and regular production of newsletters.

193. In relation to communication directed towards the national level, a single – though important - event was the LED Conference organised in December 2009. During the conference, 5 LED case studies were presented, which reported the experience gathered during the implementation of the SLEM programme and papers on needed changes to the LGA mandates for LED and planning. It is possible that these papers and the conference influenced the GoT for a new interest towards formulating an LED policy as part of the Rural Development Strategy.

194. Overall, however, activities in this area were limited and did not allow the up-streaming of information. The great majority of national stakeholders, including the Association of Local Authorities Tanzania, (ALAT), donors and the Prime Minister's Office Regional Administration and Local Government (PMO-RALG), have little knowledge of the programme and its achievements.

195. The link from the programme level to national level has been very weak and the overall interest from PMO-RALG limited.

196. The programme has been linked effectively up from the district to the regional level through the Regional Administrative Secretariat (RAS), which has been **informed** regularly about the programme through the Programme Coordinating Unit (PCU) and the Regional Advisory Committee (RAC) chaired by the **regional** commissioner or the RAS secretary.

197. Relations and links to the national level have, however, been very limited. The Prime Minister's Office Regional Administration and Local Government (PMO-RALG) has had little presence in the pilot districts and only different non-senior staff from PMO-RALG has attended the RAC meetings.

198. At national level, the advocacy for the programme has been limited and communication between UNCDF and PMO-RALG has almost exclusively been reduced to the meetings in the Development Partner Working Group for Local Government Reform (DPWGLGR).⁵⁸

199. No up-scaling/replication of the programme to other districts/regions has taken place, with the exception of some duplication of particular activities such as the BDSSs.

200. According to the ProDoc, the experiences (i.e. DFLE, BDSSs, MFI, training and CD) from the pilot districts (Sengerema and Misungwi) should have spread out to other districts in the Mwanza region. This, however, did not happen, mainly due to lack of funding but also because implementation was delayed - in particular the microfinance component that only started in March 2009, when the first loans were provided to economic groups.

201. Nevertheless, some duplication of activities in other districts and regions has been recorded, mainly in relation to visits to Sengerema and Misungwi by officials and individuals to study the experiences or to get advice from the BDSSs. This has resulted in the establishment of BDSSs in at least 3 additional districts as well as some platforms for public private partnerships (PPPs) similar to DFLEs.

202. Some specific actors/donors have also stated that they have relied on experiences from Mwanza, i.e. VNG from The Netherlands.

5.8. THE PROGRAMME HAS NOT ESTABLISHED EFFECTIVE PARTNERSHIPS WITH THE GOVERNMENT AND DONORS NOR UNDP AFTER "ONE UN" CONCEPT STARTED

EQ 8 "To what extent did the programme enhance the partnership with the government and other donors at national and regional level?"

UNCDF/SLEM did not manage to establish partnership with other donors or the national government throughout programme implementation; this has also prevented the programme from receiving additional donor / government funding for implementation. With the GoT taking the lead for donor coordination issues in decentralisation within the LGRP,

⁵⁸ The conference on LED in December 2009 may have inspired the government to start working on a LED strategy in relation to the rural development strategy. This could, however, not be confirmed during the mission as PMO-RALG was not available for a meeting during the mission.

and given the limited interest from PMO-RALG in SLEM, it was not possible to promote SLEM nationally and among other donors.

This EQ deals with output 3: "Policy Impact and Replication: lessons learnt and good practices documented and disseminated to influence regional and national debates". Compared to EQ 7 the focus is more on the programme's ability to establish partnerships with other donors, GoT and other UN agencies for:

- *funding the implementation of SLEM;*
- *replication of the LED approach in other programmes; and*
- *LED policy development.*

203. The programme did not establish partnerships for implementation with other donors or the GoT. The programme has been implemented and financed only by UNCDF with UNDP co-funding up to 2008. From 2009 on, UNDP withdrew from SLEM funding, as it was no longer considered a priority for UNDP.

204. At regional/district level the programme has established some synergies with other programmes and institutions i.e. Small Industries Development Organisation (SIDO), Tanzania Chamber of Commerce, Industry & Agriculture (TCCIA), National Microfinance Bank, District Agriculture Support and Improvement Project (DASIP) and local MFIs.

205. With the exception of UNCDF's participation in the DPWLGR and in a working group for donors related to district programmes (to coordinate and exchange information), **UNCDF has not taken any particular initiative for donor coordination.**

206. However, it should be noted, that since 2005 the GoT has taken leadership for all donor programmes in decentralisation by establishing the DPWGLGR and LGRP, where all donors are encouraged to provide their coordination efforts and funds, and align and harmonise their policies and procedures with those of the government following the Paris Declaration. SLEM is coordinated with the LGRP but is not a part of it.

207. The idea of bringing other donors into the SLEM during implementation has not worked as other donors have committed funds to the LGRP or to their own district programmes (SNV, JICA).

208. A special issue has been the "one UN" concept, where advocacy and fund raising, according to UN policy, should be done by UNDP for all UN organisations in Tanzania instead of the individual organisations. The result of this for UNCDF in Tanzania has been negative as no additional funds were raised for SLEM.

209. The programme has promoted the UNCDF approach locally and regionally, but at the national level this has not been done effectively. Other donors and the GoT have little familiarity with the content, approaches and results of SLEM.

210. This said the existence of the DPWGLSP group provides a forum where the results can be promoted for future replication and where inputs can be provided to policy making within the continuous LGRP.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1. OVERALL ASSESSMENT

211. The rationale of the SLEM programme – as reflected in the development hypothesis and ensuing **intervention logic** – is based on the assumption that a conducive relation can be established by which (i) improved systems and capacities for LED based on the driving role of LGAs, (ii) a supportive business environment and (iii) enhanced competitiveness of localities and enterprises, act as complementary elements enabling effective economic governance and inclusive growth. The conditions are therefore established for sustainable socio-economic development and poverty reduction, both within the programme implementation area and within larger boundaries as a result of policy development, up-scaling and replication.

212. The original **design** of the programme is very relevant to the country's strategies and priorities, and is consistent with the proposed intervention logic. However, the programme document describes an unclear and overambitious set-up, covering all sorts of LED-related activities with little internal coherence. Above all, programme design is hardly commensurate to available resources and local absorption capacity, failing therefore to provide a realistic basis for implementation. As a consequence, original design was used more as an open-ended reference than as a blue-print. Substantial changes were gradually introduced throughout the programme implementation –in particular in relation to the core modalities for the provision of capacity development and financial support to the private sector – but without a comprehensive re-consideration of the overall programme rationale and relevance in light of changed conditions.

213. The **implementation** of the programme has been affected by a set of strong constraints, i.e. unrealistic design, heavily reduced resources (final commitments correspond to a mere 26% of the initial projected budget), shifting/unconsistent technical support. This entailed a need to constantly re-adjust the programme's focus and terms of operation, and caused significant delays (it took more than two years for the credit scheme to start operations), limitations in scope and coverage (only two district, no replication and very limited activities at regional and national level) and the giving-up of entire components and crucial sets of activities (infrastructure development, monitoring and up-stream communication for policy dialogue and advocacy). However, considering such constraints, the programme management has shown a good degree of flexibility and capacity to adapt 'incrementally' to local settings and available means in close consultation with (and responding to the needs of) relevant stakeholders. The overall implementation of activities has therefore resulted 'per se' rather effective, although run at a substantially different and smaller scale than initially envisaged, which has considerably reduced the strategic relevance and potential for replication and mainstreaming of the intervention.

214. The de-link between design/resources and actual implementation has led to some disproportion between **results and intended outcomes and goals**. If one considers the programme's outcomes as stated in the UNDAF, results achieved at the local level have substantially contributed to envisaged outcomes III *community driven development* and IV *enabling environment for economic growth*. In particular, the programme has strongly contributed to improvements in the availability of financial, advisory and training services for businesses, resulting in the economic empowerment and expansion of income generating opportunities mostly for small economic groups at community level. At the institutional level, the programme has supported the establishment of a conducive environment for LED through ad hoc consultative mechanisms based on a PPP principle, but a corresponding expansion in the functions and capacities of the key actors – and LGAs in particular – to translate shared strategies into implementable plans has not taken place yet.

215. There is no particular evidence of effects on outcome II *access to basic services*, although recognised improvements in the expenditure capacity of supported groups have to some extent contributed to enhance their capacity to pay for services.

216. On the other hand, the programme has had only limited effects on outcome I *national capacities for development management [...] including capacity for policy analysis [...]* through the

organisation of a national LED conference, and at regional level through a coordination role entrusted to the regional administration. In particular, given the lack of a consistent strategy and of means for partnership development and advocacy for additional resources leveraging, as well as the absence of a proper anchorage at the national level, the programme has proved rather weak in its effort to integrate, replicate and up-scale experiences carried out at the districts level.

217. The overall goal of poverty reduction has been partly achieved as a result of the support provided to community-based, informal economic groups. On the other hand, the programme has had no structural effects on local economic growth dynamics, which would arguably have allowed stronger and more sustained impacts on poverty reduction.

218. **In conclusion, the programme has provided a promising foundation for enabling economic development in the pilot districts, in particular initiating a LED promotion 'system' made up of ad-hoc institutional arrangements and business support mechanisms,** based on a newly introduced public-private partnership principle. Such system is rather well owned and institutionalized at the local level, even though it still shows limited implications in terms of expansion of relevant LGAs' functions and capacities (particularly on planning and budgeting). **However,** as a result of the above-mentioned limitations in resources and constraints to implementation, **the reduced scale and coverage of the intervention are found to have strongly limited the potential of the programme.** Essentially, **the SLEM programme is a relevant and well implemented area-based intervention, with promising results in improving the local institutional set-up but weak up-stream linkages and a prevailing focus on small-scale livelihoods development that has not allowed more structural effects on the competitiveness of localities and enterprises,** which constitutes a crucial aspect of any integrated LED and territorial development approach.

6.2. SPECIFIC CONCLUSIONS

1. The SLEM programme has contributed to the establishment of a conducive institutional set-up for LED, but the functions, resources and capacities of LGAs have not been expanded in a way that allows the integration of LED into the local planning and budgeting process.

219. The SLEM programme has enhanced the awareness and understanding of institutional and economic actors on LED concepts and practices, and in particular the important role of LGAs as inspiring and driving forces of LED processes and dynamics. The Public Private Partnership (PPP) mechanism has also been introduced with some success as a mechanism for orienting and implementing LED enabling measures. This has been applied, in particular, through the establishment of the District Forum for Local Economy (DFLE), which has grown into a quite effective PPP forum integrating district authorities, CBOs and other economic actors on the basis of a clustering mechanism. The DFLE has started introducing strategic LED concerns among local stakeholders, but has mainly exercised oversight and coordination functions of the two SLEM business support facilities (the microfinance scheme and the BDSSs).

220. The combined operation of the DFLEs and Business Development Service Shops (BDSS) in the two districts constitutes an initial but promising integrated system for enhancing LED promotion and businesses support services through a PPP set-up to which other actors also concur (extension services, other BDSS providers, MFIs).

221. However, such advances have not been adequately coupled by an expansion in the capacities of LGAs, which have been focused more on the general understanding of the LED and PPP principles in the framework of the programme operation, and less on specific functions, such as strategic planning, that would allow a substantial expansion of the roles of the LGAs in LED promotion. Despite some initially encouraging examples of inclusion of LED priorities into the districts' Medium Term Expenditure Framework, and of synergies with other programmes and funding sources, the integration of LED priorities within the broader planning process is still very limited. This is certainly due to limited improvements in the policy provisions and guidelines regulating the participatory planning process, but is also a result of prevailingly informal and poorly

structured communication and consultation patterns adopted by the programme in linking the DFLE to the grassroots level.

2. The programme has provided valuable support to economic groups, but the focus on group-lending for the micro/informal sector coupled with the lack of resources for productive infrastructure has limited the strategic value of investment for LED and value chain development.

222. The introduction of a micro-finance component – which was originally not provided for in programme design – is the result of a lengthy and controversial process, characterised among others by fragmented and rather inconsistent technical support and oversight by UNCDF. This has led to the establishment and operation of a scheme that, despite being relevant to the needs of target beneficiaries/clients, has several shortcomings from a micro-finance practice perspective causing in particular uncertain oversight, risky management arrangements and a bad repayment performance.

223. The programme has brought a highly appreciated contribution to the economic empowerment of community-based groups, expanding their access to economic opportunities and the income basis of their individual members. However, the prevailing focus on the micro-informal dimension has limited the strategic relevance of funded investments. The economic rationale of loans is in some cases “diluted” by the group-lending mechanism with absence of qualitative criteria for orienting loan allocation and a lack of clear relation to strategic priorities resulting from comprehensive or sector/cluster specific assessments and strategies.

224. Moreover, the possibility to pursue strategic LED priorities through the SLEM programme resources and support facilities has been further constrained by the dismissal – due to lack of funds – of the ‘location development’ (or investment in economic infrastructure) component, which would have ensured a stronger incentive and driving force for concentrating resources and establishing synergies and complementarities with other actors around strategic LED factors.

225. As a consequence, the SLEM capital support to local economies, although highly valued by beneficiaries, seems to prove more relevant from a livelihood development than an LED and Value Chain Development (VCD) perspective.

3. The programme is well sustained and institutionalised at the district and regional level but is not anchored at the national level.

226. A **strong commitment and ownership** exists among the various SLEM actors for the programme and its activities at the district level. This was expressed from participants in the pilot district administrations, district commissioners, economic groups/clusters and the participants in DFLE meetings.

227. **The programme’s sustainability is further secured by its institutionalisation in the regional and district government structure** with the programme coordination unit set within the RAS’s planning department, community development officers in districts acting as SLEM focal persons and DFLEs included as part of the districts’ structure with integration of chairperson, deputy chairperson, District Executive Directors and Council Management Teams.

228. In contrast, the link to the national level and the Prime Minister’s Office Regional Administration and Local Government (PMO-RALG) is hardly existing and this missing link has kept the programme as an area based programme without the opportunity to inform the development of a national framework for LED with replication of experiences, policy development and development in the LGAs’ mandate for LED.

229. Some activities need, however, to be further sustained, due to the late programme implementation, in particular the MF component and the finalisation of new business development shops in late 2010.

4. Programme management has been fairly effective from UNCDF to district level but TA has lacked at critical points.

230. Programme management has been set up at national (UNCDF programme specialist), regional (Programme Coordinating Unit - PCU) and district level (focal persons) with regional and district steering committees (Regional Advisory Committee - RAC and District Forum for Local Economy - DFLEs).

231. Apart from the lack of a management link to national PMO-RALG, the set up has worked well with adequate delegation of responsibilities to the PCU. Activities in AWP have been implemented and RAC and DFLEs have worked actively in programme planning and coordination, although RAC has been less important with only 4-5 meetings during programme implementation.

232. Until 2007, national and international TA was provided in a timely and adequate manner; thereafter the deployment of the necessary TA has been reduced and delayed. TA and guidance from the UNCDF regional centre in Johannesburg has been inconsistent during the establishment of the Local Economy Development Capital Fund (LEDCF), which has contributed to delays in particular in the establishment of the microfinance scheme (MoUs with partner MFIs were signed in November 2008).

5. The establishment of partnerships with other donors has been difficult.

233. The original ProDoc envisaged the establishment of partnerships with the government and other development partners working on decentralisation issues, which would then have resulted in the gathering of additional funding for SLEM implementation. The government's involvement and interest in the programme has, however, been limited, possibly because the SLEM is not a part of the Local Government Reform Programme (LGRP). Other development partners have not shown particular interest for the programme either – except for a few NGOs.

234. This is likely the case because donors active in the decentralisation area since 2005 – following the principles in the Paris Declarations on donor harmonisation and alignment – have united with PMO-RALG in the Donor Working Group for Local Government Reform (DWGLGR) and all funding is now channelled according to the GoT's priorities in the LGRP. As SLEM is not a part of the LGRP, provision of additional funds from other donors to the programme is unlikely.

235. Within the UN family, problems also occurred for UNCDF, when the "One UN" concept started and UNDP became in charge of advocacy for all UN agencies in Tanzania. This did not result in additional funding for UNCDF and simultaneously UNDP withdrew from funding of SLEM from 2009 due to other priorities.

236. By 2010 only 26% of the programme budget of USD 8.7 million has been implemented i.e. USD 2.1 millions. This has affected many activities in the SLEM and also resulted in some frustration among the participants.

6.3. RECOMMENDATIONS

1. A one year consolidation period.

237. As it emerges from the conclusions in this section, the SLEM programme – despite limitations and shortcomings – has established a promising foundation for further developments in LED promotion, which it is crucial to maintain. It is therefore recommended to establish a one year consolidation phase with the aim of sustaining the results of the programme. Focus during this period should be on:

- ✓ **Business Development Service Shops (BDSS)**
 - Complete the establishment of the BDSS in Sengerema;
 - Support development of business development plans for both BDSSs with strategies, activity plans, budgets and revenue plans etc.
 - Renew agreement with BDSS providers in both districts.

✓ **Microfinance:**

In the shorter-term, support the development of multi-year agreements between District Councils and MFIs to substitute the yearly MoUs, and consider inclusion of risk-sharing mechanisms. For longer-term arrangements it is suggested that a FIPA specialist mission take place to define the way forward.

✓ **District LED planning**

- Integration of LED strategies into district planning;
- Support the development of District Strategic Plans and its relation to MTEFs;
- Pursue further synergies with other programmes in the district/regions.

2. A new programme?

238. During the consolidation phase, UNCDF might prepare a follow-up initiative, in the form of a new programme, or a second phase of the SLEM programme, covering in both cases all interested districts in the Mwanza region.

239. The programme should be implemented through (or reproduce, in the case of new districts) the existing set-up (DFLE, BDSSs, MFIs), and consist of a more integrated and strategic approach to LED, including a strong anchorage at the national level, the introduction of a meaningful 'regional' dimension (beyond mere coordination functions), and built-in mechanisms for up-scaling and replication through the development and mainstreaming of a national policy framework.

240. It would be an advantage to fully integrate the programme in the national LGRP for better recognition and knowledge sharing with the GoT and development partners.

241. In what follows, some specific recommendations to be considered in the preparation of a follow-up initiative are presented.

- ✓ **LED and finance: ensure that the micro-finance component is set-up with the support and advice of UNCDF's FIPA specialists. In this framework:**
 - **Consider reviewing some of the terms of the micro-finance scheme, including: introduction of non subsidized interest rates and higher reward/incentives for MFIs; risk-sharing arrangements with MFIs; limit oversight and collection functions to MFIs staff;** a more flexible loan structure: repayment period matching income rhythms, larger capital.... . Alternatively, consider steering the micro-finance scheme toward Tanzania's Financial Sector Deepening Trust, established to support the growth of financial services.
 - **Combine financial support to micro-and small/medium scale enterprises, with other measures (elaboration of strategies, inclusion of DFLE, marketing support.) aimed at favouring the simultaneous integration of more and larger economic actors** in programme activities so to spread economic linkages and synergies conducive to economic clusters' development.
 - **Provide support to SLEM groups in their graduation to formal companies**, e.g. by additional TA, complementary funds, linkages with bigger units (SMEs)
 - **Introduce larger economic actors, business associations etc. into the DFLE**
 - **Strengthen the integration between DFLE activities and the planning process** (including procedures for the consultation of wards and village level) for better integration of LED activities;
 - **Strengthen the outreach capacity of BDSSs** to ward and village levels;
 - **Provide seed capital- and build related capacities - for productive investments with 'demonstrative' strategic relevance for LGAs role in LED** (storage and processing units, distribution outlets..); foster synergies with larger/established value chain actors

- **Introduce criteria to enhance the strategic value of loans** (based on careful assessment of potential borrowers and through good practice loan product design): concentration on one product/cluster, economic linkages and multiplier potential;
- ✓ **Training and Capacity Development (CD)**
 - Build council officers' capacities in LED enabling measures (broader PPP concept, research & innovation, LED planning and value chain development, territorial marketing, networking etc);
 - Support the Institutionalisation of BDS/training system (BDS, networking with BDS providers and research/training institutes)
 - Further demand-driven training tailored to the needs of different economic groups and MSMEs.
- ✓ **Up-scaling and policy development**
 - Pursue a regional focus/scale through activities of specific relevance for the regional dimension (infrastructure, territorial marketing, partnerships with external actors, communication and dissemination, databases and standardisation processes for BDS provision etc.);
 - Establishment of consultative forums for LED at regional level including other programmes/donors
 - Enhance PCU's role and capacity to ensure dissemination and roll out to other districts, and channel horizontal and vertical communication ;
 - Support transfer of institutional innovations to other districts and regions.
 - Introduce an up-stream 'anchorage' mechanism to PMO-RALG, e.g. through an advisory/steering unit within PMO-RALG or establishment of a permanent LED government forum;
 - More specific focus on specific LED mandates and functions within LG structures/departments, in line with evolving policy framework;
 - Integration of LED in national planning guidelines; and
 - Support the elaboration of national LED policy/strategy.

242. The following minimum preconditions should apply if a future programme is to be implemented with success:

1. The Government of Tanzania is fully committed to the programme, is involved in its formulation and implementation, and ensures the active and consistent participation of the designated institutional partner in order to allow that the programme's results and experiences are known at the national level.
2. The programme is designed in full accordance with the funding available, and projections of additional resources are based on realistic assumptions and specific related measures and modalities.

ANNEX 1: TOR DEVELOPED BY UNCDF



UNITED NATIONS
CAPITAL DEVELOPMENT FUND

FONDS D'EQUIPEMENT
DES NATIONS UNIES

SPECIAL PROGRAMME IMPLEMENTATION REVIEW (SPIRE) TERMS OF REFERENCE.

PROGRAMME DATA SHEET

Country:	Tanzania
Programme Title (long)	Support to Local Economy in Mwanza
Programme Title (short)	SLEM
Programme Number	URT/06/C01
Programme Atlas Code (by donor)	UNCDF – URT/06/C01-00051761 UNDP – URT/06/- 00053267

Financial Breakdown (by donor)

Commitments:	Currency	Amount
UNCDF	USD	1,500,000
UNDP	USD	1,500,000
Government of Tanzania		In kind

Delivery to date (per donor):

	2006	2007	2008	2009	2010
UNCDF: Bud	144,440.00	92,334.00	429,211.92	504,024	330,000
UNCDF :Exp.	0.00	461,111.45	603,889		
UNDP:			150,614.00		
UNDP:		322937.23			

Total project budget:	6,500,000
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Executing Agency	Prime Minister's Regional Administration and Local Governments
Implementing Agency	Local Governments and Private Sector
Approval Date of Project	25/01/2006

Project Duration	5 years
Project Amendment	Synthetic report, Technical note.
Evaluation Date	16 – 30 November, 2010

Other current UNCDF projects in-country	Participating in a : 1. Regional Programme, Gender Equitable Local Development (GELD) 2. One UN Joint Programme 6.1 in North Western Tanzania
Previous UNCDF projects (if relevant)	Support to Decentralisation, Mwanza Support to Good Local Governance
Previous evaluations (if relevant)	Mid-Term Evaluation of the Support to Good Local Governance Programme, April 2004
Dates of audits	Not yet agreed

Evaluation Date: November 2010

Composition of Evaluation Team:

Team Leader – International: Philip Bottern

Team Member – International: Andrea Agostinucci

Team Member – National/Regional: N. Sola

A. Purpose and Timing of the Implementation Review

a) Purpose

The objectives of the SPIRE review are:

- To assist the recipient Government, beneficiaries, and the concerned co-financing partners, to understand the **efficiency, effectiveness, relevance**, and likely **sustainability of results**;
- To assess the level of **satisfaction of programme stakeholders** and beneficiaries with the results;
- To assess whether UNCDF and its partners are **effectively positioned** to achieve result.
- To contribute to UNCDF and partners' **learning** from programme experience;
- To help programme stakeholders assess the value and opportunity for broader **replication** of the programme;
- To help programme stakeholders determine the need for **follow-up** on the intervention, and general direction for the future course;
- To ensure **accountability** for results to the programme's financial backers, stakeholders and beneficiaries;
- **Comply with the requirements** of the programme document/funding agreement and UNCDF Evaluation Policy.

b) Timing

The evaluation is carried out at this particular time because a Mid Term review was not carried out and therefore the programme was overdue. Since the programme has been in operation for more than four years (now coming to an end, the outcome of this review will now feed into Tripartite Review Meeting scheduled later this year. The review should be conducted immediately after the general election from 16th-30th November.

The full SPIRE evaluation is scheduled to take place during November and December 2010. The field phase, specifically, is scheduled for 16 – 30 November 2010.

The programme is a collaboration between the government, UNDP and UNCDF. Since the programme is a pilot, the experience and lessons learnt are expected to be shared with the host government as well development partners supporting the local government reform programme. Collaboration therefore will be in terms of sharing the lessons and experience relevant to decentralization by devolution.

B. Programme profile

a) Country context/status of decentralization in terms of strategy, policy and implementation

This section should contain:

a brief summary of current status
reference to key documents and relevant background documentation which in the PO's judgment should be read by the SPIRE mission as part the mission preparation process. **A list of relevant documents should be included as ANNEX 1 of these TOR.**

Brief summary of current status of implementation of decentralization reforms

In line with vision 2025, the *National Strategy for Growth and Poverty Reduction in 2005* (NSGPR now being reviewed) and in conformity with the 1998 *Policy Paper on Local Government Reform*, the government of the United Republic of Tanzania (Prime Minister's Office- Regional Administration and Local Government) embarked on an implementation framework that entailed the following policy reform areas: Political decentralization (the transfer of power to elected councils and creation of multi-functional governments at the local level); Financial Decentralization (provision of discretionary financial powers to LGAs with central government providing unconditional grant transfers); Administrative Decentralization (giving local government discretion over human resources management, with staff being accountable to the local council and people); and Changed Central-Local Relations (a shift by central government from directive powers to a system that provides for consultations and negotiations with Central Government providing support to Local Government Authorities.) This process of transfer of both administrative capabilities and executive authority from centre to the periphery is meant to give more power to local governments and lead to improved service delivery.

In implementing the policy, remarkable achievements have been noted and recorded as follows:

Political decentralization: On a gradual step by step power has been transferred to local councils and now Local Government Authorities and Villages have fully constituted Councils (governments) and Assemblies and various statutory committees that support them. Councillors are in these Committees and the Council Chairperson is elected from among the Councillors and affirmative action has been taken to ensure women representation. Codes of ethics and conduct were issued in 2002 for guiding and governing behaviour of all elected officials and staff in the conduct of public affairs. The Council Chairperson delivers an Annual Accountability Report to the people within the local authority on 1 July each year, the Local Government Day.

Fiscal Decentralization: There are a number of improvements in financial management (planning, allocation, expenditures value for money, reporting and accountability of funds to electorate). As such the government is now operating 3 year Medium Term Expenditure Frameworks, and development budgets for local governments are based on performance assessments, allocation of funds done by a formula, and to ensure transparency both recurrent and development transfers are publicized nationally and locally, through the Local Government Development Grant system. To ensure good book-keeping, timely reporting and public information, the government has introduced an integrated financial management system (IFMS) at both national and local level. To ensure accountability and value for money, the quality of local government authorities financial management systems are checked in several ways: centrally there are public expenditure reviews, and locally Public Expenditure Tracking systems/Studies (PETS) to 'follow the money'. The latter is an effort of civil society organizations.

Administrative Decentralization. Progress has been made in the human resources autonomy, legal and planning for development. For example, following the installation of a by-law database available to all LGAs, Regional Secretariats and central government, the quality of by-laws has improved and local governments are now able to promulgate their own by-laws to operationalise national policies and legal frameworks, in line with local needs. Despite slow changes to the existing Public Service Act to support LG autonomy, LGAs have however, taken on full responsibility for recruitment, employment, and development of some of their staff through local employment boards and discretionary capacity building grants (part of the LGDG system). For instance, LGAs are now also employing the executive officers at all lower levels. With regard to planning, as opposed to previously principle-agent relationship, at the moment the principle of subsidiarity is in operation where local governments use a bottom-up participatory planning methodology, known as Opportunities and Obstacles to Development (O&OD). The locally-developed plans are incorporated in the overall Council plans submitted to Ministry of Finance and Economic Affairs each year. It is safe to say that the LGRP II (D by D) July 2009 to June 2014 is paying a lot of attention to the lower levels.

Changed Central-Local Relations. The role of central ministries has changed towards providing more policy support and support on capacity building and monitoring. However, experience shows that even after number of years of implementation of D by D policy there are still some functions of Ministries that need to be devolved.

(A list of relevant documents on decentralization are in ANNEX 1 of these TOR.)

b) Programme summary:

How long has UNCDF been operational in the country?

UNCDF's support to Tanzania began sometime in 1978 with mostly-fragmented infrastructural projects such as roads and Irrigation. By early 1990 UNCDF established itself as a piloting, innovative organisation that focus on the development of local level. The 1st two comprehensive Programmes were the support to **Decentralization in Mwanza** (comprising of two projects: Local Development Fund and; Rehabilitation of District and Feeder roads) and the **Support to Good Local Governance** project which consolidated and deepened activities of the **Support to Decentralization Programme**. The Local Development Fund (LDF), which piloted the use of unconditional grants to plan and allocate resources for district and community based infrastructure; and the Rehabilitation and Maintenance of District and Feeder Roads (DFR), which piloted the use of conditional grants and utilized labour-based methods. Both projects channel their funds through district council and ended in 2005.

While the **Support to Decentralization** and **Support to Good Local Governance projects** were part and parcel of the previous National Poverty Reduction Strategy Paper, the current programme - **Support to Local Economy in Mwanza** region project - is a second-generation project designed to address and meet the challenges of the current National Strategy for Growth and Poverty Reduction (NSGPR). The SLEM is an outcome of the recommendations of the evaluation of the Support to Good Local Governance to reposition and re-align UNCDF support to match the NSGPR and the policy of Decentralization by Devolution. A slight re-orientation from poverty reduction through improved social service delivery to poverty reduction through improved economic service delivery notwithstanding, the geographical focus remained Mwanza because the purpose was to complement and consolidate the already existing achievements from the previous programme. (Please see the mid-term evaluation of Support to Good Local Governance project, including Final Evaluations of the Rehabilitation and Maintenance of District and Feeder Roads project and the Local Development Fund from 2004 for more information).

Since local economic development was a new objective, the design of the programme took a long time and involved a number of technical advisors (Joyce Stanley and Angelo Bonfigliori, both retired now) and a consultant (Douglas Hindson).

The programme is located in Mwanza Region and focuses on two districts, Misungwi and Sengerema.

c) Programme expected results:

The programme - *Support to Local Economy in Mwanza (SLEM)* - is a joint and collaborative effort between the United Nations Capital Development Fund (UNCDF), the United Nations Development Programme (UNDP) and the Government of the United Republic of Tanzania. The programme was signed in 2006 with the overall goal to reduce poverty through an innovative approach of pro-poor local economic development which stresses the leadership of local government authorities and public and private partnerships. The programme is in line with the *Joint Assistance Strategy Tanzania*, responds to the *National Strategy for Growth and Poverty Reduction* and is currently being implemented in two districts of Sengerema and Misungwi.

The overall goal of the SLEM programme is **to reduce poverty** in the Mwanza Region. The programme expects to achieve this through strengthening and promoting an enabling environment for sustainable, equitable poverty reduction and pro-poor economic development and growth. To do so, the programme is pioneering the following:

An innovative approach to pro-poor local economic development which stresses the leadership of local government authorities and the joint involvement of the public and the private sectors (Institutions responsible local Economic Development promoted and a business supportive environment enhanced)

Strengthening Micro-Small and Medium Enterprises to increase their competitiveness and capital outlay (Capital investment to support Local Economy through operation of a local Economic Development Capital Fund and a capacity Building Grant).

Documenting innovative LED lessons and best practices for Policy Impact and Replication & M&E.

More formally, and as set out in the project's results and resources framework, the project's expected results are as follows:

Intended outcome (as stated in the Country Programme Results and Resources Framework): poverty reduction and private sector development
 Outcome indicator: Contribute to the achievement of the MDGs, in particular Goal 1 of halving poverty by 2015

<p>Output 1: Local governments are committed to promote institutions for local economic development and to enhance a business supportive environment Indicators:</p> <p>Number of LGAs (District) with increasing public-private partnership % of wards capable of holding participatory forums to discuss LED and LEG issues Number of LGs (district) with business development services meeting local markets demand Number of women per district receiving key support to start MSMEs Number of LGAs (district) where local economic stakeholders have reliable access to market information</p>	<p>Output 2: Local governments actively support planning of local development and provide support to local enterprises Indicators:</p> <p>Number of LDA with LECDf compliant to funding arrangements Number of new businesses registered per District Number of new enterprises still active (1 year after their creation) Number of households starting new income generation activities Number of private – public partnerships formed to construct, rehabilitate and establish maintenance and operations of social infrastructure</p>	<p>Output 3: Policy Impact and Replication – Lessons learnt and good practices documented and disseminated to influence regional and national debates Indicators:</p> <p>Good practice models for economic development documented Good practice models mainstreamed at regional and national levels Number of LGAs with easy access to updated data relevant to local economic development Private actors have easy access to market information</p>
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d) Programme status:

Overview of project status

PO to note:

Any major strategic changes adopted during implementation?

Any significant issues that have arisen during implementation

Any significant project revisions in terms of scope, direction and budget allocations?

[For the text below, please see the request in the table below]

Initial studies and research work carried out (Please refer to (I) districts Socio-economic assessment and (II) institutional mapping)

To date, the programme has helped the districts to carry out two studies (i) *Social economic appraisal of the two districts* and (ii) *institutional mapping*. These two studies have helped them understand the profile or structure of their economies, the challenges and existing opportunities, inter-sectoral linkages, as well identifying actors or stakeholders involved in promoting local growth.

Promotion of institutions responsible for growth (Please refer Stakeholders workshop reports for formation of District Forum for Local Economy).

Creation and strengthening of institutions responsible for promotion and enhancement of local economic development has been the pre-occupation of the programme. As such, the programme supported the two districts to conduct a stakeholders' workshop where each formed a District Forum for the Local Economy (DFLEs). Two constitutions have been prepared and endorsed by respective full councils; one restitution meeting has been held and the programme is now anchored in Mwanza. These *fora* bring together local government and other stakeholders (private sector) to

discuss together how to address challenges and capitalize on the opportunities for growth. The programme is also supporting the construction of DFLEs offices in the two districts.

Strengthening Public Private Partnership (PPP). Please refer to MoU between Local governments and MFI.

The programme has supported the two districts to establish and operate a Local Economic Development Fund supporting MSMEs to increase their investments. In this arrangement, the two Local Governments have signed a Memorandum of Understanding with reputable Microfinance Institutions to operate a joint account. Project funds are deposited in a joint account on behalf of the two respective local governments whereby through the District Forums for the Local Economy (DFLEs), decisions are made for the MFI to provide loans to SMEs. It is not possible for the MFI to withdraw funds from the joint account for SMEs without approval of the LGs in the two districts.

Empowering Small and Micro Enterprises with information technology through Business Development Services Provision (Please refer to BDSS assessment).

The SLEM supported the two districts to establish and operate two Business Development Service Shops. These shops are a one-stop centres where stakeholders can visit and get advice, guidance, information and training in various aspects ranging from input supply and use, technology, markets, organizational development etc. The shops are also a marketing channel whereby products produced by SME are displayed in the shops as one way of advertising products. To date more than 2719 Small Medium and Micro-enterprises in Sengerema and 1024 in Misungwi have been trained through Business Development Services Shops. The shops are a model and an attraction to many organizations and institutions (nationally and international) with the objectives or intentions of promoting growth at the local level.

Capacity building to increase SME productivity and growth.

The programme is continuing to support the two districts in strengthening Micro-Small and Medium Enterprises to increase their competitiveness: a number of MSMEs have been trained in organizational management, preparations of business plans, book keeping and other specialized trainings.)

Access to information for Small and Micro Enterprise to address challenges pertaining to the financial sector, product and inputs market, and technology are part and parcel of a growing local economy (Refer BDSS report).

The programme supported the two districts to establish and operate two business Development Services Shops. These shops are a one stop centre where by stakeholders visit and get advice, guidance, information and training in various aspects ranging from input supply and use, technology, markets, organizational development etc. The shops are also a marketing channel whereby products produced by SME are displayed in the shops as one way of advertising products.

Indicate what types of monitoring and performance data have been collected during the course of the project and would be available for use by the evaluation team especially Annual Workplans and MIS data reports. **Quarterly progress reports, annual reports, background studies for the LED National workshop etc.** Documents attached.

Outputs	Output Targets	Summary Project Status	
Intended Output 1: Local governments are committed to promote institutions for local economic development and to enhance a business supportive environment	LGAS fully informed about and supporting procedures aimed at fostering public-private partnership LGAs enabled to plan appropriate measures related to local economic development LGAs sensitized on different procedures of delivering public services (including use of local private sector) Forums of economic stakeholders supported and operational at the district and regional level Local networks, associations of civil society, farmer's union and societies and village environmental committees strengthened Local BDS providers strengthened to provide sustainable services for poverty reduction	Districts LED strategic plan are In place. LGA-MFI MoU in place and LEDF is operational District Forum for Local Economy Formulated and active Capacity building to BDS providers Done to enable them Effectively provide services DFLEs are fully functional in approving and allocating funds	

	Local economic stakeholders fully involved in the decision making process concerning design, implementation and monitoring of local economic development measures		
Intended Output 2: Local governments actively support planning of local development and provide support to local enterprises	2.1 Finalisation of DADPs in two districts and mainstreamed into DDPs 2.2 LECDF established and operationalised 2.3 Production of wider-area assessments 2.4 Forums of economic stakeholders operational (and coordination committees assuming specific key roles) 2.5 Increased security of local livelihoods, in general, and access to food security by households in particular 2.6 Women's participation in environmental decision-making and monitoring 2.7 Improvement of technical skills of public and private providers of agricultural and environmental services 2.8 Local trainers (economic facilitators) enabled and economic cluster and value chain upgrade services provided 2.9 Improved performance of local enterprises 2.10 Commercial banks supported to pilot innovative, sustainable services to LGAs 2.11 Competitive advantage of localities (districts and regions) enhanced 2.12 Innovative and sustainable service delivery models developed and provided	More than USD 320,000 is revolving Among clients DFLEs active and provide the required services as per constitution NA Value chain analysis done for four Crops Paddy fish (sengerema) Tomatoes chick peas (Misungwi)	
Intended Output 3: Policy Impact and Replication: Lessons learnt and disseminated to influence regional and national debates (on the role of LGAs in local economic development and poverty reduction)	Simple and efficient monitoring systems defined and implemented Local stakeholders capable to auto-evaluate programme achievements and service delivery Communication tools able to reach different audiences	M and E framework in place	

C. SPIRE Framework, methodology and tools

a) **The SPIRE approach in a nutshell**

The methodology used for this mid-term assessment of the *Support to Local Economy in Mwanza region (SLEM)* is based on an approach developed within the SPIRE initiative. The SPIRE approach involves testing the intervention logic/development hypothesis underlying a programme against evidence on its implementation performance. Two main tools have been developed for this purpose:

Intervention Logic Diagrams for the Local Development and Inclusive Finance areas (which are further detailed in an Effects Diagram for each practice area):

An Assessment Matrix, which contains 8 key review questions that are used in all SPIRE exercises.

The findings are built incrementally through pre-mission deskwork resulting in the formulation of an Inception Report by the review team leader (which, *inter alia*, reviews the relevance of the overall Intervention Logic and makes a judgment whether there will be a need to adjust the assessment Matrix to the particular country context).

This deskwork phase is followed by mission assessments at the country level. The team's understanding of the programme design, and its emerging findings and recommendations are deepened through review and analysis of data and information, dialogue with the programme stakeholders and the service users in a series of interviews, focus group discussions and facilitated kick off and debriefing workshops.

The SPIRE approach concludes with a final report, which then leads to the formulation of a Management Response involving the relevant stakeholders. The final review report and the Management Response are then uploaded into the UNDP Evaluation Resource Centre Database which is a public website.

b) Intervention Logic/Development hypothesis for local development in UNCDF

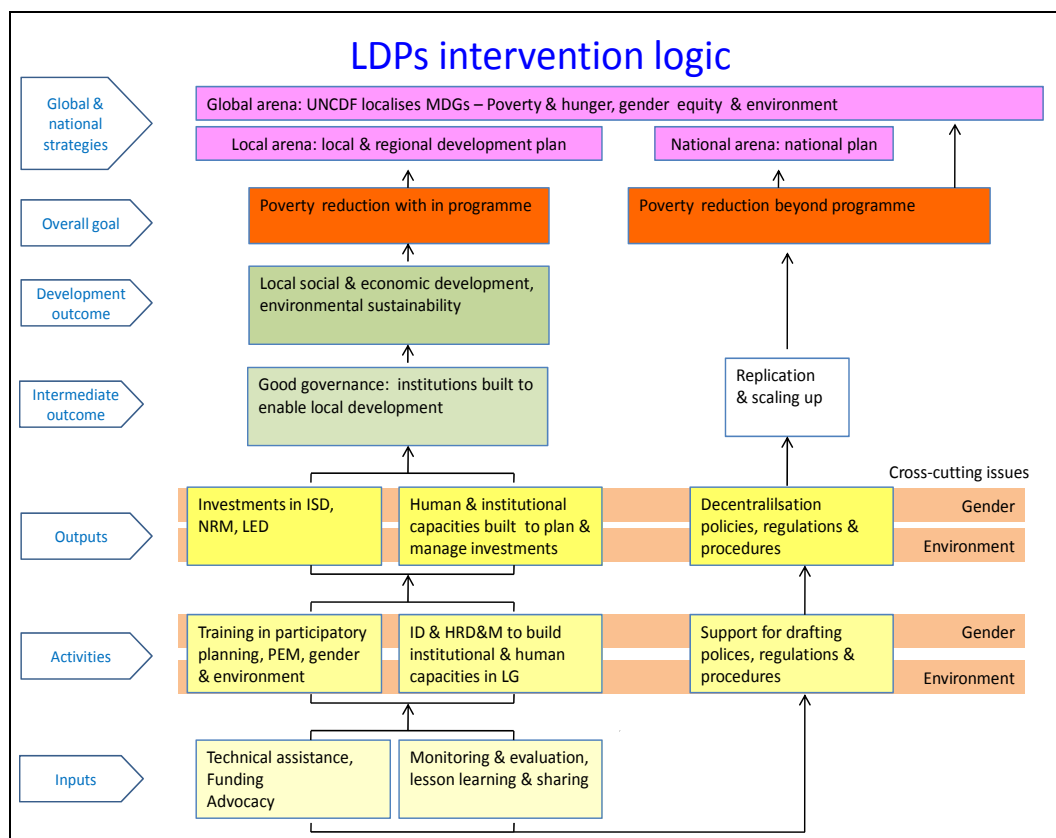
The local development model

The **development hypothesis** underlying UNCDF's model of local development is that the efficiency and effectiveness of service delivery in LDCs will be increased and the level of poverty reduced by decentralising service delivery to democratic local government, using capital development funds to provide grants for investment in a small scale service infrastructure that is constructed and maintained either directly by local government or by communities and/or the private sector, with financial inputs and supervision from the local government.

This hypothesis gives rise to UNCDF's local development model, the intervention logic of which is illustrated in

Figure 7 below. The three main outputs of the model are: 1) institutional capacity, particularly in public expenditure management (encompassing data collection and needs assessment, *participatory* planning, budgeting, procurement, management of project implementation, accounting and reporting) and public, private partnerships, 2) investments in local development in the form of infrastructure service delivery (ISD), natural resource management (NMR), and local economic development (LED) and 3) decentralisation policy, including fiscal decentralisation, and legal and regulatory frameworks. The intermediate outcome is good local governance. The purpose, or development goal, is local development in both urban and rural areas. The overall goal is poverty reduction. The programme contributes to the achievement of the MDGs within a country and thus, to UNCDF's **global strategy** of localising the MDGs. This is an ideal type from which any given country LDP may deviate to a greater or lesser extent.

Figure 7: Local development intervention logic



c) SPIRE Framework

The review framework is based on the intervention logic described above. It sets out the chain of anticipated effects brought about by the programme's intervention. The SPIRE framework traces the effects of the intervention from inputs to outputs, through outcomes and impacts, distinguishing the different areas of capacity building and service delivery. It traces how experience gained in the local arena informs replication, policy reform and national roll-out of the programme. It also shows how experience in the country relates to UNDP and UNCDF's country and global objectives and informs future strategy debate.

It is important to note that while the SPIRE framework lays out the overall intervention logic, the SPIRE reviews do not have the ambition to assess whether projects have achieved outcomes or impacts. The SPIRE methodology confines itself to responding to efficiency, effectiveness and relevance and likely sustainability concerns, as defined in the SPIRE Assessment Matrix.

d) Assessment matrix

The SPIRE matrix for local development is based on the intervention logic described above. The questions posed in the matrix seek to establish whether the anticipated effects illustrated in the SPIRE framework have actually been achieved. The matrix relates each question to indicators, tools and sources of information. The tools used by the team are documentary and data review, key stakeholder interviews, facilitated kick off and debriefing workshops, focus group discussions, community meetings and site visits.

The assessment matrix is presented in Annex 3 in its general formulation, descending from the general SPIRE framework and therefore applicable to different country Programmes. As described above with reference to the SPIRE framework, the general matrix shall serve as reference tool and guidance in tailoring and applying question on the basis of the specificity of each program.

D. Contents and Scope of the SPIRE exercise

Taking into account the implementation status of the programme and the resource disbursements made to date, the assessment team will assess the performance of the project in terms of the eight

questions included in the SPIRE matrix for local development (**attached in Annex 4**) and reproduced below:

SPIRE Questions for Local Development	Corresponding UN Evaluation Criteria
Question 1: To what extent is the programme relevant and well-designed?	Relevance
Question 2: To what extent has the programme contributed to increased capacities and improved systems at local and national government level?	Efficiency and Effectiveness
Question 3: To what extent has the programme contributed to the improved planning of local development?	Efficiency and Effectiveness
Question 4: To what extent have LDF-funded investments contributed to enhancing opportunities for socio-economic development?	Effectiveness
Question 5: To what extent are programme results likely to be sustainable in the longer-term?	Sustainability
Question 6: How effective has management of the programme been at the national and local levels?	Efficiency
Question 7: To what extent did piloted approaches lead to up-scaling and replication as well as to policy developments?	Effectiveness
Question 8: To what extent did the programme enhance the partnership with the government and other donors at national and regional level?	Effectiveness

These eight questions have been drawn up with a view to focusing the evaluators' attention on the main results of project implementation to date, as well as important factors affecting project results such as project relevance and quality of design, project management, and the project's positioning with regard to other actors in the area of local development in Tanzania.

Each of the 8 questions includes sub-questions (**see Annex 4**), which guide evaluators in what aspects of project performance they should be focusing on during their work. These sub-questions also include indicators, data collection methods and information sources, which should be used as a means to answer the overall review question.

The eight SPIRE questions will remain the same for evaluations of other local development projects in order to ensure comparability of results over a sample of different projects.

That said, the review team should feel free to propose alternative sub-questions, indicators and data collection methods to fit the project in question. In choosing these sub-questions and indicators, the team should feel free to refer, where appropriate, to the indicators included in the Results and Resources Framework.

These changes should be presented as part of the Inception Report and agreed by the Evaluation managers before the start of the in-country phase.

E. SPIRE Steps and Sequence

The SPIRE exercise will comprise the following steps after the Terms of Reference is concluded: the Inception Phase, In-Country Phase, the Report Writing Phase and the Management Response phase.

Inception Phase

Partners consultations and briefing: The outsourced consultant manager and lead consultant will be briefed prior to the fieldwork by the Evaluation Unit.

Desk review of relevant documentation: A list of key reference documents and people to be interviewed is provided in **Annex 2**.

Inception Report: the team leader will produce a brief report which outlines the intervention logic relevant to the country project/programme being assessed within the context of the overall development hypothesis set out for SPIRE, any modifications to the sub-questions contained in the Assessment Matrix and preliminary conclusions reached from the review of documentation. Updated timeline for deliverables will be also be included.

In-country phase

Hypothesis workshop conducted by the team leader with the rest of the team to ensure common approach to the review process.

Finalization of work plan: the team will review the draft workplan (**Annex 1**) with the Programme Officer/in-country review support team and make any adjustments they see fit, taking into account practical and logistical considerations.

In-country briefing: The Team will be briefed on the first day of the mission by programme stakeholders. Where feasible, the team should meet with the Advisory Group that has been set up to support the review process.

Fieldwork: Conducted in the capital and locations where supported MFIs are based. As far as possible, the Review Team should discuss findings with beneficiaries and stakeholders at each stage of the review and obtain their feedback.

Findings are shared with the in-country UNCDF and UNDP teams prior to the national debriefing.

Preparation for National debriefing -Aide Mémoire/Power Point presentation: On the basis of its findings, the Review Team will prepare an *aide mémoire*, which will be shared, through the in-country review focal point, with all key stakeholders as a basis for discussion.

Debriefing

National Debriefing: At the meeting, the team will present their key findings and recommendations to key stakeholders for discussion. The minutes of the meeting will be taken by the Programme Officer/in-country support team submitted promptly to the UNCDF Evaluation Unit, and all key stakeholders, and also to the manager of the SPIRE contract and review team, for their consideration in drafting the final report.

Draft report and Summary: The manager of the SPIRE subcontract will submit a draft review report and Evaluation Summary to the UNCDF Evaluation Unit, which will circulate the draft to all key stakeholders for written comment

Global Debriefing: A final debriefing at HQ via teleconference will be provided by the lead consultant. The debriefing will be chaired by the Executive Secretary of UNCDF and the UNDP Regional Bureaux and other stakeholders will also be invited to attend. The Evaluation Unit will be responsible for writing up minutes of the debriefing, which will be submitted promptly to the manager of the SPIRE subcontract for consideration in finalizing the evaluation report and summary.

Report Finalization Phase

The Final SPIRE Report will be submitted by manager of the SPIRE sub contract to the UNCDF Evaluation Adviser, who will disseminate it to all key stakeholders. This final report will include an Annex in which the Evaluation Team will present the findings, recommendations and issues for consideration and response by the programme managers. The standard Management Response template, available on the UNDP Evaluation Resource Centre (ERC) database, will be used for this purpose.

Management Response Phase

Management Response: the Director of the Practice Area will be responsible for facilitating the formulation of a Management Response to the findings and recommendations by relevant stakeholders **within 30 working days** of receiving the final report from the Evaluation Unit. The Management Response will be submitted to the Deputy Executive Secretary for approval and then noted by the Executive Secretary. The completed Management Response will be uploaded into the UNDP ERC database by the UNCDF Evaluation Unit, together with the completed report. Progress in terms of implementing action agreed to in the Management Response is the responsibility of the Directors of the Practice Areas.

Deliverables

The Manager of the SPIRE contract, in consultation with the lead consultant, is responsible for preparing and submitting the following deliverables:

An **Inception report** is prepared and shared with the Evaluation Unit and other key stakeholders in the period prior to the fieldwork

Aide Mémoire/Power Point Presentation: A summary of key evaluation findings and recommendations prepared towards the end of the evaluation and submitted to the project secretariat and the UNCDF Evaluation Unit before the Evaluation Consultation meeting.

Draft Evaluation Report: The lead consultant is responsible for consolidating the inputs of team members, and taking into consideration comments received at the in-country evaluation

consultation meeting, to produce a coherent Draft Evaluation Report and Evaluation Summary, according to the format in **Annex 3**.

Final Evaluation Report and Management Response: Based on comments received on the Draft Evaluation Report, and at the UNCDF evaluation debriefing, the Manager of the SPIRE contract and lead consultant will finalise the evaluation and summary, with input from other evaluation team members, as required, and submit the Final Evaluation Report and Summary to the UNCDF Evaluation Advisor within five days of the receipt of the minutes of the UNCDF evaluation debriefing, or by the agreed date.

Evaluation Summary: as described in Annex 5

The Evaluation Team's contractual obligations are complete once the UNCDF Evaluation Advisor has reviewed and approved the Final Evaluation Report for quality and completeness as per the TOR.

F. Composition of Evaluation team

1. Consultant profiles and responsibilities

The Final Evaluation is to be conducted by a team of 3 consultants. The Team Leader will be Philip Bottern; second international consultant: Andrea Agostinucci; and the third national consultant: N. Sola.

Profile specifications for Evaluation Team Leaders

International consultant with strong international comparative experience in the field of decentralization and local development including: fiscal decentralization; decentralized infrastructure and service delivery; local government capacity building for decentralized public expenditure management and operationalization of decentralized systems of planning and budgeting; policy, legal and regulatory reform related to decentralization; rural development.

Experience leading evaluations of decentralization and local development programmes, including experience using a range of qualitative and quantitative evaluation methodologies to assess programme results at individual/household, institutional, sector and policy level.

Sound knowledge and awareness of issues related to gender and social inclusion.

Thorough understanding of key elements of results-based programme management.

Demonstrated capacity for strategic thinking, and excellent analytical and writing skills.

Strong task management and team leading competencies.

Country/regional experience relative to the programme to be evaluated an advantage.

Language skills relevant to the evaluation.

Profile specifications for Evaluation Team members:

Typical additional profiles that will need to be sourced, depending on the nature of the programme to be evaluated and the scope of the approved evaluation TOR, include:

Local decentralization specialist, with experience in fiscal decentralization and good understanding of decentralization history, process, and issues in the programme country.

Civil engineer/chartered surveyor, with specialised knowledge of infrastructure and service delivery, design and construction of small-scale infrastructure projects, assessing technical quality and cost-effectiveness of infrastructure and services, appropriateness and quality of procurement processes, provisions for recurrent costs, operations and maintenance, community participation in procurement, delivery, operations and maintenance of infrastructure and services delivered.

Socio-economist, with specialised knowledge of PRA and evaluation methodologies, to lead evaluation of programme results at the individual/household/community level.

Specialist on gender, social inclusion, participation, to assess programme performance with respect to participation and inclusiveness of the various stages in the planning and infrastructure and service delivery process, level of satisfaction with the process and results, and outcome and impact of the programme, disaggregated by gender, socio-economic, ethnic status etc.

Natural resource management specialist, for programmes that include support to improved natural resource management.

Local economic development specialist, for programmes that include support to local economic development.

Food security specialist for programmes that include support to improved food security.

Evaluation Team members must possess relevant language skills.

G. Workplan for the Evaluation mission [to be provided by the PO]

POs are requested to provide a tentative workplan using the format provided in Annex 2. This will be finalized during discussions with the outsourced company and the team leader/members.

H. Mission Costs and Financing [to be provided by the PO]

Approximately USD 100,000.

ANNEXES:

Annex 1 - Indicative Documentation List

Annex 2 – Tentative Work plan

Annex 3 - Format for Final Evaluation Report

Annex 4 – SPIRE Evaluation Matrix for the Local Development sector

Annex 5 – Format for the Evaluation Summary

Annex 1: Indicative documentation list

UNCDF DOCUMENTS

Programme approval

Minutes of the Programme Appraisal Committee (PAC)

Signed PRODOC

Government Commitment note

Baseline studies(Research work)

Socio-economic appraisal

Institutional Mapping

Inception report (General presentation of SLEM)

SLEM Technical note

Structures and system set up for SLEM

Formation of District forum for Local Economy (DFLEs)

Sengerema workshop report

Misungwi workshop report

Local Economic Development Fund

Aide memoire (ANZIZ report)

MoU between Sengerema District Council and Uzinza SACCOs

MoU between Misungwi District Council and MKUKUWAMI SACCOS

M and E framework

Synthetic report

Documentation and up scaling

Papers for the National Workshop on LED

Workshop report

Annual work plans, progress reports (Management Information System reports) and financial reports

Annual Progress report January-2009

Semi annual report

Previous evaluations (Support to Good Local Governance and Support to Decentralization programme

Technical studies

Value chain analysis

Programme Audit Reports

Documentation, guidelines, studies produced by programme

Workshop papers

UN Common Country Assessment and UN Development Assistance Framework for the programme country

UNCDF Strategic Results Framework

(2) Other relevant Non-UNCDF Documents

Documents prepared by the Government, national stakeholders and other international and national stakeholders of value in terms of preparing the team with relevant background should be listed here.

Government policy paper on local government

Local government Reform Programme 11 (Decentralization by Devolution)

Annex 2 – TEMPLATE FOR WORK PLAN PREPARATION - DRAFT TO BE PREPARED BY PO

Activity	RESPONSIBILITY	# WORK DAYS	SCHEDULE
CAPITAL	Team/UNCDF etc	Number	Date
Team Leader arrive		Arrive am	
Preparation for evaluation: Internal meeting of evaluation team to: Review documentation Refine and agree evaluation methodology, Discuss division of labour, etc			
Final planning meeting of evaluation team Briefing meeting with Programme Officer / programme staff Security Briefing			
Meetings			

Annex 3: Format for Final Evaluation Report

Length: To better support use of the evaluation, the report should not exceed 40 pages, plus annexes.

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Basic Geographic and Demographic Data

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Acronyms and Abbreviations

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Recommendation 2

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Annex 1: Terms of Reference

Annex 2: Bibliography

Annex 3: List of Persons Met/Interviewed

Annex 4: Final Mission Plan

Annex 5: Total Programme Expenditure

Annex 6: Management Response Matrix

Annex 7: Evaluation Matrix filled out with analysis from evaluation mission

Annex 4: SPIRE Evaluation Matrix for the Local Development sector

Annex 5 - Format for the Evaluation Summary

This is a 4-5-page summary of the Evaluation Report. This is distinct from the Executive Summary, and should serve as a self-contained summary that may be read without reference to the main report. The Evaluation Summary should follow this outline:

Project data sheet

Background to the project

Description of the project

Purpose of the evaluation

Key findings of the evaluation mission

Lessons learnt

Recommendations of the mission

Evaluation team composition

UNCDF Evaluation Unit

October 2010

ANNEX 2: BIBLIOGRAPHY

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46. Value Chain Analysis Report, Final report. United Republic of Tanzania, UNCDF, UNDP. February 2008
47. Special Programme Implementation Review. UNCDF
48. Combined Delivery Report. UNDP. Jan-Dec 2006
49. Combined Delivery Report: UNDP. Jan-Dec 2007
50. Combined Delivery Report. UNDP. Jan-Dec 2008
51. Combined Delivery Report. UNDP. Jan-Dec 2009
52. Combined Delivery Report. UNCDF. Jan-Dec 2006
53. Combined Delivery Report: UNCDF. Jan-Dec 2007
54. Combined Delivery Report. UNCDF. Jan-Dec 2008
55. Combined Delivery Report. UNCDF. Jan-Dec 2009
56. Combined Delivery Report. UNCDF. Jan-Dec 2010
57. SLEM AWP. 2007
58. SLEM AWP. 2008
59. SLEM AWP. 2010
60. SLEM Programme Implementation Report, October 2006 to October 2010, CPU RAS
61. The Progress report for the Implementation of The SLEM programme since its inception in November 2006 to October 2010, in Sengerema Council
62. Implementation Report for SLEM Programme since its Inception in November 2006 to October 2010 in Misungwi District
63. Special Programme Implementation Review. UNCDF. Date 16-30 November 2010
64. 12 Progress reports from Economic Groups

ANNEX 3: LIST OF PERSONS MET

No	Name	Designation	Institution
Dar es Salaam - November 16 th 2010			
1	Daimu S. Mkwawa	Programme Specialist	UNCDF
2	Philippe Poinot	Country Director	UNDP
Mwanza Regional Secretariat - November 18 th 2010			
1	Mr. Mageka	Assistant RAS	Mwanza RS
2	Mr. T. A. Kyamba	SLEM Focal Person	Mwanza RS
3	Ms Isabela Mariki	SLEM programme coordinator	Mwanza RS
4	Ms Joyce Lupemba	SLEM programme accountant	Mwanza RS
Sengerema District – November 19 th - 22 nd 2010			
1	Elinasia Pallangyo	District Commissioner	Sengerema District
2	Joseph S. Shighuli	BDSS Service Provider	Sengerema District Council
3	P.S. Masashua	DALDO Ag. DED	Sengerema District Council
4	Victor William Katiti	Community Services Officer	SLEM Sengerema
5	Butoto L.M.Z.	Focal Person	SLEM Sengerema
6	Onesmo Birago	District Planning Officer	Sengerema District Council
7	Mukungu L.A	Ag. District Human resources Officer	Sengerema District Council
8	Paul Misana	Cooperatives Officer	Sengerema District Council
9	Innocent Shangwabo	District Natural Resources Officer	Sengerema District Council
10	Sydney Shija	Town Planning Officer	Sengerema District Council
11	Mary H. Mollo	Home Economics Education officer	Sengerema District Council
12	Zilaliye James	Education Officer	Sengerema District Council
13	B.H. Nyatiro	Agricultural and Livestock Officer	Sengerema District Council
14	Kabelwa M.O	District Engineer	Sengerema District Council
15	Majubu John	Ag. District Treasurer	Sengerema District Council
16	Makarios Kakema	Internal Auditor	Sengerema District Council
17	Deusdedit B. Rugakira	Procurement Officer	Sengerema District Council
1	E. Zacharia Mnwanis	Chairperson	Uzinza SACCOS
2	Joseph Mashamba	Member	Uzinza SACCOS
1	Felician Ncheye	Manager	TELECENTRE
2	Mosses Julius	IT - Officer	TELECENTRE
3	Mary Clemence	Radio Officer	TELECENTRE
4	George Tumbo	Cashier	TELECENTRE

No	Name	Designation	Institution
1	John Morgan	Secretary	KWIHINAKO Group
2	Matias Ludelo	Chairperson	KWIHINAKO Group
3	Martin Masele	Cashier	KWIHINAKO Group
4	Matia Shileka	Village Executive Officer	KWIHINAKO Group
1	Yasin Ramadhani	Chairperson	ABAKAMBAKO Group
2	John M.E. Lucian	Secretary	ABAKAMBAKO Group
3	Masala D. Ncheye	Cashier	ABAKAMBAKO Group
4	Philip N. Mlanga	Member	ABAKAMBAKO Group
1	Maswali Katigula	Chairperson	Nyampande Horticulture Green
2	Jumanne Almasi	Secretary	Nyampande Horticulture Green
3	Helena Benedict	Cashier	Nyampande Horticulture Green
4	Kurusumu Hamisi	Member	Nyampande Horticulture Green
1	Winifrida Kahyolo	Secretary	Women and development Group
2	Rehema Abeid	Cashier	Women and development Group
3	Nkanjiwa Kahema	Member	Women and development Group
4	Happiness Nestory	Member	Women and development Group
1	Deogratias Merdard	Chairperson	Mazingira (Environment) Group
2	Elias Mageesse	Secretary	Mazingira (Environment) Group
3	Venance Nyanda	Cashier	Mazingira (Environment) Group
1	Mathias Mchele	Chairperson	Happy Group
2	Tulinalwe Njama	Secretary	Happy Group
3	Paulina Mleri	Cashier	Happy Group
1	Stephania Shindika	Chairperson	Nyabutanga Group
2	Amos Godley	Secretary	Nyabutanga Group
3	Jacob Ezekiel	Cashier	Nyabutanga Group
1	Demetria Daniel	Chairperson	Tumsiime Group
2	Merius M. Peter	Secretary	Tumsiime Group
3	Christian Kalugula	Cashier	Tumsiime Group
1	Salumu Manyundo	Chairperson	Manyundo Group/Workshop
2	Marco David	Secretary	Manyundo Group/Workshop
3	Pendo Dotto	Cashier	Manyundo Group/Workshop

No	Name	Designation	Institution
1	Martin Nyamambaya	Chairperson	Mkombozi Waziba Pancha Group
2	Justin Safari	Secretary	Mkombozi Waziba Pancha Group
1	Penina Malekela	Chairperson	Tupendane Women Group
2	Anna Manyama	Secretary	Tupendane Women Group
3	Mary Wanjala	Cashier	Tupendane Women Group
DFLE Debriefing Meeting			
1	Lameck M. Butoto	Focal Person	SLEM Sengerema
2	Jumane Masunga	Councillor	Ibisabageni Ward Sengerema DC
3	Daniel K. Shushu	DFLE Member	Nyampulukana
4	Paul Misana	Cooperative Officer - DFLE Member	Sengerema
5	Thomas Ibamba	DFLE Member	Busisi
6	Malimi Suleiman	DFLE Member	Sengerema
7	Ephrazia Misana	DFLE Member	Lushamba
8	Joseph G. Mashamba	DFLE Member	Sengerema
9	Bethold Byome	DFLE Member	Sengerema
10	Hezron Karaze	DFLE Member	Sengerema
11	Edward Igakamba	DFLE Member	Sengerema
12	Mabumba Lawrence	DFLE Member	Sengerema
13	Mary Sangiwa	DFLE Member	Sengerema
14	Athumani Wambura	DFLE Member	Kahunda
15	Laurentia Shilinde	DFLE Member	Nyakaliro
16	Madaraka Zuberi	DFLE Member	Sengerema
17	Salumu Manyundo	DFLE Member	Sengerema
18	Sam Samweli	DFLE Member	Bigonga
19	Geras Nshabaomkama	DFLE Member	Sengerema
20	Victor W. Katiti	Community Dev. Officer (DFLE)	Sengerema
21	Ndaro S. Nyamwaka	Planning Officer (DFLE Member)	Sengerema DC
22	Nyamate Musobi	Secretariat	Sengerema
23	Emanuel Z. Mwanis	Chairperson	Sengerema
24	Joseph Simeon Shiguli	DFLE Member (BDSP)	Sengerema
25	Chande Mrema	DFLE Member	Sengerema
26	Felician Ncheya	DFLE Member	Sengerema TELECENTRE
Misungwi District –November 23 rd – 25 th 2010.			
1	Mariam S. Lugaila	District Commissioner	Misungwi District
2	Charles J. Kaphipa	Ag. Chairperson DFLE	Misungwi DFLE
3	Xavier Tilweselekwa	Council Director	Misungwi DC
4	Shaban Millao	Council Planning Officer	Misungwi DC
5	Revocatus Kimario	BDSS Manager (Service provider)	Misungwi Rural Housing Project
6	Bahati Kahimdi	Economist	Misungwi DC
7	Samweli Nyanda	Employee AIDE ET Action	Misungwi AIDE ET Action
8	Jumane Deteba	Tutor	Community Dev. Training Institute
9	Agnes Maziku	School Inspector	Misungwi DC
10	Charles M. Magoti	Ag. District Primary Education	Misungwi DC

No	Name	Designation	Institution
		Officer	
11	Jane Binamungu	District Agriculture & Livestock Dev. O	Misungwi DC
12	Denis Pantaleo	MKUKUWAMI SACCOS Chairperson	Misungwi DC
13	Emmanuel Kishisha	Manager	National Microfinance Bank (NMB)
14	Kusaga Mununo	Ag. District Treasurer	Misungwi DC
15	Ismael Mtani	Fisheries Officer	Misungwi DC
16	Sebastian Maguta	Manager	Misungwi TCCIA branch
17	Goodluck Lugandira	Legal Officer	Misungwi DC
18	Kazi BM	Ag Secondary Education Officer	Misungwi DC
19	G. Bamkileki	SLEM Focal Person	Misungwi DC
20	Cornel F. Shayo	Economist	Misungwi DC
21	CD Bunini	District Human Resources Officer	Misungwi DC
22	Munubi Tella	Village Fund Systems Auditor	TASAF - Misungwi
23	Joseph PC Kadaraja	Cooperative Officer	Misungwi DC
24	Mariam Hanati	Committee Clerk	Misungwi DC
BATAMADUMU Group			
1	Edward Bisulu	Chairperson	Fella village
2	Thomas Paul	Secretary	Fella village
3	Paul Michael	Cashier	Fella village
4	Ngalela Kalekwa	Village Chairperson	Fella village
1	Helena Nestrory	Chairperson	Kakola Bukumbi - SACCOS
2	Andrea Bulugu	Manager	Kakola Bukumbi - SACCOS
3	Iddi Ramadhani	Secretary	Kakola Bukumbi - SACCOS
1	Bestina Julius	Chairperson	Mabuki village
2	Rose Stephen	Secretary	Mabuki village
3	Margret Kagodo	Cashier	Mabuki village
4	Yusuf Mlewa	Village Executive Officer	Mabuki village
5	Malale Petro	Village Chairperson	Mabuki village
DFLE Debriefing Meeting			
1	Charles J. Kaphipa	DFLE member	Fishermen's Cluster - Idetenya Ward
2	Mariam S. Lugaiga	District Commissioner	Misungwi District
3	Gaudencia Bamugileki	Focal Person	Misungwi DC
4	Xavier Tilweselekwa	Council Director	Misungwi DC
5	Mayunga D. Ntiga	DFLE member	SACCOS Cluster Misungwi
6	Jumanne S. Magandia	DFLE member	Youth Eco. Group - Mbarika ward
7	Ester Maduka	DFLE member	Agriculture Cluster - Mbarika ward
8	Hussein H. Hamisi	Religious group - Moslems	Misungwi ward
9	Joseph Magole	DFLE member	Livestock keepers cluster - Koromije
10	Anthony Ngitimani	DFLE member	Fishermen's Cluster - Igelelo ward
11	Lameck Kabinza	Religious group - Christians	Misungwi
12	Shabani Millao	Council Planning Officer	Misungwi DC
13	Fortunata Nkwande	DFLE member	Women Cluster -

No	Name	Designation	Institution
			Ukiliguru ward
14	Ismaeli Mtani	Fisheries Officer	Misungwi DC
15	Jackson Mponela	DFLE member	Artisans Cluster – Ukiliguru ward
16	Dominick Donald	DFLE member	Artisan Cluster – Misungwi ward
17	Christina D. Bunini	Ag. Council HRO	Misungwi DC
18	Jane Binamungu	DALDO	Misungwi DC
19	Masuka Lungwelya	Council Engineer	Misungwi DC
20	Eunice Malehwa	DFLE member	SACCOS Cluster – Mwaniko ward
21	Sebastian Maguta	District Coordinating Committee	TCCIA - Misungwi District
22	Charles M. Maguti	Primary Education Officer	Misungwi DC
23	Willihelmina Mkunga	Community Development Officer	Misungwi DC
24	Badru Mandara	DFLE member	TCCIA - Misungwi District
25	Samweli Nyanda	DFLE member	AIDE et Action
26	Revocatus Kimario	BDSP	Misungwi Rural Housing Project
27	Joseph Kadereja	Cooperative Officer	Misungwi DC
28	Francis Mutasungwa	Lands and Natural Resources Officer	Misungwi DC
29	Michael Fundi	TASAF coordinator	Misungwi DC
30	Goodluck Lukandira	Legal officer	Misungwi DC
31	Emmanuel Kishisha	Manager	NMB
Mwanza –Regional Advisory Committee			
1	Dorohy Mwanyika	Regional Administrative Secretary	Mwanza RS
2	Mariam S. Lugaila	Regional Commissioner	Misungwi district
3	Elinasi Pallangyo	District commissioner	Sengerema District
4	Daimu Mkwawa	Programme Specialist	UNDP/UNCDF
5	Kulwijila N.S.	Ag. Assistant Administrative officer	Mwanza RS
6	Butoto L.M. Z	Focal Person	SLEM – Sengerema
7	C.M Rutaihwa	Retired RAS	Mwanza
8	Erica Mussiko	District Education Officer	Sengerema Dc
9	Dr. Massele Leonard	DED	Ukerewe DC
10	Joseph Shigulu	BDSP – Manager	Sengerema
11	Revocatus Kimario	BDSP - Manager	Misungwi
12	Matia Levi	Planning Officer	Mwanza RS
13	Crescensia Joseph	Assistant Administrative Officer	RS Mwanza
14	Michael Nyanda	Planning Officer	RS - Mwanza
15	Victor Katiti	Assistant focal person	SLEM - Sengerema
16	Sebastian Maguta	TCCIA manager	Misungwi branch
17	Shabani Millao	Ag. DED	Misungwi DC
18	Hezon Karaze	Member DFLE	Uzinza SACCOS
19	Francis Kilawe	Town Planning Officer	RS – Mwanza
20	Gaudensia Bamugileki	Focal Person	Misungwi
21	Ally Lukonge	Member DFLE	Sengerema
22	Francis Mukabenga	Ag. City Director	Mwanza City council
23	Emmanuel J. Mkongo	Economist	PMO-RALG
24	Charles Kaphipa	Ag. Chairperson	Misungwi –DFLE
25	S.A. Ntarambe	DED	Kwimba

No	Name	Designation	Institution
26	Anthony Mageka	Ag. Assistant Administrative Secretary	RS – Mwanza
27	E. Zacharia Mnwanis	Chairperson	Uzinza SACCOS
28	Felician Ncheye	Manager	Sengerema TELECENTRE
29	Cornel Ngudungi	DED	Magu DC
30	Hassan Karambi	Executive officer	TCCIA – Mwanza
31	Lupembe Joyce	Programme Accountant	RS – Mwanza
32	Isabella Mariki	Programme Coordinator	RS - Mwanza
Dar es Salaam – ALAT and ECO Group			
1	Celestine T. Kimaro	Research and Development Officer	ALAT - Tanzania
2	Jan Meelker	Governance Advisor	SNV - Tanzania
			JICA - Tanzania
Dar es Salaam – Debriefing			
1	Andrea Antonelli	P.O	UNIDO
2	Joseph Kaiza	Programme Analyst	UNDP
3	Beatrice Alexander	PA	UNDP
4	Vera Mayer	Programme Officer	WFP
5	Domina Kambarangwe	National programme Officer	WFP
6	Lakshmi Pillai	Parliament Specialist	UNDP
7	Eva Gauss	Programme Analyst	UNDP
8	Qwais Parry	Advisor Eco group	UN
9	Yoko Mori	Intern	ILO
10	Daimu Mkwawa	Programme Specialist	UNCDF
11	Nora Pendaali	Team leader DGU	UNDP
12	Leoncia Salakana	Programme Officer	ILO
13	Kumbwaeli Salewi	Programme officer UN Reforms	ILO
14	Mgaza H. Lusonge	Project Assistant	UN REDD Project
15	Nehemia Murusuri	National Coordinator	UNDP Small Grants Project
16	Ernest Salla	Assistant resident Representative	UNDP
17	Rose Mlangi	Programme Assistant	UNDP

ANNEX 4. MISSION PLAN

Date	Time	Activity	Venue
16-11-2010 (Tuesday)	Afternoon 16.00	Team members arrival in Dar. Daimu Mkwawa Programme. Specialist Country director, Philippe Poinot	Dar Int. Airport Hotel (Pea Cock) UNCDF UNDP
17-11-2010 (Wednesday) (national day off - Eid El Hajj)	09:00-16.00 16.00-18:00	Team meeting Mr. Daimu Mkwawa	Hotel Peacock Hotel Peacock
18-11-2010 (Thursday)	Morning 16.30 17.00	Travel to Mwanza Acting Secretary, RAS SLEM, Programme Coordination Unit	Dar Es Salaam-Mwanza RAS RAS
19.11-2010 (Friday)	Morning Afternoon	Sengerema District commissioner, Acting District Executive Director SLEM Focal Person Business Development Shop Microfinance Institution (UZINZA) District Coordination Management Team	Sengerema
20-11-2010 (Saturday)	Morning Afternoon	Economic Groups	Sengerema
21-11-2010 (Sunday)			Mwanza
22-11-2010 (Monday)	Morning 14.00	Economic Groups (Rural) District Forum for Local Economy Launch/debriefing seminar	Sengerema, rural
23-11-2010 (Tuesday)	09.00 09.30 10.00 11.00 12.00 14.00 15.00	Misungwi District Commissioner, Misungwi Council Chairman & DED. Evaluation Launch Seminar District Coordination Management Team Business development Shop Microfinance Institution Economic groups	Misungwi
24-11-2010 (Wednesday)	Morning and afternoon	Economic groups (rural)	Misungwi
25-11-10 (Thursday)	Morning Afternoon	DFLE de-briefing PCU FCCIA, SIDO	Misungwi Mwanza
26-11-10 (Friday)	10.00 13.00	Regional Advisory Committee meeting Presentation of findings and Recommendations PCU, Mr. Daimu Mkwawa	RAS RAS
27-11-10 (Saturday)	Morning	Departure to Dar	PCU
28-11-10		Preparation for de-briefing	Hotel Peacock
29-11-10 (Monday)	09.00 14.00	Association Local Authorities Tanzania (ALAT) JICA, VNG	ALAT UNCDF
30-11-10 (Tuesday)	10.00	De-briefing seminar: UNDP, UNCDF, UNIDO, ILO, REDD Project, UNDP Small	UNDP

		Grants Project, WFP	
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ANNEX 5: TOTAL PROGRAMME EXPENDITURE

Activity	Budget, ProDoc	Actual Expenditure												
		UNCDF					UNDP					Total		
Output 1		2006	2007	2008	2009	2010	2006	2007	2008	2009	2010	UNCDF	UNDP	All
Salary costs			44	2.259	9.494	488		13.475	10.446			12.285	23.921	36.206
International Consultants						0						0	0	0
Local Consultants					4.056	23.944	5.145	4.818	1.529			28.000	11.492	39.492
Capacity Building				17.993	56.268	81.888		81.674	41.725			156.149	123.399	279.548
Travel					-337	0		14.537				-337	14.537	14.200
Operative/adm costs				7.820	12.697	11.354		14.765	6.451	-1.415		31.871	19.801	51.672
Sub-total Output 1	1.230.000	0	44	28.072	82.178	117.674	5.145	129.269	60.151	-1.415	0	227.968	193.150	421.118
Output 2														
Capital Grants				240.000	79.000	100.000						419.000	0	419.000
Constructions					116.141	43.690			796			159.831	796	160.627
Salary costs				8.557		470						9.027	0	9.027
Local Consultants					21	0						21	0	21
Capacity Building					73.481	0						73.481	0	73.481
Travel						0						0	0	0
Operative/adm costs				6.533	-646	1.548			9.388			7.435	9.388	16.823
Sub-total Output 2	5.065.000	0	0	255.090	267.997	145.708	0	0	10.184	0	0	668.795	10.184	678.979
Output 3														
Local Consultants				19.585	-18.467	0						1.118	0	1.118
Travel				2.208	2.764	0						4.972	0	4.972
Operative/adm costs				116	15.180	4.910		4.137				20.206	4.137	24.343
Sub-total Output 3	230.000	0	0	21.909	-523	4.910	0	4.137	0	0	0	26.296	4.137	30.433
Output 4														
Salary costs		11.633	12.521	32.969	45.594	57.472	709	14.342	10.052			160.189	25.103	185.292

International Consultants		36.420			-36.300	0						120	0	120
Local Consultants		2.944	73.547	20.135	18.600	-5.208		946	2.648			110.018	3.594	113.612
Travel		18.515	3.813	6.028	3.812	4.280	550	5.734	4.444			36.448	10.728	47.176
Operative/adm costs			837	14.568	37.932	31.136	1.569	75.627	40.167			84.473	117.363	201.836
Sub-total Output 4	855.000	69.512	90.718	73.700	69.638	87.680	2.828	96.649	57.311	0	0	391.248	156.788	548.036
Output 5														
Salary costs			562	6.921	-186	-327			1.238			6.970	1.238	8.208
International Consultants				12.509	524	0						13.033	0	13.033
Local Consultants				980		0		29.128	30.020			980	59.148	60.128
Capacity Building				1.100		0						1.100	0	1.100
Travel			1.098	7.003	-750	-748						6.603	0	6.603
Operative/adm costs		74.919	-88	21.924	-672	121.737	55.430	409	3.733			217.820	59.572	277.392
Sub-total Output 5	280.000	74.919	1.572	50.437	-1.084	120.662	55.430	29.537	34.991	0	0	246.506	119.958	366.464
Miscellea/loses	200.000													
Total	7.860.000	144.431	92.334	429.208	418.206	476.634	63.403	259.592	162.637	-1.415	0	1.560.813	484.217	2.045.030

ANNEX 6: MANAGEMENT RESPONSE MATRIX

- **The Evaluation Team Leader** will use this Evaluation Follow-up Matrix to summarise the key findings and recommendations of the evaluation, and propose responsibilities and timeline for follow up.
- **The Portfolio Manager** will subsequently discuss the recommendations and proposed follow-up responsibility and timeline with programme stakeholders and record agreed follow-up actions, responsibilities and timelines in this matrix, and use it monitor their implementation.
- **The Director of Practice Division** is responsible for oversight, to ensure timely implementation of agreed follow up actions.
- **The Evaluation Unit** will periodically report to UNCDF Senior Management and the Executive Board on progress in implementing agreed follow up to evaluations, as part of its accountability function.

UNCDF Management Response Template

[Name of the Evaluation] Final Review – Support to Local Economy in Mwanza

Prepared by: Philip Bottern

Position: Team Leader

Unit/Bureau: DRN/LGDK

Cleared by:

Position:

Unit/Bureau:

Input into and update in ERC:

Position:

Unit/Bureau:

Overall Assessment

SLEM is a relevant programme that has been implemented effectively despite several shortcomings in the original desing and a significant disproportion between planned (8,7 Millions USD) and actually available resources (2.1 millions).

At the institutional level, the programme has supported the establishment of a conducive environment for LED through ad hoc consultative mechanisms based on a PPP principle, but a corresponding expansion in the functions and capacities of the key actors – and LGAs in particular – to translate sahred strategies into implementable plans has not taken place yet.

The programme has also strongly contributed to improvements in the availability of financial, advisory and training services for businesses, resulting in the economic empowerment and expansion of income generating opportunities mostly for small economic groups at community level. On the other hand, the exclusive focus on micro-scale investment for micro/informal business groups has prevented more structural effects on LED and Value Chain Development dynamics, thus on economic growth, which would arguably have allowed stronger and more sustained impacts on poverty reduction.

Given the lack of a consistent strategy and of means for partnership building and advocacy for additional resources leveraging, as well as the absence of a proper anchorage at the national level, the programme has proved rather weak in its effort to integrate, replicate and up-scale experiences carried out at the districts level.

On the whole, the programme has been a relevant and well implemented area-based intervention that has provided a promising foundation for enabling economic development in the pilot districts, but the reduced scale and coverage of the intervention and weak up-stream linkages have strongly limited its potential to impact more deeply on LED as a basis for economic growth at the local level, and for policy development, partnership building and resources mobilization at the regional and national level.

The results of the programme are well owned and institutionalised. However, some activities are not fully completed nor sustained yet. In particular, the functioning of the newly established BDSSs shops, the integration of LED into district planning and budgeting, and the agreements between MFIs and districts, which need to be formalised on a multiannual basis.

The team recommends the implementation of a one year consolidation phase, focussed on sustaining the programme's results, and the preparation of a **new programme** based on the valuable set of institutional and operational mechanisms introduced by SLEM (DFLE, BDSSs, MFIs, district/regional setup), but with a more strategic approach to LED, stronger regional focus and a strong anchorage at the national level for up-scaling and development of a national policy framework for LED.

It is a however a pre-condition for a new programme that is has a strong anchorage' mechanism to PMO-RALG, GoT is committed to the idea and the programme itself should be integrated strongly into the government's local government reform programme.

Evaluation Recommendation 1: Preparation for a Consolidation phase for 2011.				
Management Response:				
Key Action(s) proposed by the evaluation team	Time Frame	Responsible Unit(s)	Tracking*	
			Status	Comments
1.1 Preparation of a SLEM consolidation work-plan for 2011 focusing on: 1) Business Development Services Shops: Completion of structures, agreement between districts and BDSSs providers, development of BDSSs' business plans with revenue plans etc. 2) Microfinance Institutions: Development of multiannual agreements with districts 3) District LED planning: incorporation of LED strategies and related measures into district development plans and MTEF, synergies with other programmes	Februaryt/March 2011	UNCDF/PCU		
1.2. Approval of consolidation phase and funding	March 2011	UNCDF		
Evaluation Recommendation 2: Start the preparation of a new programme				
Management Response:				
Key Actions proposed by the evaluation team	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
2.1 Initiate the preparation of a new SLEM programme with a more strategic approach to LED, stronger regional focus and a strong anchorage at the national level for up-scaling and development of a national policy framework for LED.	April-June 2011	UNCDF HQ		
Some Key Actions proposed by the evaluation team	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments

ANNEX 7. EVALUATION MATRIX ADJUSTED TO SLEM

EQ1	To what extent was the programme design coherent and relevant?	
	<p>The programme objectives are highly relevant to the government priorities and strategies, and consistent with the broader donors' support framework. However, the design of the programme results rather over-ambitious, lacks internal coherence and is hardly commensurate to available means and absorption capacities. Original design was therefore used more as an open-ended reference than as a blue-print. Substantial changes were gradually introduced in the course of implementation without a comprehensive re-consideration of the overall programme rationale and relevance in light of changed conditions.</p>	
	DAC criteria: Relevance, sustainability	
	Issue	Findings/Indicators
1.1	To what extent does the programme meet the needs and priorities of the partner country?	<p><i>Consistency between the goals, intervention logic and principles of the programme and those reflected in country's strategic documents</i></p> <ul style="list-style-type: none"> Design aligned with principles of NSGPR and framework of decentralization (D by D) in which geographical disparities call for interventions specific to regional and district conditions and resource endowment. Goals and intervention logic align with goals of NSGPR and Village Development Strategy of building capacity of local based institutions and organisation from Lower Local Government level The Intervention logic and principles are aligned with the country's needs and the national decentralisation by devolution framework Programme design adjusted to suit the needs of existing policy and legal framework
1.2	To what extent is the programme aligned with the legal and institutional framework for LGs within partner governments systems?	<p><i>Consistency between the programme's interventions and national legislation and strategy on decentralization and LED</i></p> <ul style="list-style-type: none"> Programme in accordance to mandated function of formulation, coordination and supervision of the implementation of all plans for economic, industrial and social development in their areas of jurisdiction as per Act No. 7 of 1982]. Programme fits well into the national strategies for rural development (2001) and economic growth and poverty reduction (2005), and roles assigned to the LGs under the framework of the LGRP <p><i>Extent to which the programme is embedded into existing government structures</i></p> <ul style="list-style-type: none"> The programme is entrenched into existing government structures specifically regional and district level. A Programme Coordinating Unit set up at the Regional Secretariat where all officers are employees of PMORALG Other programme staff and leaders are placed at districts in the pilot districts Programme's activities executed by employees and none employees of the district councils through the BDSSs, District Coordinating Teams and DFLEs all legally established and approved Programme is owned by the two pilot district councils where the chairmen and District Executive Directors (DEDs) are assigned key positions and roles in the stakeholder forums.

EQ1	To what extent was the programme design coherent and relevant?	
		<p><i>Extent to which the programme has taken into account LGAs absorption capacity</i> Programme design is well aligned with expected absorption capacity of the LGAs</p> <p><u>Sources of information:</u> Interviews with district staff, National Strategy Rural Development, Local Government Act, Programme implementation reports 2008, 2010, DFLEs Constitutions, Interviews with various programme stakeholders Programme document, Local government legislations (Act no 7 of 1982 amended)</p>
1.3	How consistent and well integrated is the programme within the broader donors' assistance framework?	<p><i>Degree of consistency/integration with(in) relevant joint donors' strategies</i></p> <ul style="list-style-type: none"> Programme outcomes explicitly referred to UNDAF 2002-2006 and 2006-2010 outcomes... <p><u>Sources of information:</u> UNDAF</p>
1.4	How well is the programme designed?	<p><i>Coherent sequence from inputs to outputs, outcome and goal</i></p> <ul style="list-style-type: none"> Relatively coherent although not always clear and realistic in relation to available resources and capacities Targets realistic (commensurate to resources) and well defined original design is largely incommensurate to resources <p><i>Sectoral/thematic dimension properly articulated...</i></p> <ul style="list-style-type: none"> Yes, but too complex analysis led to unrealistic formulation <p><i>Built-in provisions for flexibility (reflecting changes in available resources and other factors....)</i></p> <ul style="list-style-type: none"> Flexibility was rather a consequence of inapplicable original provisions but was carried out effectively Part of the initial rationale was however lost <p><i>Objectives of partners duly and consistently embedded</i></p> <ul style="list-style-type: none"> Programme design embraces the principles of the Joint Assistance Strategy (JAST) in which the aim of the government is to work together with DPs towards the realization of the national development vision 2025 SLEM not in line with current existing modality for DPs' financial support (GBS) to the government initiatives <p><u>Sources of information:</u> Programme document, discussions with SLEM staff and institutional stakeholders</p>
1.5	To what extent is the territorial/administrative scale (region-district) appropriate in relation to programme management arrangements?	<p><i>Relevance of PCU at regional level in relation to the scope and location of the programme activities (Districts)</i></p> <ul style="list-style-type: none"> PCU plays a key role in supporting different initiatives by the BDS, DFLEs and even at the level of the economic groups Programme in coherence with mandates of RS of providing technical advice and support and exercise supervision to LGAs (Section 12 of Regional Administration Act No. 19 of 1997). <p><i>Evidence of relevant activities at the regional level and integration/scale-up from districts to region.</i></p> <ul style="list-style-type: none"> Activities mainly focused on coordination and managing the programme accounts Though being piloted no evidence of any efforts/initiatives for up scaling to other districts Examples of duplication of activities (BDSs) in other districts exist <p><u>Sources of information:</u> Programme implementation documents, ProDoc, national legislation</p>

EQ1 To what extent was the programme design coherent and relevant?		
1.6	How well does the programme design correspond to the UNCDF's LDP/LED intervention logic?	<p><i>Consistency between programme design and UNCDF's LED approach</i></p> <ul style="list-style-type: none"> • The relation is difficult due to strong discrepancy between design and actual implementation • Potential contribution of innovative features to the approach limited but the changed focus of the programme (due to limited resources) and some weaknesses emerged during implementation
1.7	How well has the programme integrated cross cutting issues?	<p><i>Participation and promotion of gender</i></p> <ul style="list-style-type: none"> • All established institutions at regional (PCU, RAC) and LG level (BDS, DCC and DFLEs) show evidence of inclusion of both men and women • Many economic groups formed by mainstreaming gender • Participation of women in the leadership of economic groups to ensure interests of both are taken on board. • Women group and youth group have been established. <p><i>consideration of environment themes</i></p> <ul style="list-style-type: none"> • A number of capacity building interventions addressing environment issues • Evidence of linkage between existing strategies or initiative aimed at environmental management such as Beach management Units and tree planting • Some groups produce products to relieve symptoms from HIV (sweet potatoes) . <p><u>Sources of information:</u> Interviews with district staff, economic groups and other stakeholders, ProDoc, SLEM implementation reports</p>

EQ 2 To what extent has the programme contributed to improved systems and capacities for LED?		
<p>The programme has contributed to enhancing the main stakeholders' perception and understanding of the role of LGAs – and their relation with other actors – for LED promotion. The improvement of the 'institutional architecture' for LED is probably among the core achievements of the SLEM programme. Two Districts Forums for Local Economy (DFLEs) were established as the cornerstone of the programme implementation set-up and were found to constitute appropriate and fairly effective institutional mechanisms to promote synergies between local stakeholders. Finally, the programme has largely contributed to substantial improvements in the availability of financial and advisory services for (micro) enterprise development, mainly as a result of the establishment and functioning of the Business Development Service Shops</p>		
DAC Criteria: Effectiveness, efficiency		
Issue		Findings/Indicators
<i>institutional architecture and capacities for LED</i>		
2.1	To what extent did the programme contribute to the understanding and deepening of LGAs role in providing impulse and coordination to LED?	<p><i>Staff and councillors understanding of their roles in relation to LED promotion</i></p> <ul style="list-style-type: none"> ▪ Some evidence of improved understanding and awareness, particularly in relation to the consistent participation/exposure of relevant DC depts. /officers in DFLEs meeting and activities <p><i>Organizational charts</i></p> <ul style="list-style-type: none"> ▪ New structures created and formally introduced (DFLEs) aimed at facilitating dialogue between councils and economic

EQ 2	To what extent has the programme contributed to improved systems and capacities for LED?
	<p>actors</p> <p><i>Review of actual activities of DCs structures in LED in relation to current and evolving mandates and attributions</i></p> <ul style="list-style-type: none"> ▪ DCs departments/officers result somehow more active in fulfilling their LED-related functions: enhanced involvement (for ex extension officers) in direct advice/capacity building of producers (also as a result of BDSS effective 'referral' mechanism), promotion of value chain approach.... ▪ Role of relevant councils officers (Community development, cooperatives, legal...) partly enhanced in mobilizing, advising and building capacities of community members, CBOs, SACCOS etc... ▪ Extension services more effectively channelled through BDSS system, integration with other agricultural support programmes/funds (DASIP etc) at district level, introduction value chain approach ▪ Emerging links/complementarities with new structures e.g. modernization (???) and Farmer Field Schools (FFS), Beach management Units (BMU) etc... ▪ No broader evidence of evolution of LGAs' LED mandates/attributions through piloted practices and experience, beyond the operation of DFLEs at district level <p><i>Relations with other actors</i></p> <ul style="list-style-type: none"> ▪ Functional relation/coordination with private and other public organizations (SACCOS, BDS providers, CBOs, TCCIA, NGOs, Research and Training Institutes...) strengthened as a result the program's activities and the 'liaison' function ensured by BDSSs and DFLEs ▪ LED dynamics enhanced through exchange/consultation with Wards level officers and involvement of CBOs/cluster representatives in village development committees ▪ Information and experience sharing e.g. between DCs/DFLE/BDSS and SIDO, SACCOS, NMB, CBOs.... <p><i>On the job-training and performance appraisals carried-out</i></p> <ul style="list-style-type: none"> ▪ NA <p><i>Functional relation between regional and district tiers</i></p> <ul style="list-style-type: none"> ▪ Regional Advisory Committee (RAC) and DFLEs ensured effective programme coordination, but no specific relevant activities/initiatives were launched at a regional scale ▪ Commitment by RAS to bring SLEM experience to the regional consultative committee ▪ Enhanced cooperation between district and regional level including relevant private or parastatal bodies (SIDO, TCCIA), although no structured LED coordination mechanism ▪ Initial evidence of enhanced relation with other district authorities (visits, intention and actual replication of activities..) ▪ Potential for enhanced RAS commitment in providing support/backstopping and coordinated advise to LGAs as a result of SLEM experience <p><u>Sources of information:</u> Minutes of the district advisory committees and the DFLEs, Programme implementation and Progress reports, Interviews with various stakeholders, LED stories, DFLEs Constitution</p>
2.2	<p>Were appropriate and effective institutional mechanisms introduced at the local (regional/district) level for mobilizing/fostering synergies between local stakeholders?</p> <p><i>Mechanism/function, status and operating procedures</i></p> <ul style="list-style-type: none"> ▪ DFLEs (and their CC) established and operational in the two districts as public/private forums for participatory consultation/decision on LED issues ▪ DFLEs/DCCs constitution officially approved by Councils ▪ DFLEs/DCCs functions and procedures well stipulated and understood ▪ After initial reluctance by private sector, DFLEs now well 'owned' by local actors as a common 'institutional asset'

EQ 2	To what extent has the programme contributed to improved systems and capacities for LED?	
		<ul style="list-style-type: none"> ▪ DFLE formally integrated in DCs structure/decision making process/DFLEs reports presented quarterly (?) to DC sessions ▪ DCCs serve as secretariat of DFLEs. They prepare loans applications before DFLEs meet (screening) ▪ DFLEs are led by DCs chairmen and vice chairmen elected for five years (???), other members elected for three years (I think only three years, but they have made there own practice to fit with elections.) ▪ Consultation/feedback process with grassroots level is little structured and mainly informal (mouth to mouth and daily interaction among and between CBOs/local govt officers, etc..) but results quite effective as a result of the good outreach and ownership of program's activities. ALSO REF TO 3.3 <p><i>No and type of stakeholders involved/balanced representation</i></p> <ul style="list-style-type: none"> ▪ Official DFLEs membership reserved to elected representatives of the main socio-economic clusters; main relevant DC/CMT officers (Planning, Agriculture, Cooperatives, Trade and Industry, etc...) are invited to attend DFLE along with councillors. In reality, no substantial difference between two forms of participation. Decisions normally taken by consensus ▪ Clusters reps are elected by CBOs/economic groups (...) from different divisions/wards invited to plenary sessions at district level after informative/advocacy meetings at the division level) ▪ No specific criteria introduced yet for ensuring balanced geographical coverage; risk that coverage is biased by the presence of Ward CD officers limited to some wards. ▪ Some initial (but limited) participation of other relevant organizations in DFLEs (TCCIA, NGOs). ▪ No other programmes operating at district level are represented in the DFLEs <p><i>Regularity and nature of meetings held // review of related activities and initiatives undertaken</i></p> <ul style="list-style-type: none"> ▪ DFLEs meet once after every three months to deliberate on loan application, and to disseminate information, exchange ideas and experiences etc, as per constitution. ▪ DCCs meet twice after every three months and their reports/proposals submitted to DFLEs for approval ▪ Meetings held regularly; high attendance over (80%) to the DFLEs by members ▪ DFLEs mainly deal with the use of programme resources / specific issues related to programme implementation (approval of loans request, loan repayment and other support to CBOs, programme implementation and progress reports, communication and dissemination, implementing partners – BDS providers and SACCOs -, specific initiatives such as purchase of bulks of packaging materials for retail through BDS) <p><u>Sources of information:</u> -Review of DFLEs constitutions and examples of minutes, interviews with DC officers, participation into DFLE meeting /including de-briefing on findings of the review</p>
2.3	To what extent has the programme improved decision-making and resources allocation processes for LED at the local (regional/district) level?	<p><i>Review of decision-making and reporting processes and procedures</i></p> <ul style="list-style-type: none"> ▪ DFLEs acting as effective programme 'steering' and managing bodies at the District level in coordination with the PCU and RAC at the regional level (DFLE took effective decision in relation to the loans scheme, the provision of trainings, RAC on programme monitoring system etc...) ▪ Decision making procedures in DFLE well defined according to participatory principles ▪ No specific evidence yet of improved decision-making and resources allocation for LED measures beyond the scope of the programmes' intervention. <p><i>Documentation on current policies and strategies</i></p> <ul style="list-style-type: none"> ▪ LED and VCD strategies (including a new VCA to be funded out of SLEM activities) prepared and sufficiently owned (see EQ3) but limited evidence yet of decisions regarding their implementation (see integration with planning and budgeting

EQ 2	To what extent has the programme contributed to improved systems and capacities for LED?	
		<p>systems under EQ3)</p> <ul style="list-style-type: none"> Allocation of a budget from DCs own sources for the 20% coverage of the running costs of SLEM structure beyond program's operations <p><i>Relevant staff and other key stakeholders' perception and appreciation</i></p> <ul style="list-style-type: none"> Perception of improved decision-making and resources allocation for LED among DCs officers still at early stages (see EQ3 and relation with planning) <p><u>Sources of information:</u> Interviews with DCs officers and DFLEs members, review of relevant docs and strategies</p>
2.4	<p>To what extent did the programme promote awareness/capacities and related procedures for PPP and other LED enabling measures (services delivery, investment etc)?</p>	<p><i>Trends in establishing PPP arrangements and other innovative models of public/private delivery and management</i></p> <ul style="list-style-type: none"> Only evidence so far of PPP for joint service delivery is related to the implementation of program's components (BDSSs and microfinance scheme) through private providers. Some initial evidence of discussions/arrangements re. the provision of serviced (?) land for (small) industrial areas through the DC <p><i>Appreciation of relevant DC staff and private sector/community representatives</i></p> <ul style="list-style-type: none"> PPP concept – although in initial, simplified form ('the public owns, the private operates')– is well understood and owned by relevant stakeholders <p>Increased availability of LED support services (environmental and marketing services, research&innovation, transport and communication, energy and inputs provision...)</p> <ul style="list-style-type: none"> Improvements essentially concern the availability of financial and advisory services for micro-enterprises <p><u>Sources of information:</u> Interviews with DC staff and private sectors representatives -Visits to economic CBOs and projects sites -Visits to BDSSs and interviews to providers</p>
2.5	<p>How well did the programme contribute to enhance the technical and managerial skills of the main LED stakeholders (LGAs, entrepreneurs, cooperatives, associations....)</p>	<p><i>Definition and understanding of respective roles /patterns of interaction</i></p> <ul style="list-style-type: none"> Impulse to enhanced trust and dialogue between public and private actors. Learning by doing PPP modalities in BDSS and financial services provision Networking enhanced through BDSS (mobilization 'on demand' of appropriate expertise and services from public and private bodies...) <p><i>LGAs (planning and budgeting, human resources, resources mobilization)</i></p> <ul style="list-style-type: none"> Still limited improvements in LGs officers understanding and capacity on LED strategic planning and budgeting implications (productive infrastructure, PPP, cost-sharing, soft investments etc...) – one on main gaps of the program Good level of ownership and 'exposure' by most relevant LGs officers (agriculture, planning, cooperatives, ...) CD officers directly involved in supporting CBOs and liaising with implementing partners through SLEM. They are operating from within BDSS premises <p><i>Private actors</i></p> <ul style="list-style-type: none"> Entrepreneurial skills of a good share of private actors (22% of CBOs in Sengerema) supported through mix of general and specialized training Capacity of CBOs and cooperatives supported through participation in the loans scheme as beneficiaries and/or implementing partners All visited groups confirmed significant improvements in their capacities re. project write-ups, book keeping, nd/or

EQ 2	To what extent has the programme contributed to improved systems and capacities for LED?	
		processing, marketing etc...) <u>Sources of information:</u> Interviews with LGAs representatives and other relevant actors, review of DCs planning and budgeting documents, visits/interviews to implementing partners, visit to project/beneficiary CBOs, review of beneficiaries reports
	<i>Business supportive environment</i>	
2.6	Did the programme contribute to improve the quality of/access to BDSS provision at the local (regional/district) level?	<p><i>Type and volume of services provided</i></p> <ul style="list-style-type: none"> ▪ Training, information, legal and administrative support, documentary service, showcase of local products and participation in local/regional fairs and exhibitions, agricultural equipments, retail of packaging input etc... ▪ Figures of trainings provided and visitors in BDSSs (see text for detail) show a significant volume of activities carried out through the BDSSs <p><i>Improved access to information on markets and technologies</i></p> <ul style="list-style-type: none"> ▪ Evidence of initial support to economic groups in identifying market opportunities ▪ Evidence of initial support to improved technologies/equipments for agricultural production (production/marketing, display for demonstration in BDSS premises...) <p><i>Implementing arrangements (actors involved, expertise mobilized, relevance to available resources and needs)</i></p> <ul style="list-style-type: none"> ▪ BDSS in each district serving as unified/'referral' centre for coordinating with other actors and mobilize on demand available expertise and support services by other public and private providers ▪ A local NGO was selected and contracted by the programme in each district to manage the BDSS. In M. the previous provider has withdrawn after (...); new provider (Rural Housing Programme NGO) involved in different activities, including a company for eco-bricks production (..) <p><i>Use and appreciation by relevant stakeholders (providers and users)</i></p> <ul style="list-style-type: none"> ▪ Evidence of large use and widespread appreciation by consulted stakeholders ▪ In S. the new structure is not yet operational, whereas in M. it is fully operational and high attendance is reported by consulted DC officers and local providers <p><u>Sources of information:</u> Interviews with DC officers, BDS providers and clients/CBOs, visits to BDSSs, programme documents review</p>
2.7	To what extent has the programme contributed to the establishment / strengthening of networks and private sector/civil society organizations?	<p><i>Trends in No. and type of networks/associations</i></p> <ul style="list-style-type: none"> ▪ Strong focus on strengthening and channelling support through 'economic groups' (legally CBOs) ▪ Significant increase in number of registered CBOs between 2006 and 2010 ▪ Positive relation between support through CBOs and 'informal'/horizontal networking at the local level (spread of info about the program, relation with clusters representatives, sharing of lessons/competences from trainings attended by individual members etc...) <p><i>Functions and attributions</i></p> <ul style="list-style-type: none"> ▪ Economic groups are mostly created for economic purposes, although not necessarily in the form of joint ventures ▪ Group lending mechanisms/SACCOs; redistribution of loans to individual members; complementary support/facilities through the groups ▪ Women and youth groups <p><i>Stakeholders perception</i></p> <ul style="list-style-type: none"> ▪ The channelling of support through CBOs is mostly positively valued by consulted stakeholders

EQ 2	To what extent has the programme contributed to improved systems and capacities for LED?	
		<ul style="list-style-type: none"> ▪ Social impact, sustainability, multiplier of individual access to support services, joint liability <p><u>Sources of information:</u> Interviews with DC and programme officers, BDSSs providers, beneficiary groups, visits to economic groups/projects sites, review of relevant programme documentation</p>

EQ 3	To what extent has the programme contributed to the improved assessment and planning of LED?	
	<p>Relevant and accurate research work (preliminary background mapping and appraisal exercises, and strategic LED and value chain analysis) has been conducted in the framework of the programme. Although these studies proved useful for the programming of project activities, their use as a basis for the integration of LED priorities within the broader planning process at the district level has been limited. Participation into programme activities at the grassroots level has constituted a rather weak basis for promoting integrated planning. Informal communication and feedback flows are not sufficient for channelling structured LED strategies to planning bodies at the district level. Demand has therefore emerged for a better 'articulation of the bottom-up economic planning and budgeting process through a decentralized DFLE framework.</p>	
	DAC criteria :Effectiveness, efficiency	
	Issue	Findings/Indicators
3.1	<p>Did the research and studies conducted in the framework of the programme prove relevant and useful as a basis for the effective implementation of the programme?</p>	<p><i>Awareness by local stakeholders and use for subsequent program's activities</i></p> <ul style="list-style-type: none"> ▪ Good degree of awareness and ownership by local stakeholders ▪ Relevant basis for the (i) clustering and mobilization of local stakeholders (ii) the definition of the program's operation modalities and screening of implementation partners and (iii) the identification of constraints and opportunities for value chain analysis and LED strategies <p><i>Involvement of local actors and communities in the formulation of the studies</i></p> <ul style="list-style-type: none"> ▪ Evidence of local institutions (Agricultural Research Institute) involved in the participatory formulation of the VCD analysis <p><i>Quality/depth of the studies</i></p> <ul style="list-style-type: none"> ▪ The documents are comprehensive and of fairly good quality <p><u>Sources of information:</u> Interviews with district staff, economic groups and other stakeholders, SLEM implementation reports, studies of key SLEM studies</p>
3.2	<p>Are LED assessments and strategies formulated in the framework of the programme coherent and integrated into the broader planning process?</p>	<p><i>Integration with general development plans at the relevant level</i></p> <ul style="list-style-type: none"> ▪ Still very limited, comprehensive district plans DDP, District Strategic Plans, have traditionally a strong social investment dimension and no provisions/guidelines exist for integrating economic investments and other LED support measures into the plans ▪ LED strategic planning dimension risks not to fit into traditional participatory planning procedures unless appropriate capacities built and guidelines introduced ▪ Timeframe constraints (the current strategic plan was being finalized when SLEM started: opportunity for including more investments in the next strategic plan (five years To be prepared in 2011.

		<ul style="list-style-type: none"> Intention to enhance integration of LED into comprehensive plans expressed by DC officers <p><i>Provisions in the budget for implementing identified LED investments</i></p> <ul style="list-style-type: none"> Limited initial evidence (irrigation investments from paddy value chain analysis introduced in the current MTEF) <p><i>Integration with relevant sector plans and related funding sources</i></p> <ul style="list-style-type: none"> Some initial evidence of integration and complementary measures with other sectoral Programmes and funds at district level (DASIP, Youth funds, TASAF....see text for detail) <p><i>Awareness/participation of relevant officers</i></p> <ul style="list-style-type: none"> Still very partial awareness/understanding of possible integration of LED under LGs plans <p><u>Sources of information:</u> Interviews with district staff, studies of districts' MTEF and development plans</p>
3.3	To what extent has the preparation of LED assessments and strategies contributed to enhance communities' participation at different local government level?	<p><i>Involvement of relevant stakeholders</i></p> <ul style="list-style-type: none"> The clustering and representation of Stakeholders in the DFLEs facilitates their involvement in the broader process and ensures a minimum 'continuous' feedback process at different levels <p><i>Consultation/information spreading process /participatory forums for discussion of LED issues at wards/village level</i></p> <ul style="list-style-type: none"> Not systematic - rather through communication/exchange within formed economic clusters and participation of clusters representatives and/or members of supported CBOs into grassroots activities (Village Dev. Committees, other local bodies like beach management groups, beneficiaries SACCOs themselves acting as second level 'loans revolving' structures...) Need to structure more to ensure that LED strategies are developed and fed into district plans Risk that participation channelled mainly through personal involvement of CD officers at wards level limits coverage of SLEM activities to the wards where a CD officer exist (in Misungwi, 5 out of 27....) Somehow unclear relation between DFLEs/clusters and other community management bodies (beach management groups etc....overlapping of functions/capture of SLEM resources etc...?) <p><i>(Upstream/downstream) communication and feedback flows</i></p> <ul style="list-style-type: none"> Still little structured and informal but rather effective 'Advocacy meeting', CBOs invited to elect DFLEs members No systematic consultation and feedback mechanisms facilitate the integration of LED into the (complex and strictly regulated...) bottom-up participatory planning procedures <p><i>Appreciation/perception of local stakeholders</i></p> <ul style="list-style-type: none"> No specific feedback Increased number of economic groups formed which has resulted into increased demand for capacity building and application of loans <p><u>Sources of information:</u> Interviews with district staff, economic groups, DFLE members, PCU, studies of SLEM implementation reports</p>

EQ 4

To what extent has the programme investment contributed to enhance the local economies?

<p>The capital investment component has suffered because of unrealistic design and ensuing shifts from original provisions. As funds for infrastructure investments were not available to the programme, the investment component was reduced to the implementation of a microfinance scheme, implemented in the form of micro-loans through a revolving scheme operated in partnership with local MFIs. The scheme's features and terms are perceived to be relevant and appropriate to beneficiaries/clients' needs and capacities, but the performance of the fund is altogether mixed, as unsatisfactory repayment rates affect prospects for sustainability and leverage. Despite the relevance and sound implementation of supported investments – which have contributed to the expansion of the economic capacity and income basis of supported groups - the prevailing focus on group lending for micro/informal economic activities has limited – alongside other factors - their strategic relevance as catalytic factors for LED and Value Chain Development.</p>		
DAC criteria : Effectiveness		
	Issue	Findings/Indicators
4.1	How effectively were programme funds implemented?	<p><i>Relevance and efficiency of the scheme</i></p> <ul style="list-style-type: none"> Substantial changes from initial design and LDF mechanisms (micro-credit scheme through private partner, no CD grants fund...) Full complementarity with advisory/training/TA Joint follow-up to proposals (BDSSs/CD officer/SACCO) but means not fully adequate (no CD officers in many wards....): some 40/45% of follow-up visit reported in Mis. Loan scheme embedded in DFLE procedures (...) Repayment period short and not 'tailored' to needs Interest and collateral requirements result adequate to target groups needs/capacities Application criteria sound but not tied to LED strategies <p><i>Performance of funds and implementing partners (disbursement/repayment ratios -as applicable- support provided etc...)</i></p> <ul style="list-style-type: none"> Overall good performance of funds and partner MFIs Good/ fairly good repayment ratios in the two districts (91% and 81%) Revolving fund mechanism allowed support to total of 339 groups supported with loans+ credit mix Most groups obtained more loans in subsequent phases (after first repayment) Most groups increased their capital since initial support Implementing MFIs (SACCOs) increased their operating portfolio <p><i>Alignment/integration with existing funding channels</i></p> <ul style="list-style-type: none"> Funding is parallel to government funding through MoF UNCDF transfer fund directly to CPU bank account and CPU pays directly for SLEM activities Finance for MFIs directly from UNCDF to bank accounts in NMB with co-signing MFI/district DED <p><i>Multiplier mechanisms (co-funding, agreements with banks etc...)</i></p> <ul style="list-style-type: none"> No co-funding/risk-sharing arrangements with implementing SACCOs Some initial evidence of up-scaling to banks lending by supported SLEM groups No particular evidence of other resources multipliers observed.... <p><u>Sources of information:</u> Interviews with PCU, ProDoc, SLEM implementation reports, UNCDF</p>
4.2	To what extent have funded investments contributed to improved availability & access to economic infrastructure and related services (locational factors)?	<p><i>Number, type, relevance and quality of funded infrastructure (location, complementary facilities, LED needs and strategies...)</i></p> <ul style="list-style-type: none"> Only two infrastructure investments funded by SLEM: BDSSs premises in the two districts Funded infrastructure results relevant in relation to the program's objectives/activities and perceived needs of relevant stakeholders

		<ul style="list-style-type: none"> Funded infrastructure is of an acceptable quality BDSS in S. not completed with necessary facilities (furniture and water..) and partly in M. (water) <p><i>Increased use of funded infrastructure (e.g. attendance rates, perception of users, LGs and service providers....)</i></p> <ul style="list-style-type: none"> Intense use of new facilities reported in Mis. ; in S. the structure is not fully operational yet <p><i>Opportunity and trends in distance to site relative to previous infrastructure used by beneficiary population</i></p> <ul style="list-style-type: none"> Some concerns for location of the shop in Sengerema (a bit out of town, but 'strategic' according to local stakeholders) No service provided at ward or village level <p><i>Relation of infrastructure with improved LED services (transport, communication, NRM, BDS, energy....)</i></p> <ul style="list-style-type: none"> New Infrastructure adequately reflect the needs for bigger and more functional venue for district BDSS provision centre Infrastructure suited for the scope/range of activities of a 'multipurpose' BDSS centre (trainings, demonstrative workshops/common use of machineries, showcase/exhibition of products, advisory services, display of information materials etc...) <p><u>Sources of information:</u> Interviews with district staff, economic groups & other stakeholders, SLEM implementation reports</p>
4.3	To what extent have funded investments served as enabling/catalytic factors for LED dynamics?	<p><i>'Gap-filling' value of funded investments (economic linkages, value addition, value chains/clusters development; marketing cycle....)</i></p> <ul style="list-style-type: none"> No 'filtering' criteria for addressing the strategic value of supported business activities Loans have mainly served economic purposes Prevailing focus on petty trade activities limits sustained impact on agricultural production Some examples of loans with clear focus on value addition (processing and marketing), but limited evidence of 'concentration' in areas of specific strategic relevance, e.g. value addition, bottlenecks to marketing, innovation, VCD... Risk of dispersion of the economic 'rationale' of investments among different individual borrowers (groups lending mechanism...) <p><i>Complementary measures and funds (basis for joint actions with donors; integration with other sector/theme –specific planning and funding systems; opportunity for interaction with relevant specialized sectoral/thematic bodies e.g. decentralized branches, universities, chambers etc...)</i></p> <ul style="list-style-type: none"> Initial evidence of integration/complementarity with other programmes/funds (ex. DASIP, TASAF,) <p><u>Sources of information:</u> Interviews with district staff, economic groups & other stakeholders, SLEM implementation reports</p>
4.4	To what extent has the programme supported the establishment/consolidation of sustainable MSMEs?	<p><i>Trends in new registered businesses per district</i></p> <ul style="list-style-type: none"> Strong/exclusive focus on micro-business (informal groups/CBOs) Significant increase in number of registered groups (as CBOs) since programme operates (from 912 to 2722) <p><i>Trends in new businesses still active after one year</i></p> <ul style="list-style-type: none"> All groups active but still limited evidence of supported groups having already up-graded into small companies <p><i>Appreciation by relevant stakeholders (entrepreneurs, private sectors organizations)</i></p> <ul style="list-style-type: none"> Relevance and quality of support provided widely recognized by consulted beneficiaries and stakeholders <p><u>Sources of information:</u> Interviews with district staff, economic groups, SLEM implementation reports</p>
4.5	To what extent has the programme contributed to enhance the productivity and diversification of local rural economies?	<p><i>Increase in productivity</i></p> <ul style="list-style-type: none"> No aggregate evidence (data) of increase in agricultural productivity at the district/region level directly attributable to the programme Evidence of increase in productivity of visited producers' CBOs through purchase of agricultural input and equipment (water pumps, power tillers...) <p><i>No. / type of new rural commodities/processing</i></p> <ul style="list-style-type: none"> Examples of food processing supported by program's loans (wine/juice from 'rosella' fruit, biscuits, dried fish....)

	<ul style="list-style-type: none"> ▪ Introduction of new crops with potential for up-scale and processing (sun flower, sweet potatoes...) ▪ Initial evidence of technological/process innovation –energy saving and environmentally sustainable (shift from use of industrial fertilizers to organic farming (ensured of market for product, introduction of energy saving stove that consumes less charcoal, charcoal for pottery making prepared from solid wastes with more heat energy than the charcoal prepared from wood...) ▪ Overall evidence of increase in beneficiaries income level (and consequent access to services, e.g. fees for schooling) as effect of support received <p><u>Sources of information:</u> Interviews with beneficiaries, programme staff and local authorities, visits to projects sites</p>
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EQ 5 To what extent are the programme results likely to be sustainable in the longer-term?	
<p>The institutionalisation of the programme within the district administration management structures combined with the ownership of SLEM expressed and shown by all actors (District Forum for Local Economy -DFLE members, district administrations, economic groups, MFIs, district/regional commissioners) provide a good foundation for sustaining SLEM activities. Districts' co-funding of 20% has been an important instrument for involvement but it is critical that districts increase their budget for these activities starting from the 2011/2012 budget, so that DFLE, BDSSs and some capacity development/training can carry on. MFIs' revolving funds have been sustained with an increase of 20%, but continued focus is needed to secure improved pay back rates.</p>	
DAC criteria: Sustainability	
Issue	Findings/Indicators
<i>Institutionalization</i>	
5.1 Are introduced structures and processes well embedded in the local/national institutional set-up?	<p><i>Ownership by local stakeholders</i></p> <ul style="list-style-type: none"> ▪ Interviewed district commissioners, RAS secretary, economic groups, DEDs, CBOs appreciate SLEM highly. ▪ District commissioners well involved in SLEM and in DFLEs. ▪ Sengerema and Misungwi districts financed app. 20% of construction costs for BDSSs (respectively TZS 24.2 million and TZS 19.2 million). ▪ Councils have provided 20 percent of costs for all local SLEM activities (except credit scheme). <p><i>Evidence of use</i></p> <ul style="list-style-type: none"> ▪ High participation in DFLE meeting (80%) ▪ Many visitors in BDSSs (app. 40,000 and 15,000 in Sengerema and Misungwi respectively) <p><i>Participation/regularity of meetings</i></p> <ul style="list-style-type: none"> ▪ In Sengerema DFLE had 14 meetings and its CC 31. In Misungwi DFLE had 16 meetings and its CC 18. ▪ RAC has held only 4-5 meetings although the intension was semi annually. <p><i>Institutional and functional relations with statutory bodies</i></p> <ul style="list-style-type: none"> ▪ In Sengerema the councils' heads of departments (CMT) are members of DFLE ▪ In Misungwi 6 CMT members are members of DFLE.

EQ 5	To what extent are the programme results likely to be sustainable in the longer-term?	
		<ul style="list-style-type: none"> Both councils have approved the role of DFLE. The SLEM focal person is also the director for community development and member of the CMT. Council chairperson and vice-chair and DED (secretary) are heading the DFLE and two councillors are members. PCU integrated as part of government regional structure in RAS's planning department. <p><i>Extent to which new structures are commensurate to existing resources and capacities</i></p> <ul style="list-style-type: none"> Capacity established in council for SLEM management (focal person is director of community development) Misungwi BDSSs set-up has integrated council staff e.g. community developers including SLEM focal person. Sengerema BDSSs is not operative yet. Set up (staffing) is in process to be established. Management of both BDSSs not yet clear as agreements with present business providers must be renewed. <p><u>Sources of information:</u> Interviews with CMT, DFLE members, DEDs, commissioners, MTEFs, SLEM progress reports 2010, SLEM Stakeholders' workshop reports (February and March 2007).</p>
5.2	Is the continued involvement of LGAs in LED planning and implementation likely to continue in the future?	<p><i>Degree LGAs commitment and engagement in the LED activities beyond the framework of the intervention</i></p> <ul style="list-style-type: none"> Some economic groups supported with credit or training are engaged with other economic activities and their capitals have grown further. Allocation from BDSS and DFLE in early draft for MTEF 2011/2012. A few economic groups are supporting new groups in their establishment. SLEM strategic plan 2010 is not integrated in DDP in Sengerema. In Misungwi some steps have been taken to include LED/SLEM in the Strategic plan 2012-2016. Limited SLEM focus beyond micro/CBO sector and support to formation of companies. <p><i>Means and resources available (projection)</i></p> <ul style="list-style-type: none"> Sengerema's and Misungwi's MTEFs have allocated respectively TZS 11.7 million and TZS 8 million in 2010/11. Similar amounts are likely for 2011/2012. This will finance 20% of SLEM activities. UZINZA SACCO has increased SLEM revolving fund from TZS. 206.2 million to TZS. 253,3 million. The capital in Misungwi has apparently increased to TZS 283,5 million. <p><i>Improved working relations with service providers, institutions and private sector</i></p> <ul style="list-style-type: none"> All actors (DFLE members etc.) report on highly improved relations between private sector, CBOs and district councils. Minor improvements in relation with TCCIA by establishment of a branch in Misungwi and some cooperation with the existing in Sengerema <p><u>Sources of information:</u> Interviews with CMT, DFLE members, DEDs, district commissioners, TCCIA, economic groups, SLEM progress reports 2010.</p>
	Economic sustainability	
5.3	Are created structures (Forums, BDSSs, etc...) empowered to generate/access sufficient funding?	<p><i>Evidence of active involvement of user groups in the operation of the structures</i></p> <ul style="list-style-type: none"> DFLEs function as SLEM district management committee. It has membership of 26 people from 13 economic clusters in Sengerema and 20 people from 10 clusters in Misungwi. District CMT, Chairperson (chair), Deputy Chairperson (deputy) and DED (secretary) are also members and two councillors. In Misungwi 7 private and public institutions are also members. NGOs are in charge as business providers in the BDSSs. Economic groups are highly involved in operation of their businesses. <p><i>Budgeted resources and other significant measures taken by LGAs after the intervention</i></p>

EQ 5	To what extent are the programme results likely to be sustainable in the longer-term?	
		<ul style="list-style-type: none"> ▪ Sengerema council has allocated TZS 11.7 million in MTEF 2010/2011 for SLEM. Misungwi app. 8 million. ▪ The budgeted funds correspond to app. 20% of the costs for DFLE, BDSS and training. ▪ Similar budgets are likely for 2011/2012. <p><i>Capacity to tap on other resources: pooled funds, private-public partnership, national transfers</i></p> <ul style="list-style-type: none"> ▪ Districts had respectively app. TZS 500 million and TZS 200 mill in own revenues in 2009/2010, which could cover SLEM – the own revenue shall however also cover other pressing needs including counter funding for other programmes. ▪ Private support could also be a possibility from social responsibility funds. <p><i>User fees charged</i></p> <ul style="list-style-type: none"> ▪ No fees have been implemented for DFLE services/membership. ▪ Misungwi has implemented a few minor fees in the BDSS (printing, copying, items for storage of food products etc.) ▪ In Sengerema the BDSSs has not introduced user fees for provision of services yet. <p><i>Existence of action/business plan for continued operation</i></p> <ul style="list-style-type: none"> ▪ New BDSSs have no budgets or business plan. ▪ Funds for their M&O has not been allocated yet. <p><u>Sources of information:</u> Interviews with CMT, DFLE members, DED, commissioners, MTFEs, SLEM progress reports 2010, revenue statistics.</p>
5.4	<p>How far are LAGs / private sector/ user groups empowered (legal, technical and economic capacity) to maintain funded infrastructure and services?</p>	<p><i>Evidence of planning, programming, funding and timely implementation of maintenance of infrastructure</i></p> <ul style="list-style-type: none"> ▪ Districts have provided counterpart of 20% for BDSSs. Operational plans or business plans for BDSSs have not been developed yet. <p><i>Ownership of infrastructure & services as reflected in users perceptions</i></p> <ul style="list-style-type: none"> ▪ Good ownership for districts and DFLE members of services established. ▪ Interviews with 11 economic groups in Sengerema and 5 economic groups in Misungwi showed good capacity to continue their economic activities – including for 3 very active women groups <p><i>Regular payment of user fees (when/ where established)</i></p> <ul style="list-style-type: none"> ▪ User fees are paid in Misungwi for a few basic services in BDSS (copying, printing, items for food produced). ▪ Revolving MFI funds have payback rates of respectively 91% (Sengerema) and 81%. <p><i>Evidence of resources budgeted for maintenance of infrastructure and/continuation of service</i></p> <ul style="list-style-type: none"> ▪ No budgets for O&M for new BDSSs exist <p><u>Sources of information:</u> Interviews with CMT, DFLE members, DED, economic groups, district commissioners, MTFEs, SLEM implementation reports 2010</p>
	<i>Design/Exit strategy</i>	
5.5	<p>Were sustainability concerns integrated into programme design and implementation?</p>	<p><i>Local authorities involved in the design and implementation of the programme</i></p> <ul style="list-style-type: none"> ▪ SLEM is a following up on two programmes on LED, infrastructure development and local government support in Mwanza. ▪ Implementation involves existing structure highly (districts, RAS). <p><i>Institutional arrangements to steer the LD process from local level (local committees etc)</i></p> <ul style="list-style-type: none"> ▪ DFLEs are set up with private and district stakeholders. ▪ DFLEs linked up to district CMT via focal person and CMTs members in DFLEs. <p><i>Adequate measures for addressing/harmonizing changes from original programme design</i></p>

EQ 5 To what extent are the programme results likely to be sustainable in the longer-term?		
		<ul style="list-style-type: none"> Implementation differs substantially from original designed. ProDoc does not entail procedures for this. RAC has not been consulted systematically on changes in design during implementation <p><i>Existence of a programme exit strategy</i></p> <ul style="list-style-type: none"> No exit strategy exists in ProDoc Good measures exist because of the institutionalisations of many programme activities (districts, RAS) and creation of ownership. <p><u>Sources of information:</u> Interviews DFLEs, ProDoc, PCU, UNCDF, implementation reports (2007 and 2010).</p>
5.6	Were the programme's means (technical and financial) adequate to the absorption capacity at the local level (LGAs, associations, national decentralised institutions)?	<p><i>Understanding and commitment from LG administration to the project's goals</i></p> <ul style="list-style-type: none"> Good commitment from programme coordination unit (PMU) in RAS. Good understanding and commitment to SLEM from commissioners, DEDs and CMTs. 20% co-funding of SLEM activities from districts. <p><i>Ability of the Councils to follow the pace of the projects' activities</i></p> <ul style="list-style-type: none"> The relatively slow implementation pace has given districts time to follow and integrate SLEM activity. Integration of SLEM into district planning (MTEF, DDP and strategic plan is no fully accomplished. Councils were able to finance 20% from own revenues. <p><u>Sources of information:</u> Interviews with district administration and PCU, MFEF, SLEM implementation reports 2007, 2010</p>
EQ.6 How effective has the management of the programme been at national and local level?		
<p>The Programme has been well managed by an active regional PCU, and adequate and active SLEM district key staff (focal persons, BDSS managers and directors/board of MFI institutions). The M&E system has not been put in place and therefore did not provide the necessary evidence to document experiences to be fed into national LGA policies and to promote the scaling-up of the SLEM programme to other districts/regions.</p> <p>The DFLEs have been instrumental in programme implementation at district level, while the Regional Advisory Committee has filled its role for coordination and to some extent strategic decision making. National TA has been adequate, while delays in mobilising international TA have in turn delayed the implementation of some programme components.</p>		
DAC criteria: Efficiency		
	Issue	Findings/Indicators
6.1	How effectively have funds from the programme been transferred to local governments?	<p><i>Timely and transparent information on available funds</i></p> <ul style="list-style-type: none"> Funds have been transferred directly from PCU, RAS to service providers (CD, BDS, consultancies etc.), while funds for micro credit were provided directly from UNCDF to joint accounts (districts and MFIs). From 2008 UNDP stopped funding to the SLEM <p><i>Timely disbursement</i></p> <ul style="list-style-type: none"> Transfers of funds from UNCDF/UNDP to bank account at regional level have generally been smooth. Some delays at regional level are reported due to late disbursement from UNCDF/UNDP. Incident of delays for implementation of training and CD at district level have been reported as PCU could not provided funds timely. <p><i>Correspondence between information on funds released and received amounts</i></p> <ul style="list-style-type: none"> According to the ProDoc USD 5 million would be available (LEDCF) for location development etc. and app. USD 950,000

EQ.6	How effective has the management of the programme been at national and local level?	
		<p>for training (mainly CBCG). These figures turned out to be app. USD 580,000 (MFIs, BDSSs) and USD 350,000 respectively.</p> <ul style="list-style-type: none"> ▪ Yearly budgets have been realistic and funds released accordingly. <p><i>Well defined (and respected) payment triggers</i> <i>NA</i> <i>Relation to other (government) funds for LGs</i></p> <ul style="list-style-type: none"> ▪ GoT development grants (sector, local development) have not been used for strategic location development identified by programme. ▪ Districts' counterparts (20%) have been financed through normal government procedures. <p><u>Sources of information:</u> Interviews PMU, UNCDF, district administration, ProDoc</p>
6.2	<p>To what extent is programme management aligned with local government departments' standards and procedures?</p>	<p><i>Use of National / Direct implementation modality (NIM/DIM)</i></p> <ul style="list-style-type: none"> ▪ PCU is located in RAS and focal person for SLEM at district level in CMT (Community Development). RAS commissioner heads the Regional Advisory Committee and district council chairmen the DFLEs. ▪ Funds are transferred from UNCDF to PCU bank account parallel to national procedure. PCU finances 80% of SLEM expenditures (CD, BDS, consultancies etc.) paying directly to service providers. ▪ Funds for micro credit institutions (SACCOs) were provided directly from UNCDF to joint accounts (Districts and MFIs.) <p><i>Functional Steering Committee with national/regional leadership</i></p> <ul style="list-style-type: none"> ▪ Programme Regional Advisory Committee at regional level and DFLEs have been functional as steering committees ▪ PAC has only met 4-5 times. ▪ National PMO-RALG has sent different representatives to all PAC meeting and has had limited presence in the field (if any). <p><i>Working relationships with department staff, understanding of programme logic by departments' staff</i></p> <ul style="list-style-type: none"> ▪ The Sengerema CMT has some knowledge of programme, as well as the district commissioner. In Misungwi the district commissioner has extensive knowledge of the programme as well as the DED and heads of departments. ▪ No clear link up of DFLE with Regional or District Consultative Committees. ▪ No clear link up with the Business Council at regional or district level. <p><u>Sources of information:</u> Interviews, SLEM Implementation Reports 2010, RAC meeting, DFLE meetings, ProDoc</p>
6.3	<p>To what extent does the staffing of the programme (including support provided through external consultancies) respond to the needs of the programme?</p>	<p><u>Indicators and findings</u></p> <p><i>Correspondence between expertise required and expertise available (over time)</i></p> <ul style="list-style-type: none"> ▪ Appropriate staff for SLEM M&E has lacked at national and regional level since 2008. ▪ Support functions lack at national level with only the programme specialist in place. ▪ Other positions, 3 in RAS and 2 focal points in districts seem adequate <p><i>Positions all filled – no long-term vacancies</i></p> <ul style="list-style-type: none"> ▪ Positions have been filled out without changes – UNCDF, PCU, SLEM focal person in districts, BDSS Sengerema. ▪ 3 changes in BDSS management in Misungwi (latest in June 2010). ▪ Position as SLEM M&E officer was not filled out from 2008 due to funding. <p><i>External TA fielded consistently with – and responds to – needs</i></p> <ul style="list-style-type: none"> ▪ Good local TA has been used for implementation and development of analysis (research) with knowledge transfer to district staff. ▪ International TA for implementation of programme in particular for credit scheme was slow

EQ.6	How effective has the management of the programme been at national and local level?	
		<ul style="list-style-type: none"> Agreements with MFI (SACCOs) only signed in November 2008 with first loans in March 2010. New infrastructure for BDSS finalised in Misungwi in September 2010 and not yet finalized in Sengerema. Responsiveness from regional UNCDF on technical issues is slow e.g. go ahead for signing agreements with MFIs took 4 Months. <p><u>Sources of information:</u> PCU, district focal persons, UNCDF, commissioners, mission reports IFPA, UNCDF</p>
6.4	To what extent has the UNCDF regional office ensured oversight and guidance functions?	<p><i>Number purpose and effectiveness of visits/missions</i></p> <ul style="list-style-type: none"> During the early implementation (up to early 2007) TA was adequate on LED as regional UNCDF LED adviser was positioned in Dar es Salaam. From 2007 monitoring visits have been limited to app. a yearly visit from regional UNCDF and a few from HQ. TA for implementation of MFI was inadequate as seen by delayed TA from regional UNCDF office and no follow up mission. <p><i>Existence of clear mechanisms / instruments to share information and provide feedback</i></p> <ul style="list-style-type: none"> No follow up to lack of implementation of monitoring system from regional office. No mechanism exists except e-mailing. Only two monitoring reports with regional UNCDF inputs provided after 2007. <p><i>Responsiveness to requests for TA</i></p> <ul style="list-style-type: none"> TA on MFI implemented in April/May 2008, request for additional visit from IFPA did not materialize. Acceptance on MFI set-up from regional office delayed. (Agreement signed with MFIs in November 2008). <p><u>Sources of information:</u> PCU, district administration, mission reports, UNCDF</p>
6.5	How effectively has programme management implemented the work plans / updated plans to match modified conditions?	<p><i>Rate of delivery on the annual work plans</i></p> <ul style="list-style-type: none"> Modified annual work plans (with realistic budget) elaborated yearly have been implemented effectively (up to 80 percent). <p><i>Achievements against targets (as set-out in the ProDoc and in the modified work plans if any)</i></p> <ul style="list-style-type: none"> The final spending amounts to only USD 2.1 million compared to a budget of USD 7.9 million. This has affected implementation of activities – in particular location development (app. 20% completed), training and capacity development (40% completed), diversification of rural economy (10% completed), delivery of pro poor services (0% completed) and the replication to other districts in Mwanza region (0% completed). Microfinance, which was not included in the ProDoc, has been implemented. <p><u>Sources of information:</u> ProDoc, Combined Delivery Reports UNCDF/UNDF, SLEM implementation reports 2010, interview with PCU</p>
6.6	Has an adequate M&E systems been established and linked both to the programme management process and activities/results?	<p><i>Existence of baseline data</i></p> <ul style="list-style-type: none"> Baseline studies were carried out in both districts in March 2007 with extensive description of the socio economic environment and mapping of institutions. LGA has access to baseline studies but no updating has been done. <p><i>Evidence that an MIS has been set-up and is updated</i></p> <ul style="list-style-type: none"> The M&E system was supposed to be part of the NSGPR Monitoring Master plan but this was not done. MIS is not used. <p><i>Evidence that the MIS system is shared with LGs</i> NA</p> <p><i>LGAs access to updated and relevant LED data</i></p>

EQ.6	How effective has the management of the programme been at national and local level?
	<ul style="list-style-type: none"> ▪ The research/studies carried out by SLEM are useful. <p><i>Availability of up to date indicators of project progress, regular and informative reports</i></p> <ul style="list-style-type: none"> ▪ Reports from consultants involved in the programme implementation exist e.g. SLEM Synthetic Report April to June 2008, August 2008. ▪ Implementation resorts (2010) produced by district teams (focal persons) and PCU team with reduced focus on challenges and not achieved targets. ▪ Yearly reports are mainly spread sheets with measurement of achieved targets/activities against AWP. <p><i>Regularity of surveys</i></p> <ul style="list-style-type: none"> ▪ Surveys have not been carried out. <p><i>Use of evaluation of LGAs performance and self-assessment by beneficiaries</i></p> <ul style="list-style-type: none"> ▪ Not done. <p><i>Degree of use of data from M&E to inform programme management decisions</i></p> <ul style="list-style-type: none"> ▪ A report on M&E (Enhancing Monitoring and Evaluation, February 2009) was elaborated with suggestion for indicators to be monitored through surveys. ▪ The M&E system was not approved by the RAC for not being suitable for SLEM. ▪ Proposal was not linked up to national indicators. ▪ M&E is not used systematically for management. ▪ Management had difficulties in providing correct financial data for the present review. <p><u>Sources of information:</u> Interviews with UNCDF, PCU, focal persons, district, Enhancing Monitoring and Evaluation report February 2010, Annual progress</p>

EQ 7	To what extent did piloted approaches lead to policy developments as a basis for up-scaling and replication?				
	<p>Without a systematic M&E and a communication strategy, the efforts for up-scaling and policy development have been limited.</p> <p>The programme has not supported a systematic effort for up-stream policy development and replication of piloted approaches. The programme's intention to support national policy development and to replicate good practices to other districts has not been prioritized in the SLEM implementation. The Programme has not been linked up to national level (PMO-GALG) although the organisation by SLEM of the National LED Conference (December 2009) has played a role in the interest expressed by the GoT to formulate a LED policy as part of the Rural Development Strategy. The programme has not been replicated in other districts or regions with the exception of particular activities like the BDSSs.</p>				
	<p>DAC criteria : Effectiveness, sustainability</p>				
7.1	<table> <tr> <th data-bbox="266 1195 709 1243">Issue</th><th data-bbox="709 1195 1948 1243">Findings/Indicators</th></tr> <tr> <td data-bbox="266 1243 709 1360">To what extent has the programme M&E system allowed the accurate and timely documentation of the Programme experience as a basis for policy making and broader uptake of piloted approaches?</td><td data-bbox="709 1243 1948 1360"> <p><i>Quality, comprehensiveness and timeliness of reporting</i></p> <ul style="list-style-type: none"> ▪ Annual reports are spread sheets based on achieved targets/activities compared to planned. <p><i>Regular dissemination of data and lessons learnt to relevant stakeholders at different levels</i></p> <ul style="list-style-type: none"> ▪ Association of Local authorities Tanzania (ALAT) has little knowledge about SLEM although it should be informed by information officers in each LGA. ▪ A national workshop was held December 2009 with PMO-RALG and all stakeholders (donors, ministries etc.). </td></tr> </table>	Issue	Findings/Indicators	To what extent has the programme M&E system allowed the accurate and timely documentation of the Programme experience as a basis for policy making and broader uptake of piloted approaches?	<p><i>Quality, comprehensiveness and timeliness of reporting</i></p> <ul style="list-style-type: none"> ▪ Annual reports are spread sheets based on achieved targets/activities compared to planned. <p><i>Regular dissemination of data and lessons learnt to relevant stakeholders at different levels</i></p> <ul style="list-style-type: none"> ▪ Association of Local authorities Tanzania (ALAT) has little knowledge about SLEM although it should be informed by information officers in each LGA. ▪ A national workshop was held December 2009 with PMO-RALG and all stakeholders (donors, ministries etc.).
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To what extent has the programme M&E system allowed the accurate and timely documentation of the Programme experience as a basis for policy making and broader uptake of piloted approaches?	<p><i>Quality, comprehensiveness and timeliness of reporting</i></p> <ul style="list-style-type: none"> ▪ Annual reports are spread sheets based on achieved targets/activities compared to planned. <p><i>Regular dissemination of data and lessons learnt to relevant stakeholders at different levels</i></p> <ul style="list-style-type: none"> ▪ Association of Local authorities Tanzania (ALAT) has little knowledge about SLEM although it should be informed by information officers in each LGA. ▪ A national workshop was held December 2009 with PMO-RALG and all stakeholders (donors, ministries etc.). 				

		<p><i>Relevant guidelines and manuals</i></p> <p>Potential exists:</p> <ul style="list-style-type: none"> Rules and regulations for guiding DFLEs in place Training manuals prepared and adopted by the SLEM programme e.g. manual for small scale processors <p><i>Degree of use of data and reports to enhance knowledge base of local and national policy makers</i></p> <ul style="list-style-type: none"> It seems like knowledge of the programme is limited among donors and government <p><u>Sources of information:</u> Minutes of meetings of DCC and DFLEs, Synthesis report April 2007-2008, SLEM programme implementation report October, 2006 and October 2010, LED stories and interviews with ALAT, UNCDF, CPU and district staff</p>
7.2	To what extent has the programme communication strategy supported the sharing of lessons learnt and good practices to the national level and the broader donors' community?	<p><i>No and quality of relevant publications</i></p> <ul style="list-style-type: none"> No formal communication strategy exists. Information is spread locally through individual economic group, DFLEs, BDSSs. Newsletter is produced regularly in English and Kiswahili used to meet the needs of all interested parties. Documentation in a form of stories (LED stories 1 -5 on the results of the SLEM (December 2009) <p><i>No and nature of workshops and other public events</i></p> <ul style="list-style-type: none"> A national workshop on LED in December 2009 <p><i>Perception and appreciation by relevant actors at national level and from donors partners</i></p> <ul style="list-style-type: none"> Limited efforts done for publicizing SLEM activities and for promoting LED concept at national level. Limited knowledge about SLEM and the LED concept at national level and among members of donors and government. <p><u>Sources of information:</u> Minutes of meetings of DCC and DFLEs, Synthesis report April 2007-2008, SLEM programme implementation report October, 2006 and October 2010, interviews with UNCDF, CPU and district staff</p>
7.3	To what extent has the Programme been linked to the national level as a basis for impact on LED/economic governance policies?	<p><i>Evidence of coordination/exchange mechanisms operating between local-regional and national level</i></p> <ul style="list-style-type: none"> The PCU is embedded in the Regional Secretariat with PCU in the Planning Department SLEM activities discussed at Regional Consultative Committee meeting Programme has no focal person in PMU-RALG All RAC meetings has been attended by a different PMO-RALG person Limited awareness at PMORALG due to lack of focal person to disseminate information No regular meetings between PMU-RALG and UNCDF at national level Programme is managed by RAS with no link to PMO-RALG <p><i>Appreciation of relevant stakeholders at national level</i></p> <ul style="list-style-type: none"> Apparently the Prime Minister presented the idea of a LED policy during National SLEM Conference in December 2009 Idea of BDSS appreciated by Ministry of Industry and Trade. No evidence exists on appreciation of stakeholders at national level. PMO-RALG has not been present in the pilot districts. <p><u>Sources of information:</u> PMO-RALG, interviews at district and regional levels, minutes of meetings of DCC and DFLEs, feedback during RAC meeting</p>
7.4	Did pilot implementation lead to upscaling of the programme / replication and mainstreaming of tested practices and approaches?	<p><i>Number of local areas replicating the approach</i></p> <ul style="list-style-type: none"> No formal replication of programme in other districts has taken place by programme Officials from other Mwanza districts and neighbouring regions (Shinyanga, Mara and Kagera) have visited SLEM pilot districts. Some activities have been duplicated e.g. BDSSs in 3 districts <p><i>National roll-out programme designed/developed/executed</i></p>

	<ul style="list-style-type: none"> No programme designed <p><i>Donors' uptake of specific practices and approaches introduced by the programme</i></p> <ul style="list-style-type: none"> A few donors (outside Development Partners Working Group for Local Government Reform, DPWGLGR) have shown interest in applying LED in other parts of Tanzania e.g. VNG through LOGO South II programme. <p><i>Piloted approaches and practices conducive to policy change in the fields of LED</i></p> <ul style="list-style-type: none"> Awareness for need to change LGAs mandate within to include LED among LGA functions and planning procedures <p><u>Sources of information:</u> Feedback during debriefing meetings, Synthesis report April 2007 -2008, SLEM programme implementation report October, 2006 and October 2010, LED stories and interviews with districts staff, CPU, UNCDF, UNDP, JICA SNV.</p>
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EQ 8 To what extent did the programme enhance the partnership with the government and other donors at national and regional level?	
<p>To date UNCDF/SLEM did not manage to establish effective partnership with other donors or the national government. This has also prevented the programme from receiving additional donor / government funding for implementation. With the GoT taking the lead for donor coordination issues in decentralisation within the LGRP, and given the limited interest from PMO-RALG in SLEM, it was not possible to promote SLEM nationally and among other donors.</p>	
DAC Evaluation criteria : Effectiveness	
Issue	Findings/Indicators
8.1 Were synergies established with other programmes and actors?	<p><i>New partnerships established with local and/or external actors</i></p> <ul style="list-style-type: none"> Some local/regional partnerships established during SLEM activities e.g. with NGOs, parastatal organisations (SIDO), TCCIA, NMB, DASIP No relations established with other donors at the national level <p><u>Source of information</u> SLEM Implementation Reports April 2007 -2008 and 2010, interviews with district staff, PCU and UNCDF, meeting with JICA, SNV and Un family.</p>
8.2 Has the programme promoted the establishment of a framework for the harmonization of donors' support?	<p><i>Evidence of coordination and partnership arrangements</i></p> <ul style="list-style-type: none"> No evidence of UNCDF lead to coordinate national LED activities. <p><i>Pooled funding mechanisms</i></p> <ul style="list-style-type: none"> No pooled mechanism with government or donors. <p><i>Sectoral/thematic platforms</i></p> <ul style="list-style-type: none"> An informal group with donors outside the DPWGLGR has been set up to discuss district based activities incl. SLEM. UNCDF participates in DPWGLGR group. <p><i>Joint national/global initiatives</i></p> <ul style="list-style-type: none"> UNCDF is committed to the principles of the Paris Declaration on Aid Effectiveness (2005). SLEM is agreed with GoT but not managed within the LGRP <p><i>Evidence of cross-fertilization among programmes</i></p> <ul style="list-style-type: none"> Some co-funding exist with other district programmes e.g. under the National Forest and Beekeeping Programme (NFBKP), Rural Micro, Small and Medium Enterprises Support Programme (SIDO), DASIP (financing values chain analysis study). <p><u>Sources of information</u> Synthesis report April 2007 -2008 and Implementation report October 2010, interviews with district staff, CPU, UNCDF, ALAT, Jica and SNV.</p>
8.3 Has the partnership with UNDP and	<i>Awareness/appreciation by staff and key SH</i>

	other donors in programming and implementation proved effective?	<ul style="list-style-type: none"> ▪ Little evidence of awareness of UNDP's role in the programme ▪ Other donors have not been involved with funding to SLEM <p><i>Evidence/recognition of value-adding synergies of joint implementation mechanisms</i></p> <ul style="list-style-type: none"> ▪ UN stopped funding the SLEM from 2009 <p><i>Harmonised reporting</i></p> <ul style="list-style-type: none"> ▪ SLEM reports within own system <p><i>Joint advocacy and positioning</i></p> <ul style="list-style-type: none"> ▪ Advocacy is now done within the one UN concept ▪ No evidence of strong advocacy for SLEM from UNDP <p><u>Sources of information</u> Interviews with UNCDF and UNDCDF, RAC meeting, meeting with UN family, SLEM financial data.</p>
8.4	Has the programme promoted the recognition of UNCDF's approach and role?	<p><i>Generation/diffusion of innovative knowledge and products</i></p> <ul style="list-style-type: none"> ▪ Government has acknowledged LED as important for LGAs ▪ No specific recognition of UNCDF approach among donors and government <p><i>Donors adopting UNCDF-championed strategies and innovations</i></p> <ul style="list-style-type: none"> ▪ Limited evidence, however.. ▪ VNG has shown some interest <p><i>Strategic alliances at the national level</i></p> <ul style="list-style-type: none"> ▪ No evidence of strategic alliance for LED <p><i>Alignment / involvement in implementation of national/donors strategies/priorities</i></p> <ul style="list-style-type: none"> ▪ No implementation of national initiatives exists <p><i>Opportunities for further engagement /strategic partnership</i></p> <ul style="list-style-type: none"> ▪ Some possibilities within the DPWGLGP <p><u>Sources of information</u> Interviews with UNCDF and UNDCDF, RAC meeting, meeting with UN family, SLEM financial data.</p>
8.5	Has advocacy for the LED approach been successfully carried out at the REGIONAL/national level?	<p><i>Number of high level meetings between UNCDF programme management and central government</i></p> <ul style="list-style-type: none"> ▪ One meeting that was held in 2006 ▪ National workshop held in Dar es Salaam attended by top government officials and chaired by the prime-minister in December 2009 <p><i>Coordination mechanism in place at national level</i></p> <ul style="list-style-type: none"> ▪ Lack of a focal person at national level ▪ RAS very proactive in promoting the LED approach nationally ▪ No direct link to PMO-RALG from the programme <p><i>Existence of an advocacy strategy / agenda (implicit / explicit)</i></p> <ul style="list-style-type: none"> ▪ No specific advocacy strategy exists. <p><i>Degree of involvement of UNCDF programme staff and UNCDF regional office in advocacy activities</i></p> <ul style="list-style-type: none"> ▪ Programme specialist involved in ECO group and DPWGLGR <p><u>Sources of information</u> Interviews with UNCDF and UNDCDF, RAC meeting, meeting with UN family, SLEM financial data.</p>

ANNEX 8: OPINION SURVEYS FOR REGIONAL AND DISTRICT STAKEHOLDERS

The survey, adapted to the role and degree of exposure to the programme of the two audiences, was administered in the form of two questionnaires. The questionnaires included 20 questions and 18 questions respectively in the districts and in the region, reflecting and detailing the eight core evaluation questions and asking stakeholders' feedback on a rating scale 1 to 5.

The detailed results of the questionnaires are presented below. Altogether, they show a fairly high degree of appreciation of the programme objectives and results by different stakeholders. It results quite significant, however, the difference between the two districts, as Sengerema shows a very high average response of 4,19 whereas Misungwi presents a substantially lower (although still relatively good) average of 3,77. At the regional level, the average is 4,08. Such a difference between the two districts did not find a specific confirmation in the findings of the mission, which on the contrary found an even stronger sense of ownership among consulted stakeholders in Misungwi.

The results of the questionnaires at the district level mostly confirm the positive findings of the review. However, responses within each district are very homogenous, and do not therefore reflect, nor contribute to further specify, some of the critical issues highlighted by the review. The most revealing qualitative indication seems to remain the difference in appreciation between the two districts.

On the other hand, it is interesting to observe how responses from the regional level confirm and underscore most of the weak points stressed by the review: potential for upscaling and replication, dissemination of lessons, creation of synergies and complementarities with other actors, and most of all, the discrepancy between original design and available funds. In addition, regional stakeholders have expressed some concern for the sustainability of programme results.

District level survey:

(ranking scale 1 lowest to 5 highest)

No.	Question	Average score (S) Sengerema / (M) Misungwi	Respondents
1	How do you judge the overall performance of the SLEM programme?	(S) 4,54 / (M) 3,77	24 / 31
2	Did the SLEM programme address the most relevant needs and functions of: -the district authorities -the private sector -civil society -local communities	(S) 3,83 / (M) 3,82 (S) 3,96 / (M) 3,76 (S) 3,65 / (M) 3,51 (S) 4,36 / (M) 3,55	24 / 32 23 / 32 23 / 35 22 / 31
3	How well designed were the main SLEM components/activities? -studies/assessments -Trainings -loans -LED strategies -DFLE -BDSSs	(S) 3,96 / (M) 3,60 (S) 4,35 / (M) 3,88 (S) 4 / (M) 3,91 (S) 3,86 / (M) 3,39 (S) 4,43 / (M) 3,84 (S) 4 / (M) 3,97	23 / 35 23 / 34 21 / 35 21 / 31 23 / 32 24 / 32
4	How adequately were you informed about SLEM activities?	(S) 4,73 (M) 3,91	22 / 33
5	Were you adequately involved in SLEM activities?	Yes: (S) 24 / (M) 34	

	If yes: how do you value your participation?	(S) 4,62 / (M) 3,82	21 / 33
6	Did SLEM contribute to enhance the capacity and the role of district councils in supporting the local economy? If yes, mainly through: -LED assessments and strategies -partnership with private sector -business services provision -capacity building of local institutions and providers	Yes: (S) 24 / (M) 36 (S) 4,22 / (M) 3,59 (S) 4,13 / (M) 3,67 (S) 3,78 / (M) 3,49 (S) 4,26 / (M) 3,54	 23 / 34 24 / 36 23 / 35 23 / 35
7	Are you aware of the following documents prepared through SLEM? If yes, how useful and realistic are them? -LED Strategy for the District -Value Chain analysis and development plan	Yes: (S) 24 / (M) 30 (S) 4,38 / (M) 3,72 ⁵⁹ (S) 4,31 / (M) 3,72	 24 / 29 24 / 29
8	Did you receive trainings through SLEM? If yes, how do you value them?	Yes: (S) 23 / (M) 27 (S) 4,50 / (M) 3,91	22 / 22
9	Did SLEM contribute to improve the availability of/access to services for businesses? If yes, how do you value the services provided?	Yes: (S) 24 (M) 34 (S) 4,17 / (M) 3,97	 24 / 34
10	How effectively were loans to MSMEs provided and managed?	(S) 4,17 / (M) 3,74	24 / 35
11	To what extent did SLEM contribute to: -strengthen existing businesses -create new business opportunities -increase awareness about existing opportunities -adoption of improved technologies	(S) 4,04 / (M) 3,71 (S) 3,87 / (M) 3,88 (S) 4,21 / (M) 3,85 (S) 3,57 / (M) 3,62	23 / 34 23 / 34 24 / 33 23 / 34
12	To what extent did SLEM contribute to increase the productivity and the value of local resources? (agriculture, fisheries, etc..)	(S) 4,25 / (M) 3,81	24 / 36
13	How do you value the implementation of SLEM activities through private partners (BDS providers, credit cooperatives...)?	(S) 4,08 / (M) 3,78	24 / 36
14	How do you value the implementation of SLEM activities through clusters/groups of stakeholders and beneficiaries?	(S) 4,29 / (M) 4,03	24 / 36
15	To what extent did SLEM contribute to improved relations and networking between the public sector, the private sector and civil society?	(S) 4,54 / (M) 4,06	24 / 35
16	How do you value the activities of the DFLEs?	(S) 4,67 / (M) 3,74	24 / 35
17	How appropriate do you find DFLEs membership and leadership rules?	(S) 4,38 / (M) 3,73	24 / 33
18	To what extent will the activities/services and institutions started by SLEM continue after its conclusion? (for ex DFLEs and BDSSs...)	(S) 4,25 / (M) 3,76	24 / 34
19	How transparent and effective has the management of the programme been?	(S) 4,25 / (M) 3,89	24 / 36
20	To what extent can the SLEM experience be replicated/up-scaled to other districts/regions?	(S) 4,33 / (M) 4,08	24 / 36
	Average score: (Based on positive answers)	(S) 4,19 / (M) 3,77	

Regional level survey:

⁵⁹ This figure must be the result of a confusion in the understanding of the question, as in Misungwi a LED strategy was not formulated.

(ranking scale 1 lowest to 5 highest)

No.	Question	Average score	Respondents
1	How do you judge the overall performance of the SLEM programme?	4,25	24
2	How adequately were you informed about SLEM activities?	4,33	24
3	Were you adequately involved in SLEM activities? If yes: how do you value your participation?	4,13	24
4	Did the SLEM programme address the most relevant needs and functions of: -the regional authorities -the district authorities -the private sector -civil society -local communities	3,92 4,46 4,29 3,92 4,39	24 24 24 24 23
5	To what extent was the volume/and the release of funds commensurate to the programme's objectives?	3,57	23
6	Did SLEM contribute to enhance the capacity and the role of district councils in supporting the local economy? If yes, mainly through: -LED assessments and strategies -partnership with private sector -business services provision -capacity building of local institutions and providers	24 yes 3,96 4,22 4,00 4,08	 23 23 22 24
7	To what extent did SLEM contribute to strengthen coordination and networking between relevant LED actors at the District level?	4,00	21
8	How do you value the implementation of SLEM activities through private partners (BDS providers, SACCOs...)?	4,25	24
9	How do you value the implementation of SLEM activities through clusters/groups of stakeholders and beneficiaries?	4,36	23
10	How do you value the prevailing focus of SLEM on CBOs (economic groups)?	4,00	24
11	Did SLEM activities adequately address the regional dimension as a basis for up-scaling and replication of activities in other districts?	4,04	23
12	To what extent did SLEM contribute to promote synergies and complementarities between different actors and programmes including at the regional level?	3,88	24
13	How adequately were lessons from SLEM experience documented and disseminated?	3,92	24
14	How appropriate has been the location of the SLEM PCU within RAS?	4,23	22
15	How do you value the activity of the SLEM Regional Advisory Committee?	4,13	24
16	How transparent and effective has the management of the programme been?	4,00	24
17	To what extent will the activities/services and institutions started by SLEM continue after its conclusion? (sustainability)	3,75	24
18	To what extent can the SLEM experience be replicated/up-scaled to other districts/regions?	3,92	24
Average score: (Based on positive answers)		4,08	24

