



MID TERM REVIEW©

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Mid Term Review of the Rural Growth Programme in Tajikistan

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This report has been prepared for the Department for International Development by Graham Perrett and Muhammad Davlatov, Independent Consultants supplied by Coffey International Development through the Economist and Private Sector Development Services (EPSDS). The views expressed herein are those of the authors and do not necessarily represent the view of Coffey International Development, the consortium members of EPSDS or DFID.

Due to the limited timeline, the consultants were not able to visit the full range of stakeholders.

ABBREVIATIONS AND ACRONYMS

AMFOT	Association of Microfinance Organizations in Tajikistan
B&H	Bovari Va Hamkori
CIS	Commonwealth of Independent States
CSTI	Civil Service Training Institute
DDP	District Development Plan.
DFID	UK Department for International Development.
GDP	Gross Domestic Product.
GAS	Group Advisory Services
GIZ	German Agency on International Cooperation
GOT	Government of Tajikistan
IFC	International Finance Corporation
IOM	International Organisation of Migration
IT	Information Technology
JDP	Jamoat Development Plans
JRC	Jamoat Resource Centres
NDS	National Development Strategy
M&E	Monitoring and Evaluation
MEDT	Ministry of Economic Development and Trade
MFI	Microfinance Institution
MSME	Micro, Small, and Medium Enterprises
ODC	Oblast Development Committee
ODP	Oblast Development Plan
PRS	Poverty Reduction Strategy
PS	Private Sector
PSD	Private Sector Development
RCC	Regional Consultative Council
RDP	Rayon Development Plan
RGP	Rural Growth Programme
RUZ	Rushdi Vodii Zarafshan

SMK	Sughd Mikrofin
SWOT	Strengths, Weaknesses, Opportunities, Threats
TAG	Technical Assistance Group
TOR	Terms of Reference
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VTI	Vocational Training Institute
WG	Working Groups
WUA	Water User's Association
ZVI	Zarafshan Valley Initiative

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MID TERM REVIEW OF THE RURAL GROWTH PROGRAMME

1 EXECUTIVE SUMMARY

In accordance with the Terms of Reference (TOR), the consultants spent 28 days in country, including nine days in Sughd Oblast, undertaking a mid-term review of the Rural Growth Programme (RGP). Broadly, the Review Team was asked to assess the extent to which the programme's outputs and purposes are being achieved; identify good practice and areas for improvement, and provide suggestions for design of a second phase. Additionally, the Team was asked to identify what aspects of the RGP represented good value for money for the donors/ implementers. The main findings, and recommendations, of this review are as follows:

1.1 General Findings:

During the approximately 14 months of RGP implementation, and in spite of a slow start, some good progress has been made. Several best practices have been noted in the report. The basic strategy appears sound, and Outputs 3, 4, 5 and 6 remain relevant and have a reasonable probability of achieving satisfactory results by the close of RGP. While achievements have also been noted under Output 2, the review team has some concerns about how this output has evolved during implementation and possible unintended negative consequences.

Managerially, the RGP poses challenges. It is an extremely complex programme, with many components, numerous partners, and at times differing goals. Present practice amongst other organisations is to focus on more manageable projects with a limited number of activities.

The review commends the good coordination amongst the donors/ implementers, with regular meetings held to discuss problems and monitor results. At the field level, though, the cooperation has not been as close, with only limited synergies being created.

Sustainability and exit strategies call for more attention, to include the question of how several of the RGP activities will be financed when RGP closes. The assumption is that there will be further donor funding, augmented by remittances, national government funding, and contributions from the private sector. This funding may not meet existing expectations.

1.2 Findings by Output

Output 2 is intended to improve capacities of local government actors. In practice much of the focus has been placed on participatory preparation of a series of development plans at the Mahallah, Jamoat and Rayon levels. Unfortunately, these plans have come to be seen by potential beneficiaries as requests for funding for a range of projects that will be rapidly forthcoming. But the plans have not been integrated into the annual budgeting process and largely exist in parallel to the formal budget process. Nor have the plans been fully integrated into the Oblast development plan level, except in instances where they have a multi-Rayon impact, as decided at the Oblast level¹. Furthermore, no quantifiable sources of funding have been identified to finance these projects. In addition, the preparation of the various development plans has created enormous and often unrealistic expectations at the field level, which have no chance of being met by the limited funding available under the Trust Fund. This is likely to result in considerable disillusionment amongst the RGP participants.

Output 3 implementation has been slower than anticipated, due to its overall complexity and the piloting approach adopted for some of sub-components. Problems have been encountered with certain extension service providers, and some of the farming activities are very small. The development of value chains, while still reliant on external advice, holds considerable promise.

Output 4 has been successful in developing and strengthening important member based organisations, especially amongst water users/dehkan members. There has been less success, however, in improving public sector/private sector cooperation. This mainly is due to entrenched ideas within the public sector side and limited trust of government by the private sector.

¹ Meeting with Mr. R. Hasamov of the Oblast Development Planning Committee, 19/10/11, and a separate meeting with Mr. Rustamov, the Oblast Khukumat Deputy Chairperson, 19/10/11.

Output 5 is providing a useful service by giving rural dwellers the opportunity to gain internationally recognised diplomas. It does raise the issue, though, of whether the RGP should be providing assistance to graduates to emigrate, rather than encouraging them to stay and help develop Tajikistan.

Output 6 broadly has been successful. It is approaching the stage where only limited future assistance should be required for it to provide sustainable services in rural areas.

1.3 Main Recommendations

Output 2: Continue the Trust Fund through the first year of the second phase of the RGP. However, no further funding be made available for the preparation of future development plans, or for the adjustment of already formulated development plans. Await the publication of the IFC study on local government before making any changes to the existing Output 2, except for the recommendations of this review. Actively canvass other potential donors to provide support to realistic and business-friendly local projects already identified at the Mahallah level.

Output 3: Continue support. Introduce the new extension methodology. Review the appropriateness of the technology offered to small farmers, and reconsider the financial viability of some of the activities being supported. Develop a medium to long term plan for the successful completion of this Output.

Output 4: Continue support for those associations that provide concrete benefits for their members, with continuing priority to integrating the poor and women, particularly women heads of households. Review whether on-going support for encouraging the public sector/ private sector dialogue is effective, or whether the funds available for this activity should be re-allocated elsewhere.

Output 5: Continue support. Going forward, all of the Training Institutes are to provide post graduate services to their students to help them obtain employment. Undertake a study of future employment opportunities within the Oblast and ensure that the Institutes' diploma options and curricula match those needs. Reconsider whether the support for migration would be better handled by other, more specialised programmes rather than under RGP.

Output 6: Continue support, but progressively phase out technical assistance to the existing MFIs, and desist from providing soft loans or grants directly to MFIs. Assist both Bovari va Hamkori and the MFIs to access liquidity either in the form of debt or equity.

2 INTRODUCTION

In accordance with the Terms of Reference (TOR), the consultants (Messrs. G. Perrett and M. Davlatov) spent 28 days in-country undertaking this assignment. The TOR specified the objectives and scope of the midterm review of the Rural Growth Programme (RGP) as follows:

- The extent to which project outputs and purpose are being achieved.
- Identify good practice for inclusion in our knowledge products, and areas for improvement.
- Suggestions for consideration in the design of a second phase.

More specifically, the Review Team will undertake the following tasks:

- i. Assess the Programme's impact so far and overall progress against the outputs in the log frame, assessing coherence across the outputs and their combined contributions to achieving the purpose. What is the programme doing well? and what is it doing less well? Are there any unintended side effects?
- ii. Review the context (legal, policy, recent developments etc) within which the programme operates and assesses whether the risks and assumptions remain relevant.
- iii. Review the theories and assumptions that underpin the changes we anticipate, in the RGP, in particular aiming to answer nine specific questions².
- iv. Assess the RGP in terms of how effectively the programme addresses/ mainstreams gender issues and the needs of the poor, climate change, the potential sustainability of the approaches and activities initiated, and whether the approaches taken provide value for money. Wherever possible, the team should elicit the views of the direct beneficiaries.
- v. Undertake a light touch review of the management arrangements of the programme. Do the implementing partners provide value for money? Are they coordinating effectively amongst themselves and with Government partners?
- vi. Based on the learning from this review, identify good practice and areas which are going less well, and why. Make recommendations for adjustment to current work and for consideration of a second phase. In particular, what good practice could be scaled-up, what activities need to be reconsidered, what new ideas to be considered?³

In undertaking this assignment the consultants spent nine days in the Sughd Oblast travelling to Khojand, Ayni, and Penjikent. During this field trip meetings were held with all participants in the programme chain, ranging from the Deputy Governor of the Oblast down to the ultimate beneficiaries/clients of the RGP. Also, meetings were held with representatives of the UNDP offices in Khojand and in Ayni. The itinerary of the Review Team, in particular the visits in Sughd Oblast, was arranged by the staff and/or consultants of UNDP and GIZ. Hence the activities visited and people met were under the guidance of those two institutions. The Review Team would have preferred to have had additional days to meet with more participants and observe other aspects of the RGP, but the available time was constrained by limited funding. The Review Team would like to thank all of those who facilitated the conduct of the review, and those who consented to meet with us. Their cooperation greatly enhanced the conduct of the review.

3 BACKGROUND AND STRUCTURE OF THE REPORT

The goal of the RGP is to enhance the more inclusive economic development in rural areas of Tajikistan in support of the Government's National Development Strategy (NDS) and the Poverty Reduction Strategy (PRS). The purpose of the programme is to improve the local environment for income generation and employment creation in Sughd Oblast, including for women and the poor⁴.

The RGP is built on three pillars:

² These are discussed in detail in the section "Specific Tasks Raised in the Terms of Reference."

³ Summarised from G. Perrett's TOR, pages 16-18 of his contract.

⁴ TOR- G. Perrett, p.16 of contract.

Pillar 1: Strengthening the capacity of local governments at Oblast, Hukumat and Jamoat levels to support economic and private sector growth.

Pillar 2: The Private Sector Development Plan (PSD):

Pillar 3: Micro-Finance and access to credit/finance:

Based on these pillars six outputs were designed through which the programme would be implemented:

- Output 1: RGP Inception Phase (Completed).
- Output 2: Improve capacities of local governance actors (particularly at Jamoat and Rayon level) for local development planning, implementation and monitoring in support of rural economic growth and in line with NDS and PRS
- Output 3: Facilitate Producers/farmers and MSMEs having access to appropriate, professional, and sustainable business and technical advisory/extension services.
- Output 4: Assisting organised member-focused business associations and their apex institutions⁵ improve their capacity to serve their members and advocate their concerns.
- Output 5: Support selected District vocational training institutions for adult training meet regional and international demands for better qualified labour.
- Output 6: Aid producers/farmers, poor, women, and MSMEs to have access to a variety of financial products and services available from MLFs and formal financial institutions.

The approach adopted for the presentation of this report is as follows:

- i. Make some general observations about the overall programme that affect most, or all, of the various outputs.
- ii. Discuss each individual output in terms of the findings of the mid-term review, the issues that arose during the course of findings, and make recommendations for consideration by the implementers and funders.
- iii. Provide a summary of the important lessons learnt from the implementation of the programme to date, from the viewpoint of the reviewers. These recommendations are categorised as being effected under the existing RGP, and to be considered in the future designs of the programme.
- iv. Compare the actual performance of the RGP with the milestones as of 30 June, 2011 as outlined in the log frame
- v. Address the specific questions raised in the TOR.
- vi. Other topics covered by the review.
- vii. Summary and conclusions.

4 GENERAL OBSERVATIONS REGARDING THE PROGRAMME

The following crosscutting issues for all outputs of the RGP were noted.

- The RGP, as planned, is an extremely complex programme, with many components, numerous partners and at times discrete goals. As such, it is a hard programme to implement, particularly in terms of coordinating the different activities. The problems of such complex programmes are often exacerbated by poor communications, at times (winter) difficult access, and limited human resources at the field level. For these reasons other organisations⁶ are moving away from highly complex programmes in remote areas. They now are focusing on

⁵ Apex Institution here refers to a second tier institution representing the interests of business associations, such as UBASO, the Union of Business Associations of Sughd Oblast.

⁶ For example, IFAD.

activities with a limited number of components, and concentrating on implementing these more focused programmes successfully.

- There has been good coordination at the donor/ implementer level, with regular meetings being held to discuss common problems and monitor results. This is an example of best practice. Partially due to the issues raised in (i) above, though, the cooperation at the grass roots has not been as good. This has led to a “silo effect” whereby there is limited contact between the various outputs at the client level, resulting in limited synergies being created. During many of our field visits with the ultimate clients of the RGP who were being serviced under one of the outputs, there was little to no awareness of other activities that could benefit them. At times the outputs seem to be servicing different target markets.
- Our field visits found that the government units with whom RGP is partnering at the local level (Jamoats and Mahallahs) often seemed unaware of the full scope of the RGP, and how it could assist them to improve their local business environments. Rather, they were focused on the particular output that would be of immediate benefit to them. In most cases this was the potential flow of funds from the Trust Fund.
- A lot of work has been carried out creating, or strengthening, the formal structures that can deliver services to their members. In particular, the Mahallahs, Jamoats, and rural associations; such as the Water Users’ Associations (WUA) and the Women’s Associations. In some cases this has led to considerable focus on the accoutrements of office. The office holders seemed more interested in obtaining office buildings, receiving computers and paying themselves salaries; rather than on providing value for money services to their members.
- At this stage of the programme cycle, limited thought has been given as to how the activities that have been created, or supported, by the RGP will continue after it closes. More consideration needs to be given to ensuring that the useful activities and projects under the RGP will be sustainable, in terms of both performance and funding over the long term. In regards to the latter, the Review Team strongly advises against assuming that the needed funding can just be raised by increasing taxes on the local private sector. If taxes and other charges are increased to levels that the private sector considers unreasonable, they will move to other geographic areas where the cost burden is lower.

5 OUTPUT 2: IMPROVED CAPACITIES OF LOCAL GOVERNANCE ACTORS

Particularly at jamoat and rayon level, for local development planning, implementation and monitoring in support of rural economic growth and in line with the national development strategy and the poverty reduction strategy.

Findings:

The goals of Output 2 are laudable and dovetail with the Government of Tajikistan’s (GOT) policy of decentralising the roles and responsibilities of government down to more local levels. To date, however, success under this Output has been mixed. At the same time, the Review Team realises that such goals are difficult to achieve within a short period of time, particularly in a situation where the institutional culture and practice have not been supportive in the past. What most concerns the Review Team is the possible unintended negative effects of unmet expectations at the Mahallah, Jamoat, and District levels resulting from what appears to be a misinterpretation of the Trust Fund activity, and how the activity is being implemented. Action needs to be taken to deal with this situation.

The RGP has had notable achievements at the Mahallah level, including mobilisation of the local communities to work together to identify common needs and goals. This mobilisation has taken the form of either supporting the creation of Mahallahs, or strengthening existing ones, and in many cases establishing small village development funds. These funds mobilise savings and use them to invest in small community projects, or provide economic assistance to the vulnerable⁷. Additionally, formal

⁷ The Mahallah in Khojali was especially noteworthy in this regard.

books and records have been created, and many of the Mahallahs are either registered, or in the process of being registered, at the Jamoat level. The potential benefits of such registration, though, are unclear, and the Review Team did not receive a clarifying opinion as to whether additional registration steps (e.g. with the Ministry of Justice) are necessary. Technical assistance also was provided, including for preparing local development plans. Such efforts have been useful in developing planning capacity and have resulted in considerable involvement and enthusiasm amongst the communities. At the same time, the planning activity has generated expectations that money would come from the Jamoat and Rayon governments and from the Trust Fund to finance these plans⁸ (discussed more below).

Capacity building is also occurring at the Jamoat level. The Jamoats have received technical assistance in basic budget planning and preparation, typically from the Civil Servants Training Institute (ICST)⁹ and MEDT, as well as office equipment. At the Jamoat level, the Mahallah development plans are intended to be absorbed into the Jamoat Development Plans (JDP). The assumption was that this would give them access to funding. The Review Team did see integration occurring, and observed that projects that focused on the poorer farmers, female constituents and on environmental projects were being proposed. However, the JDP is not integrated into the regular Jamoat operational budget.¹⁰ Rather, it is prepared as a separate activity. This means that it is not included in any formal Jamoat request for funding. When asked, Jamoat officials said they expected the funding for the development plan/budget to come from the Trust Fund, donor support, funding from the national budget, remittances and “voluntary” contributions from the private sector¹¹. The Review Team noted that considerable emphasis has been placed on obtaining salary increases for the staff, and assets such as computers, office space etc, through the development plan process, rather than on providing services to their constituents.

At the same time, the Trust Fund, which was to finance activities for creating a business friendly environment at the local level, has been taken over by requests for funding for tangible assets

Capacity building at the Rayon level has included technical assistance and training to facilitate the process of absorbing the JDPs into the Rayon Development Plans (RDPs)¹². This process is facilitated by the Working Groups (WGs), which the Review Team observed to be mainly dominated by government employees. As with the JDP, the RDP is a parallel document to the regular budget process, and no funding is allocated to it. Again, great emphasis was placed on funding coming from the Trust Fund, donors, migrants, and voluntary contributions from local business¹³. Many of these RDPs were found to be unrealistic in scale (Puloton JDP was costed at 30 million TJS).

At the Oblast level, the Oblast Development Committee (ODC), also received useful technical assistance from the output, including training government employees to better understand the private sector and budgetary tools (SWOT analysis)¹⁴. However, the RDPs that are forwarded to the Oblast level and the proposals they contain, are not necessarily included in the Oblast Development Plan (ODP). What to include, or not include, in the ODP is decided at the Oblast level, and projects flowing up from the Rayon level are considered only if they have a multi-Rayon impact¹⁵. Essentially, the ODP is based on a top down approach. Furthermore, it remains a parallel budget without funding since it is not incorporated into the Oblast Operating Budget. The expectation is that some funding may come from the national budget, but also from donors, migrants, and the private sector.

⁸ E.g. The Madanyat Mahallah.

⁹ This was a 2 day course, which is considered too brief to be effective. This opinion was strongly endorsed by ICST.

¹⁰ The limited budgeted amount of the typical Jamoat visited was striking. Normally, more than 70% of the budget was consumed by solely by staff salaries and office expenses.

¹¹ Discussions with Jamoats in Ayni (12/10/11), Urmetan (14/10/11), Kulkand (15/10/11) and Puloton (16/10/11).

¹² The Review Team was informed that this is in accordance with Article 9 of the Law of the Republic of Tajikistan of 8th December, 2003.

¹³ The District Governor in Khojund implied that the main purpose for preparing the RDP was to access finance from the Trust Fund.

¹⁴ The benefits of the SWOT training was especially highlighted during the meeting with the Sudgh Oblast Development Planning Committee (19/10/11).

¹⁵ Meeting with Mr. R. Hasanov and members of the ODP, 19th October, 2011, 9.00am.

At the National level, there is an Advisory Team based in the Ministry of Economic Development and Trade (MEDT). The Advisory Team provides technical assistance to the various Rayons and Jamoats, as outlined in their operations manual¹⁶. Additionally, after the various RDPs have been approved by the local legislators, the plans are forwarded to this Advisory Team for review and screening. Thereafter, they are forwarded to the Ministry of Finance. There does not appear to be any follow-up of these plans by the Advisory Team, nor do any funds appear to flow to the Rayons from the Ministry of Finance as a result of the RDPs

Concurrent with the creation of the Development Plans are requests for funding from the Trust Fund. As noted above, the requests for such funding have drifted towards financing tangible assets. Furthermore, while considerable efforts have gone into making the management of the Trust Fund as transparent as possible, the Oblast Khukumat Deputy Chairperson sits on the Evaluation Committee. It is likely that his views on the projects to be funded will be treated with deference.

Conclusions:

While Output 2 has had an impact in terms of building planning capacity, particularly at the local community level, the actual plans developed are not always realistic, directly supportive of improved economic growth or within the implementation capacity of local entities, particularly at the Jamoat level. Moreover, such plans seem to have become an end-goal in themselves, existing in parallel with the normal budget process, and with expectations of financing outside the regular budgetary system. Accordingly, the Review Team is concerned that the projects that are implemented at the farmer/client level will be relatively few and not necessarily the most beneficial, or important, to them. Disillusionment and frustration could result, and discourage their participation in any future programme involving grass roots decision making. Finally, it will also be difficult for government planning and decision-making procedures to permanently become more participative and democratic unless changes to the top down approach also occur at the Oblast level. Consequently, it is considered that the original goals of the Output are not being met.

Recommendations:

Under the Existing Programme, the recommendations are as follows:

- The levels of expectations at the Mahallah, Jamoat and Rayon levels need to be dampened. **Priority, high.**
- Propose that the Oblast Development Plan includes projects proposed in the RDPs and the JDPs. **Priority, high.**
- Continue the activities of the Trust Fund for the second round of disbursements, but with the conditionality that they fund activities identified at the Jamoat and Mahallah levels. Ensure that the government representation on the Evaluation Committee consists mainly of representatives from the Rayon, Jamoat and Mahallah levels. The RGP staffs are to canvass other potential donors for contributions to the Trust Fund. **Priority, high.**
- Await the study currently being undertaken by the International Finance Corporation (IFC) before deciding on any further changes to the output. **Priority, high.**
- Develop a strategy to attract donor funding for the projects at the Mahallah and Jamoat levels. This could take the form of a donor conference where the Mahallahs and Jamoats can make direct presentations to potential donors/ funders. **Priority, medium.**
- Obtain expert legal and tax advice regarding the need to register the Mahallahs. Also, obtain advice regarding what taxes will be devolved to the Jamoats under the government decentralisation programmes. **Priority, medium.**
- Clarify amongst all of the donors/implementers of the RGP the ultimate goals of the output, and how they are to be implemented. **Priority, medium.**

¹⁶ As cited during the meeting with MEDT 10/10/11.

- Review how the funds flow from the programme in general, and the Trust Fund in particular, so that they can go directly to the beneficiary activity rather than be channelled through the various Government budgets. **Priority, medium.**

For Future Designs:

- No further funding is to be made available for the preparation of future, or adjusting existing, development plans. **Priority, high.**
- The Trust Fund is to be discontinued after the first year of the second phase of the RGP. **Priority, high.**
- Work closely with other implementers/ funders who have programmes for strengthening the local government sector, such as USAID. **Priority, medium.**
- Continue providing support at the Mahallah level, with an emphasis on linking them to the activities of the other outputs. This could be accomplished by taking a cluster approach to the activities supported. Additionally, review the need to formally register the Mahallahs. **Priority, medium.**

6 OUTPUT 3: PRODUCERS/FARMERS AND MSMES HAVE ACCESS TO APPROPRIATE, PROFESSIONAL, AND SUSTAINABLE, BUSINESS AND TECHNICAL ADVISORY/ EXTENSION SERVICES

Findings:

This is an extremely complex component; covering small farmers, a range of agricultural crops, experimental farming technologies, the introduction of a new form of extension services, and the support for value chains. Added to this complexity, some of the sub-components within the output have been set up on a pilot basis, to see if they are effective. As such, it is not surprising that the progress has been slow, and that many of the farming activities are taking place on an extremely small scale.

The small farmers are being provided support in growing apples, tomatoes and apricots. These are seen as a useful addition to the main crop, which is cotton. While they can be produced locally, special advice and technology is needed to adapt them to the local conditions, especially tomatoes.

Problems have been encountered regarding the extension services, with some farmers complaining that they have been signed up for ongoing advice, but that the advice given is not relevant to the problems that they are facing¹⁷. Concurrently, some (but not all) of the extension agents stated that the net income received for their services do not cover their operating costs. Apparently, the dissatisfaction expressed by the extension agents depends on the consulting firm with which they are affiliated. A new extension approach, the Technical Assistance Group system (TAG) is now being rolled out, and it holds considerable promise.

Some of the farming activities supported by the Group Advisory Services (GAS) sub-component that were visited are extremely small. While understanding that for the first year of the RGP they are still at a pilot stage, and new technology is being introduced, the ultimate sustainability in financial terms of these activities is considered to be questionable at this stage¹⁸. Undertaking detailed financial modelling of the various activities to be supported by RGP should be carried out early in the process, to identify what scale is required to make these activities financially worthwhile for the participants.

The development of the value chain is progressing. Under the output, contracts have been signed between five agro-processors and farmers for the provision of apples, apricots and tomatoes. The agro-processor visited by the Review Team (Elita Istaravshan) signs annual contracts with farmers for their produce and pays cash on delivery for their produce. This nullifies the temptation for farmers to side sell at the farmyard gate¹⁹. While farmers complained about the price, management said that the prices were fair and that the farmers had the option of taking both the market and price risk of selling directly in the local markets. It was noted, though, that Elita had received considerable donor support over the years, and was still reliant on GIZ for technical advice on purchasing inputs and selling their output. The company has received certification from the International Standards Organization.

The output also has been successful in developing projects for women under the nucleus approach. A rabbit breeding programme, whereby women can breed rabbits within a constricted space, appears promising. Markets for both the meat and the fur have been identified, and the participants are enthusiastic. Some of the women under the nucleus approach have been able to access credit to finance their activities. The participants met during the course of the review were pleased with the help and the results of the output. Together with supporting activities for women, many of the activities are focused on the poor, and are environmentally friendly. These projects focus on poor women, and use technologies that are both water efficient (drip irrigation) and energy efficient (green houses). The Women's Association supported by the RGP that was visited also is providing effective support to its members, providing advice on how to start small businesses, business planning and tax planning. Additionally, they were helping members link up with MFIs to obtain loans.

¹⁷ For example, the apricot growers urgently need advice on how to combat an invasion of worms.

¹⁸ One small project visited, where a group of 5 women were growing tomatoes in a greenhouse, the initial crop sales totaled 180 TJS.

¹⁹ This side selling is a major problem in developing value chains. The reviewer has noted this problem in various programmes in Zambia, Nepal, Egypt and Tanzania.

Conclusions:

While the implementation of this Output has been slow, and some problems need to be resolved, the Output management team are aware of the challenges, and are actively taking measures to overcome them. A medium to long term plan needs to be established with clear performance benchmarks, so as to avoid “completion creep”. Overall, the Output has a good chance of achieving its goals, and should be continued.

Recommendations:

Under the existing programme, the recommendations are as follows:

- Introduce the TAG modality for the extension services. **Priority, high.**
- Review the types of technology offered to the small farmers (GAS groups) for efficiency and appropriateness. Review the financial model used to calculate the financial viability of the small groups being encouraged to participate under this output. **Priority, medium.**
- Ensure that there is closer monitoring of performance of the extension workers, by discussing their performance with the farmers themselves, or by the creation of a feedback loop. **Priority, medium.**

For Future Programmes.

- Develop a medium to long term plan for the Output to justify an extension beyond 2012. The plan needs to have a clear exit strategy and an exit date. The plan needs to be tied to ensuring that the participants under the plan are financially viable, and that the extension services will continue after the RGP closes. **Priority, high.**

7 OUTPUT 4: ORGANISE MEMBER-FOCUSED BUSINESS ASSOCIATIONS AND THEIR APEX INSTITUTIONS TO IMPROVE CAPACITY TO SERVE MEMBERS AND ADVOCATE CONCERNS

Findings:

Work under this output has been undertaken at various levels. These include facilitating or assisting associations of Dehkan farmers, and Water Users Associations (WUAs). It also includes establishing structures for public sector/ private sector dialogue. Progress under this output has been slow, mainly due to the on-going lack of trust between the private sector and the public sector. At the national level, the exchanges of ideas and information have enjoyed some success, but at the more local level, less so. We were informed by the Oblast Advisory Council level that eleven business associations had been formed without RGP assistance, but the Review Team was unable to confirm how active, or successful, they were. The private sector feels that the Government is not interested in its concerns and, as a result, is not motivated to participate. This lack of exchange of ideas/ communications was noted when the composition of the WGs at the Jamoat and Rayon level that were visited by the review team consisted mainly of government employees.

There has been promising progress towards some of the goals of this Output. It has successfully introduced the idea of individuals paying for services provided by an association of members. This was especially noted in the case of the WUAs, whereby members of Dehkan farms had affiliated with, or formed into, WUAs, that have received assistance under the RGP. These associations have been successful in creating order out of chaos regarding access to, and control of, the local irrigation systems. The WUAs visited had a formal structure with office holders, a formal office and staff, and an annual budget. They appeared to be financially viable and the members of the association broadly were pleased with the services provided. The WUAs also are having a positive environmental impact through a sensible allocation of water and pricing it on a usage basis. The WUAs, though, need to coordinate better with the National Water Users' Association and the Ministry of Water Resources to ensure close coordination and management over the source of their irrigated water²⁰. In one case the

²⁰ In the case of the WUA in Sujina Jamoat, the dam on the river that was the source of the irrigation system was collapsing.

WUA had been formed as an affiliate of the Dehkan Farm. The Association of Dehkan Farms²¹ also provided other services in the form of arbitrating disputes, protecting farmers' rights and conducting training on citizen's general rights and responsibilities. Other Dehkan Farm associations had joined Mahallahs that were receiving assistance from the RGP (Mahallah Golrez). There is a danger, however, that the officeholders of these successful associations are becoming more focused on receiving salaries and computers than on providing services to their members.

Conclusions:

There have been some solid achievements under this Output, even though its progress has been somewhat slow. The work on supporting the member-based organisations should continue. The Review Team, though, questions whether the efforts to develop a better private sector/ public sector dialogue and partnership are likely to reap any tangible benefits given the on-going top down attitude of many in the public sector. Possibly this money could be better spent elsewhere.

Recommendations:

Under the existing programme, the recommendations are as follows:

- Assess whether further support to improve the public sector/ private sector dialogue will achieve any medium term benefits, and decide whether the funds available for this activity should be re-allocated elsewhere. **Priority, high.**
- Continue support to those business associations that provide concrete benefits to their members. **Priority, medium.**

8 OUTPUT 5: SUPPORT SELECTED DISTRICT VOCATIONAL TRAINING INSTITUTIONS FOR ADULT TRAINING TO MEET REGIONAL AND INTERNATIONAL DEMANDS FOR BETTER QUALIFIED LABOUR

Findings:

To date the performance of this Output, the provision of vocational training that meets international and local standards, has been successful. The vocational training institutes (VTIs) already are implementing training courses, or are in the final phases of renovation preparatory for their introduction. The courses selected were based on the results of a survey undertaken at the initiation of the RGP. They include courses in fitting and turning, welding, plumbing, basic information technology, sewing, and electricians. Other courses being offered by the VTIs also include introductory accounting, cooking and waitressing. The Review Team meet with several graduates of the VTIs who said that the training had been useful, or that having the formal diploma now enabled them to obtain higher salaries than previously had been the case.

The courses offered are normally three month diploma courses, although some are for up to two years. These diplomas are recognised throughout the Commonwealth of Independent States (CIS). The support provided by the RGP includes repairs and remodelling of the buildings, the construction of new sheds/ workshops, the equipment needed for training, and funding for basic desks, chairs and computers.

In an effort to provide technical training in the more remote areas, several of the VTIs have introduced mobile training workshops, whereby the training is conducted in the outlying villages. This eliminates the need for the attendees to travel to the VTIs themselves, and incurring the cost of living expenses while studying, thereby increasing access by poorer candidates.

The courses are fee based, with the costs being relatively modest²². Allowance has been made, though, for those registered as unemployed, who enrol free of charge. Another VTI, (The Professional Technical College No. 53, Zarafaron-2 Settlement) is enrolling orphans on a non-fee basis. These are examples of best practice in that they are pro-poor. This approach of affordable adult education does result, however, in a heavy reliance on continued external funding, including from the GOT.

²¹
²²

Jabbor Raslov District Village Zarafshon.

The fees appeared to be set individually by each VTI, and ranged from 50 TJS to 250 TJS per course.

While much of the training is somewhat gender focused (e.g. sewing for women), there was a high attendance of women in more gender neutral activities such as Information Technology (IT) and accounting.

The process of helping graduates find employment after graduation differs by institute. Some of the VTIs actively canvass potential employers and encourage them to interview the graduates (The Vocational Training Centre in Penjukent). Thereafter, they are tracking the performance of the graduates in terms of finding employment and claim an 85 percent success rate. This complies with best practice. Conversely, the Khujand State Agency Education Centre feels that it is not part of its mandate to help graduates find employment.

The VTIs work closely with the International Organisation of Migration (IOM), which provides advice and counselling about migrating, primarily to Russia or Kazakhstan. While the current dearth of employment opportunities in Sughd compels many (mainly male) citizens to seek employment overseas in order to support their families, it does raise the philosophical question as to whether encouraging emigration of trained Tajiks is in the best long term interests of the country? Furthermore, rather than assisting trained Tajiks to emigrate, shouldn't the assistance be focused on helping their families who remain behind, and may be abandoned?

Conclusion:

Support for this output should be continued.

Recommendations:

Under the existing programme, the recommendations are as follows:

- All VTIs are to adopt as policy the provision of assistance to help their graduates find employment. Furthermore, they are to track the success rate of their graduates in finding jobs. **Priority, medium.**
- Review the financial viability of the VTIs in light of their on-going reliance on national government funding, and help identify ways in which they can diversify their funding base. **Priority, medium.**

For Future Programmes:

- Carry out a study to identify the future employment needs of the Oblast, particularly in light of the future opening of the silver mine, for which tenders are to be let in December, 2011²³. Discussions should be held with these companies to identify their needs for skilled employees, and the courses being offered adjusted accordingly. Other courses to be considered could include training in the raising and care of livestock, which is a major rural activity. **Priority, high.**
- Consider whether the migration support would be better handled by other, more specialised programmes, rather than being a sub-component under the RGP. **Priority, medium.**

9 OUTPUT 6: PRODUCERS/FARMERS, POOR, WOMEN, AND MSMES HAVE ACCESS TO A VARIETY OF FINANCIAL PRODUCTS AND SERVICES AVAILABLE FROM MLFS AND FORMAL FINANCIAL INSTITUTIONS

Findings:

The goals of this output, providing a variety of financial services to the clients of the RGP, broadly have been achieved.

The two directly supported MFIs, Rushdi vodii Zarafshon (RVZ) and Sughd Mikrofin (SMK) appear to be operationally sustainable (profitable). Although some further technical assistance to SMK to help them better understand financial terms and ratios is advised. They are providing a range of credit services to clients who, based on our interviews, seem pleased with the calibre of services being provided. These services include some business development advice. Both MFIs are achieving

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The two mining companies who are bidding on the tender are BHP and Glencor.

outreach through the opening of cashpoints (small branches) in the more remote areas. Despite this, though, outreach is lagging behind what were presented as the log frame milestones (discussed elsewhere in this report). The MFIs have established local strategies to give back to their communities by funding public goods and social events. Both MFIs have received extensive support under the RGP, including technical advice and funding, and the results thereof, in general, are encouraging. While the interest rates being charged on loans seem high, they are not unreasonable by international standards. This particularly is the case when MFIs are at the start-up phase, and need to supplement their capital base through retained earnings.

The support to AMFOT also has been beneficial, as confirmed by meetings with other MFIs working in Sughd Oblast. AMFOT is providing a range of services, including training courses, data collection, representation, and providing a simple credit bureau function just for MFIs²⁴. Also, AMFOT is providing input to the Microfinance Law that currently is at the review stage. All of the five MFIs interviewed basically were pleased with the services being provided by AMFOT, and represents best practice.

Of the five MFIs²⁵ interviewed, four were cooperating under the RGP. They were extending loans to the rural poor, (but not the absolute poor²⁶) and had a reasonable percentage of female clients. Four of the MFIs were operationally sustainable, with the fifth having an operational self-sufficiency ratio of 80 per cent. Several were introducing new loan products with assistance from AMFOT (leasing). Both group and individual loan products were being made available to clients. Several of the MFIs are wholesaling funds through Bovari va Hamkori (B&H).

B&H is playing an active role in supporting this output. It is making available loans to the MFIs at 18 percent plus 1 percent commission, as compared with commercial bank lending rates of 26 percent-30 percent plus possible commissions. They have lent to four MFIs associated with the RGP. This is an example of best practice. Currently, B&H is looking for a new equity investor to replace AMFOT, as well as actively seeking incremental capital, so that it can meet the growing demand nationwide from the MFI sector for loan funds.

While there is general agreement that the demand for rural finance exceeds the current supply, no definitive study appears to have been done. A comprehensive survey of the potential demand, both nationwide and in Sughd Oblast, would be helpful in setting a strategy for this sector.

Conclusion:

This output is near operational and financial sustainability and can be considered a success.

Recommendations:

Under the existing programme, the recommendations are as follows:

- Support for this output to be continued. **Priority, high.**
- Provide limited assistance in financial management to SMK. Three to four days should be sufficient. **Priority, high.**
- AMFOT to hold more of its training programmes in the rural areas, rather than requiring attendees travel to Dushanbe. **Priority, medium.**

For Future Programmes:

- No further soft loans or grants are to be extended directly to MFIs. **Priority, high.**
- Help the sector identify other sources of funding for loan portfolio growth. Possibilities would include the local commercial banks, and international institutions such as Rabo Bank, Oikocredit, Calvert Funds and Blue Orchard. **Priority, high.**
- Support the conduct of a market demand survey for rural finance. **Priority, medium.**

²⁴ A national Credit Bureau is being created which will make this function redundant.

²⁵ Phoenix +, Humo and Partners, Borshod, Baro, and Matin.

²⁶ One MFI interviewed mentioned that its minimum loan size was 750 TJS, which would exclude some of the activities supported under Output 3 from accessing credit.

- Assist B&H to find another equity investor. **Priority, medium.**
- Progressively phase out the technical assistance to the existing MFIs in the RGP. **Priority, medium.**
- Identify additional products and services that will help women and the poor, as well as helping MSMEs to expand their activities. **Priority, medium.**

10 LESSONS LEARNT AS A RESULT OF THE MID-TERM REVIEW

The following lessons learnt have been identified as a result of this review.

- i. Complexity should be minimised. The five outputs of the RGP attempt to cover too many issues facing the development of the rural sector in Tajikistan. While the concept of taking an all-encompassing development approach, ranging from helping local government create a more enabling environment to supporting vocational training, is reasonable in theory, in practice it is extremely difficult to implement. This is due to the difficulty of coordinating all of the activities, the need to address disparate activities simultaneously, and the lack of managerial capacity at the field level. Because of the above-mentioned shortcomings, most multilateral agencies and implementers now include only one to three activities per project and focus on doing them well. The future rural development programmes need to be more focused with fewer components/ outputs.
- ii. Best practice. Multiple donors/ implementers can work together at senior levels of programmes. One of the pleasing aspects of the RGP is that the senior staffs of the various donors/ implementers have established an environment whereby they meet regularly in a collegial manner to discuss issues that impacts the overall RGP. While this has not been entirely replicated at the field level, it does show that programmes implemented/ funded by differing agencies can work together.
- iii. Select more experienced local implementers. Within the various outputs, considerable effort was devoted to providing basic training and support to the local implementers. In particular, the MFIs and the firms providing extension service workers needed considerable support. This may have been unavoidable in the first stage of the RGP, since there may have been few options available. For the future stages of the RGP, and for any follow-on programmes, management should focus on identifying and working with more experienced operators. This will reduce the start-up time, as well as lowering operating costs.
- iv. Expectations should be better managed. A major concern of the Review Team is that the expectations of the end clients/ beneficiaries have risen to levels that cannot possibly be met by the RGP. A major reason for the recommendation to continue the operations of the Trust Fund through the first year of the second phase of the RGP is to reduce disillusionment and the likelihood that this would cause reluctance to participate in any future similar activity. Not in the belief that it would be money well spent. In future, greater care needs to be taken so that the benefits of the programme are not blown out of proportion by the ultimate recipients.
- v. The log frame milestone indicators need to more accurately reflect programme goals. The performance of the RGP against the log frame indicators as of 30 June, 2011 is discussed elsewhere in this report. The lesson to be learnt, though, is whether the milestone indicators are correctly measuring the ultimate impacts sought from the RGP. This particularly relates to Output two. The real, long term goal of this output was to enhance local governments' ability to create a more business friendly environment. This is not achieved by preparing a development plan that is not funded. Rather, it is achieved by the progressive changes made by local governments to make their geographic areas more attractive to private businesses. Future log frame indicators need to focus on the outputs/ results that are expected as a result of the technical support provided, rather than on process indicators.
- vi. Close monitoring is needed at the field level, especially of unintended consequences and of client satisfaction. The overall monitoring of the RGP has been conducted primarily on a numeric basis, with quantitative achievements being compared to the milestones that have been set. During our meetings with the clients, however, some dissatisfaction was expressed with some of the services offered²⁷, and the completeness of the physical assets provided²⁸. During their visits to the programme areas, the RGP coordinator and the Monitoring and

²⁷ The apricot growers not receiving advice on the worm infestation.

²⁸ At one VTI, the class rooms in the training building had been renovated, but the roof still continued to have large, unrepaired holes. The wet weather during winter will destroy the renovated classrooms unless the roof is fixed immediately.

Evaluation (M&E) team should also actually undertake site visits. This will enable them to meet with the clients and verify first-hand the quality of the output, and the satisfaction of the clients with the services that have been provided.

- vii. Changing the top down management approach should be a long term goal. One of the principal aims of the project was to have farmers/ clients at the field level participate in decisions regarding the development of their Jamoats and Rayons. The assumption being that funds would flow from Rayon, Oblast and National budgets to fund these activities. This has not eventuated, since, at the Oblast level, the top down approach is continuing. In the opinion of the Review Team, even if the law requires the preparation of development plans at all levels of Government, this situation is unlikely to change due to entrenched attitudes and traditional decision making practices in the Government sector. The lesson here, therefore, is that trying to change such a system is beyond the capabilities of a single programme like RGP.

11 PERFORMANCE AGAINST THE JUNE, 2011 MILESTONES, AS PER THE LOG FRAME

A summary of the log frame with the 30 June 2011 milestones is attached. A discussion of the log frame performance to date is below.

- a) Impact Indicators 1-3: These are not applicable for the 30/6/2011 milestones.
- b) Outcome Indicator 1: Percentage change in the sales turnover of the agro-processing sector in the Sughd region. *Milestone.* 5% annually against baseline of 2009. *Actual.* The official Sughd statistical data reports an increase of 6.6% annually against the baseline. *Remarks.* This indicator is on track.
- c) Outcome Indicator 2: Change in the level of the official employment in targeted rayon including amongst women (regional). *Milestone.* 2% annual growth against baseline of 233,644. *Actual.* -4%. *Remarks.* The reason for this decline in employment is unclear but may relate to less emigration than heretofore, or returning emigrants.
- d) Outcome Indicator 3: Income generation environment/ business climate in the Sughd region. *Milestone.* At least 30% of entrepreneurs (including 15% women) report perceived improvement in the environment for income generation. *Actual.* The next Citizen Perception Survey was scheduled for October, 2011. The results aren't available. *Remarks.* This indicator is to be assessed and reported in the Q4 quarterly report.
- e) Output Indicator 2.1: The number of development plans developed based on the new planning methodology at the Oblast, District and Jamoat levels. *Milestone.* 14 RDPs and 65 JDPs. *Actual.* Met. *Remarks.* The Review Team questions the utility of the quantitative goal since it doesn't measure how successfully these plans attracted funds and, therefore, can be implemented. See separate section.
- f) Output Indicator 2.2: The number of the development plans' economic sub-projects implemented and systematically monitored and evaluated at the District and Jamoat levels. *Milestone.* At least 28 economic sub-projects from DPs are identified. *Actual.* More than 70 projects identified. *Remarks.* The Review Teams also question the usefulness of this milestone, since none of the development plans have sourced any funding, and lack concrete proposals to obtain such.
- g) Output Indicator 3.1: Client satisfaction with advisory training services. *Milestone.* Minimum 500 advised/trained farmers (including 20% women) confirm a positive effect on their business. *Actual.* 742 farmers (30% women) confirmed satisfaction. *Milestone.* Minimum 50 women entrepreneurs confirm a positive impact on their activities. *Actual.* 85 confirm stated satisfaction with the training, but it's premature to judge impact on their business. *Milestone.* 6 medium sized processors confirm a positive impact on their business. *Actual.* To date they have implemented only two of the three HACCP modules. It is too early to measure any effects. *Remarks.* With the exception of the processors, this indicator is on track. Some

farmers, though, expressed dissatisfaction with the quality and relevance of the services being provided.

- h) Output Indicator 3.2: Number of clients receiving advisory/ training services that are paying for them. *Milestone.* An average of 800 farmers are paying 5% of their costs. *Actual.* 1024 farmers receiving services have agreed to pay 5%-10% of their cost, with 855 farmers to date having paid 5.4% of the cost. *Milestone.* 100 female entrepreneurs receiving services are paying 5% of their cost. *Actual.* 225 women agreed to pay 10% of their costs. *Milestone.* 8 medium sized processors receiving services paid 25% of their cost. *Actual.* 8 processing companies agreed to pay 100% of the costs. In most cases payment by farmers will be made after the harvest has been brought in. *Remarks.* The comments in Indicator 3.1 concerning the calibre of services, to a certain extent, also apply here. An additional concern is that some extension service providers are taking payment in-kind; thereby making them rivals to the farmers they are meant to be helping. One of the sub-goals of the RGP is to help bring the farmers into the monetary system. Undertaking barter transactions is a retrogressive step.
- i) Output Indicator 4.1: The number of recommendations of business/ farmer associations for improving the business and investment climate that are channelled through the Regional Consultative Council (RCC) to the National Consultative Council. *Milestone.* The options for establishing a private sector based support structure for business associations were analysed and a strategy for its development is available. *Actual.* The RCC has only just been established. One proposal has already been lobbied from the regional to the national level. *Remarks.* The Review Team considers the usefulness of trying to develop public/ private dialogue, certainly at and below the Oblast level, as questionable. See comments regarding this activity elsewhere in the report.
- j) Output Indicator 4.2: The number of business associations and farmer based organisations introducing paid services. *Milestone.* The approach for introducing paid services is available. *Actual.* Achieved. *Remarks.* This indicator needs to be revised now that this methodology has been introduced. Some examples of milestones that could be used in its place include the number of associations that are financially sustainable, the range of services that they are providing to their members. Also, whether the membership of these associations is expanding or contracting.
- k) Output Indicator 5.1: Change in the yearly enrolment of participants in the 13 selected VTIs. *Milestone.* Average enrolment increased by 20% (1,680). *Actual.* As of 31 May, 2011, 1,234 people were trained in the new pilot professions. *Remarks.* The shortfall was attributed to the high level of emigration of unskilled labour, which reduced the potential pool of students. The M&E team needs to monitor this milestone carefully. If it continues to shrink, ascertain whether it is due to the classes being offered are no longer in demand, or for some other reason.
- l) Output Indicator 5.2. The number of pilot courses in the 13 VTIs is standardised. *Milestone.* 6 courses are standardised. *Actual.* Achieved. *Remarks.* Since this milestone has been achieved it should be superseded by one that is more relevant for measuring success. One possibility would be to track the performance of graduates finding full time employment within, say, six months of graduation.
- m) Output Indicator 5.3. The number of VTIs providing migration training as part of their portfolio sustainability. *Milestone.* All training materials prepared. *Actual.* Achieved. *Remarks.* This milestone also needs to be revised. The Review Team has raised the question elsewhere in this report as to whether the RGP should be actively assisting a trained workforce to emigrate.
- n) Output Indicator 6.1. The number of clients of the two RGP supported MLFs who are accessing loans in the first loan cycle. *Milestone.* For RVZ, 1,473, including 603 women. For SMK, 876, including 314 women. *Actual.* For RVZ, 584 clients, including 310 women. For SMK, 516 clients including 181 women. *Remarks.* There seem to be different definitions being

used by the implementer and the M&E unit regarding this milestone. This needs to be resolved. According to the calculations of the Review Team, this milestone is not being met.

- o) Output Indicator 6.2. The percentage of clients of the two RGP supported MFIs who say that they have expanded their business, and the percentage saying they have created new jobs (both full and part time). *Milestone.* At least 65% of the MSME confirm that profits increased. At least 55% employed additional workers (30% on a permanent business, 25% on a seasonal basis). *Actual.* 60% of the MSMEs report increased profits. 49% have employed additional workers, 29% in permanent positions and 20% on a seasonal basis. *Remarks.* The overall performance against this milestone is on track.
- p) Output Indicator 6.3. The operational self sufficiency of all AMFOT members in Sughd Oblast. *Milestone.* Operational Self sufficiency of MFIs averages at least 120%. *Actual.* Achieved. The average is 125.30%. *Remarks.* Of the seven MFIs interviewed by the Review Team, only one was not profitable. In the absence of a financial downturn, this milestone needs to be replaced.
- q) Output Indicator 6.4. The operational self sufficiency of B&H. *Milestone.* An operational self-sufficiency ratio of 105%. *Actual.* As of August 31, 2011, the operational self-sufficiency ratio was 118.1%. *Remarks.* The relevance of this milestone needs to be reconsidered. A possible replacement could be one measuring outreach, particularly to smaller MFIs operating in Sughd Oblast.

Additionally, the Review Team also reviewed progress against the recommendations/ suggestions made in the previous review missions. In general, these recommendations are being tracked and have been implemented, or are in the process of implementation.

Conclusions:

The log frame mechanism is an extremely useful tool for identifying the key indicators for success, and for establishing benchmarks/ milestones to measure progress towards the end goals of the programme. The indicators and milestones, though, need to appropriately reflect the ultimate goals of the programme, and be progressively updated, or revised, as the initial goals are achieved. Hence, it is a living document that needs to be reviewed and updated on a regular basis.

The Review Team has several concerns about the existing log frame. Firstly, certain output indicators (in particular those for Output 2) do not reflect the ultimate goals of the RGP, which is to encourage private sector development. Secondly, several of the milestones are rather general (indicators 4.1, 4.2, 5.3). Thirdly some of the milestones have been achieved (6.3 and 6.4), and should be revised.

Recommendations:

Under the existing programme, the recommendations are as follows:

- The log frame be reviewed and updated so as to better reflect the underlying purpose of the RGP, and establish new performance criteria for the remainder of the programme life cycle. **Priority, high.**
- As part of the review and oversight duties, the M&E team should visit the end clients of the RGP (farmers, MSMEs) to discuss the results and impact of the various outputs, and to identify any unexpected outcomes. These opinions are to be included in their evaluation as to the success of the Output. **Priority, medium.**

12 SPECIFIC TASKS RAISED IN THE TOR

(i). Assess the programme's impact so far and overall progress against the outputs in the log frame, assessing coherence across the outputs and their combined contribution to achieving the purpose. What is the programme doing well? and what is it doing less well? Are there any unintended side effects?

The programme's impact and overall progress to date and its general coherence are discussed elsewhere in this review. In general most of the outputs are on track, despite the complexity of the Programme design. What has been done well, and done less well, are covered in the lessons learnt section and in other sections of the review. The main unintended consequences identified are the raised expectations of the end recipients, the mission drift in Output 2, and the reinforcement of the tendency of donor dependence. These issues also have been discussed within the report.

(ii). Review the context (legal, policy, recent developments etc) within which the programme operates and assess whether the risks and assumptions remain relevant.

One of the major findings of this review is that the legal and tax status of the various entities that are being supported under the RGP needs to be clarified. The Review Team received a lot of conflicting advice/ opinions/ observations as to whether the Mahallahs need to, and should be, registered and with whom; and the status of the law requiring the local governments to prepare development plans. Precise details of how the devolution of government would impact the lower levels of government also could not be obtained. Additionally, the Review Team was unable to clearly ascertain what funding would be available at the Jamoat and Rayon levels to fund their budgets and development plans. These uncertainties need to be settled by consulting with expert advice before any further work is undertaken on Output 2.

The law relating to microfinance is in the review and comment stage. The Review Team understands that the first draft was overly strict, and that AMFOT has been active in representing the MFIs to have certain requirements changed. The final law that is passed clearly will have an impact on the RGP and on Output 6 in particular. The MFIs, though, are continuing with business as usual until the situation is clarified, which is the right approach to take.

Some of the risks that had been identified at the decision phase of the RGP still remain relevant, as discussed below.

- *Risk: New legislation is rolled out in a manner that constrains RGP activities (local governance law, microfinance law).* This is an on-going risk, as discussed early in this part of the report. The Review Team has recommended the RGP obtain clarity regarding these issues as a matter of urgency. This risk primarily applies to Output 2, with some potential impact in Output 4 and Output 6.
- *Risk: Weak government capacity for implementation due to insufficient skills, staff turnover, and problems with the attraction and retention of skilled specialists.* In the opinion of the Review Team, this risk has now materialised, and is one of the reasons for the negative conclusions and recommendations for Output 2. Other programmes that are supporting local governments will take time to implement, and any success will not be felt until after the RGP closes. An attempt to significantly upgrade the capability of local government, and change traditional operating procedures, on a stand-alone basis probably is beyond the capacity of a single programme such as the RGP. This should, however, remain a long term goal of all programmes aimed at supporting the Government sector
- *Risk: Insufficient government commitment to implementing the reforms suggested under the BEE, PFMMMP/PFVOA initiatives at all levels of government.* The risk is on-going, and applies primarily, but not exclusively, to Output 2. This risk is one of the reasons underlying the recommendation that any further initiatives on Output 2 await the results of the IFC study.
- *Risk: The economic environment remains poor and thus does not motivate entrepreneurs to invest in business, or pay for services.* Currently, the Sughd Oblast economy is doing well,

and this risk is relatively dormant. Over the lifespan of RGP, however, the implementers need to continue monitoring the economy on a proactive basis.

- *Risk: The fiduciary risk associated with the Trust Fund mechanism to finance district government led activities (may dissuade others from contributing).* This risk is on-going and will need to be carefully monitored by the implementers. An affiliated risk is that senior government officials who are on the Evaluation Committee could have a disproportionate level of influence on the final decisions. Recommendations have been made to counter this possibility.
- *Risk: Other donors/NGO financing mechanisms undermine the reform of local government.* During the review no sign of this risk eventuating was seen. The Review Team, though, does recommend that the implementers continue their close collaboration with other donors/ implementers working on this aspect of government support.
- *Risk: Civil unrest in Sughd Oblast prevents programme activities.* Currently, there aren't any signs of civil unrest in the Oblast. The programme, though, needs to constantly monitor the situation.
- *Risk: Delays in project start up carry the project over into 2013.* Certain outputs under the RGP have suffered from a late start-up. But with GIZ planning subsequent programmes, and DFID actively reviewing a follow-up to the existing RGP, the current relatively slow level of implementation in some outputs is not considered to have put the expected outcomes of the programme at risk.

The assumptions on which the initial design of the RGP was based included several that are no longer valid. These include:

- The funding would be available for the various development plans. At this stage no firm funding commitments have been received (except for member contributions at the Mahallah level). Nor have many concrete steps been taken to identify realistic sources of future funding. This places the successful outcome of Output 2 at risk.
- That donor/implementer dependency would not eventuate. A passive assumption seemed to be that the beneficiaries would quickly take the initiative and start implementing the programme outputs on a stand-alone basis. In the opinion of the Review Team this is unlikely to occur. Rather, with the exception of Output 5, continued support from the RGP was requested²⁹. While the genesis of donor dependency certainly existed prior to the inception of the RGP, it has imbedded itself in some of the local partners. The implementers need to be more proactive in countering this tendency.
- Implicit in the design of the RGP was the assumption that the creation of the development plans would become an integral part of the overall budgeting and development process at all levels of Government. While the RDPs incorporate the development plans of the Mahallahs and the Jamoat development plans, these do not necessarily form part of the Oblast development plan. Furthermore, these development plans are parallel activities to the budgets at all levels.

What improvements in the relationship between the Public Sector and the local government have occurred as a result of the programmes interventions? Are we increasing the capacity of the local government to understand and partner with the Private Sector?

To date there has been limited progress in creating better relationships between local government and the Private Sector (PS). In many cases the WGs formed under the Programme lack any meaningful representation from the PS. (The Khojund District Working Group 10 of the 11 members were from the Public Sector, The Konibodom Town Working Group only 3 of the 18 members are from the PS). A common complaint was that the WGs did not meet at times suitable for small farmers.

²⁹

This included a request for further assistance from the Advisory Team at MEDT. Meeting 10/10/11.

Additionally, they had to travel into town to attend any meetings. Local government needs to further shift away from the top down approach to providing services to their constituents.

Do we have the right project design to influence improvements in the local business enabling environment?

The basic design of providing local economic development assistance at the Jamoat level and at the Rayon level was reasonable. Furthermore, the timing matched well with the scheduled introduction of decentralising the government functions down to the Jamoat level. Unfortunately, though, the local governments still have a poor understanding of the needs of the PS. Additionally, their local budgets are limited. The focus of their involvement in the planning process was to obtain funding from the Trust Fund for local projects, rather than on how to encourage the PS. The issue, therefore, relates not to the design of the programme but rather to limited funding, low capacity, government attitudes at the local levels, and the fixation on the Trust Fund.

Is the District Trust Fund mechanism achieving/ or likely to achieve its stated objective of motivating local government to do more to support the local private sector?

Based on our review, the Trust Fund mechanism is not working as planned. Rather, it has acted as an incentive to local government to prepare Development Plans in the belief that they will receive money for a variety of sometimes expensive infrastructure and other projects (5.0 Million TJS for a Tractor Sales business (Puloton Jamoat), 220 thousand TJS for a brick kiln (Urmetan)).

What impact has the Mahalla (Village) level organisational work had so far?

A lot of enthusiasm has been generated at the mahallah level for the RGP, although the multiple aims/ outputs of the programme are not well understood. Clearly the experience of organising themselves, developing business plans and identifying village level development projects has been very useful. Many mahallahs have village development funds that raise money for communal projects and charity purposes. Conversely, extremely high expectations have been set, which cannot be met, and a lot of emphasis has been placed on receiving money from the Trust Fund.

Has the programme selected the right value chains to support? Are there others that the programme could/ should consider?

The approach of supporting processors of agricultural crops, especially fruits and vegetables has been correct. They provide producers with a guaranteed market, and an alternative to selling fresh fruits/ vegetables in local or regional markets. Further options for value chain support that could be considered are (i) leather and leather goods from cattle hides³⁰ (ii) the production of wine from the grapes that are grown within the Oblast.

Is the targeted support to women (the so called nucleus approach) impacting positively on women's economic empowerment and is it the best approach to take? What more should the programme be doing to promote women's economic empowerment?

Given the high proportion of female headed households, a result of emigration, there is a clear need to address these issues on a programme wide basis. Evidence was noted of focus on the needs of women in Output 3 (supporting rural activities particularly appropriate for women, forming women's associations) Output 5 (training courses for skills in which women can compete) and Output 6 (a reasonable proportion of loans to women). More, however, needs to be done in terms of ensuring the beneficiaries under the programme are more representative of the proportion of women in the rural workforce. Additionally, greater assistance should be focused of the needs of the female headed households of migrants.

³⁰

About 50% of loans extended by the MFIs are for livestock raising and breeding.

To what extent are AMFOT and MFI members making progress in developing financial products that target the small/medium business community? What more could the programme do to make finance available to microentrepreneurs? Are the current MFI rates a disincentive to potential borrowers?

AMFOT and MFI members are working on new loan products for the MSME sector, in particular a start-up loan for small businesses, and leasing. The rural financial sector provides a range of products to RGP's target market through the use of the group loan methodology and the introduction (through GIZ) of individual loans. It does need, though, to focus on expanding the product base to continue servicing clients who progressively grow their businesses and require different and larger loan products, as well as other services. There is a shortage of funding for the rural sector, but the provision of subsidised loans and grants to alleviate this weakness is not recommended. Instead RGP should help B&H find additional investors and funders, so as to increase the availability of wholesale financing to the rural financing sector. While the interest rates charged by the MFI sector are high, they are not unreasonable for agricultural lending in general, given the credit risk involved and the delivery costs. Studies³¹ have shown that it is the lack of availability of credit rather than the price of credit that crimps the ability of the MSME to grow.

How effective and efficient are the various approaches to the provision of advisory services? Are they good value for money?

The extension services that were developed under Output 3 are very much at the pilot stage of development. Some farmers were pleased with the agronomy advice that they had received, and are prepared to pay for continued services going forward. Other farmers expressed considerable dissatisfaction at the relevance and costs of the services being provided. The implementers are aware of this, and are progressively introducing a new methodology for extension services (the TAG approach) to overcome this weakness. Some of the MFIs also are providing compulsory business advisory services to their clients, preparatory to extending loans. We saw little evidence of non-farm business advisory services being offered to RGP's client base.

To what extent is the programme's support to vocational training likely to meet the needs of the private sector/ economic development in the province?

The training courses supported through the Vocational Training Institutes (VTI) were based on a survey undertaken at the initiation of the RGP. This review concluded that such courses are in demand by the private sector within the Oblast and many of the graduates were able to secure jobs. It has been recommended, though, that the RGP support the conduct of a new survey to identify industries that, in future, will be expanding in the Oblast. Then, based on the results, develop training courses that will meet the needs of those industries.

13 FINANCIAL REPORTING

While a review of the financial reporting system is not required under the TOR, the Review Team carried out a very brief examination of the accounting and budgeting system. This examination noted that while there had been some re-allocation of expenses between the various expense and reporting categories, overall RGP was operating within budget. Moreover, the level of expenses incurred for administrative functions were reasonable.

It was noted, though, that the budgets prepared on a line item basis cannot be consolidated on a programme wide basis, due to the different accounting systems employed by GIZ and UNDP. The Review Team understands that GIZ is working towards adapting its accounting and financial reporting system so that in future such consolidated reports can be prepared. When completed, this will enable in-depth analysis to be undertaken on all cost items, and compare actual costs to budget on a line item basis. Cost variance analysis then can be undertaken.

³¹

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14 PROJECT PERFORMANCE CRITERIA

Relevance:

The basic strategy of encouraging income generation and job creation by supporting private sector development in the rural area as a tool for combating poverty is sound. Outputs 3, 4, 5, and 6 currently have, or will have, an impact on the encouragement of the private sector, by helping small farmers organise themselves, assisting in the introduction of new activities, and the creation of value chains. Additionally, they will develop human capital and support the availability of credit. As such, they are relevant to the goals of RGP.

Output 2, as conceived, could have been more relevant to the goals of the RGP. Unfortunately, though, while the technical assistance provided to the local government entities has been useful, the overemphasis on developing unfunded development plans, and the focus on the Trust Fund has undermined the relevance of this component.

Effectiveness:

Since the RGP commenced implementation only in August 2010, it is somewhat premature to judge the overall effectiveness of programme to date. Many of the sub-components of Output 3 are just concluding pilot activities and, as such, a clear conclusion regarding their effectiveness cannot be drawn. Outputs 3 and 4 has been effective in some of their activities, (WUAs and Women's Associations) while others are still getting under way. Outputs 5 and 6 are exhibiting signs of effectiveness in terms of graduating students into the job market and of providing credit for business activities. On balance, Outputs 3, 4, 5 and 6 have a reasonable probability of achieving a satisfactory level of effectiveness by the close of RGP. Regarding Output 2, the development of certain capacities at the local government level has been partially achieved. But with the main emphasis of the Output being the preparation of development plans, it is difficult to see how they, (and the overall Output) can be considered effective until many of the proposed activities are funded.

Efficiency:

As is the case of judging effectiveness, measuring the overall efficiency of the RGP at this stage is, again, somewhat premature. In terms of the amount of funding incurred in the direct development of the Outputs, as opposed to spending for purely administrative expenses, the RGP has been efficient. In terms of the performance to date against the milestones established in the log frame, the results are somewhat more mixed. Several of the log frame milestones have been met, and as such need to be revised. In the case of the Output 6, there is a difference of definition regarding one of the milestones. At this stage, though, with the exception of Output 2, the RGP could reach efficiency by the closure date of the programme.

Innovation:

The basic design of the programme is innovative, in as much that it proposed to link all of the actors who could play a role in the development of the private sector in the rural areas. Output 3, while being extraordinarily complex, was innovative in linking small, impoverished groups (often women) to new products and new technologies that focused on farming in an environmentally friendly approach. Output 4 also was innovative in that it recognised the importance of helping, or reinforcing the need, for farmers to band together to meet a common set of problems. Output 2 also was innovative in its basic goal, that of more open governance at the grass roots level. But, in the opinion of the Review Team, this innovation has been countered at higher levels by the on-going top down approach to Governance. This type of innovation requires a much longer time frame, a more comprehensive approach, and greater resources than envisaged by the RGP.

Catalytic Effect:

The ultimate catalytic effect of the RGP is somewhat doubtful at this stage. Only limited thought appears to have been given as to how the programme can attract other donors to support what are useful initiatives, and some suggestions/ recommendations have been made in this regard. For Output 2, the holding of donor conferences/ workshops, and having discussions with donors

interested in government reform (USAID, IFC) has been suggested. For Output 5, discussions with the appropriate government departments who fund the VTIs would be useful. Finding another partner/investor for B&H should be pursued. With some effort and planning, additional funders should be able to be found to provide incremental funding for what are considered to be useful initiatives.

Sustainability:

The potential sustainability of the RGP varies by Output. The usefulness of Outputs 3 and 4 should continue as long as the small farmers under Output 3 can be developed so that they achieve economies of scale. This will be supported by their linkage into value chains that can create access to markets for them. Certain organisations under Output 4 already appear to be both viable and financially sustainable. This should continue as long as they provide services to their members. The VTIs supported under Output 5 are sustainable since they provide a service to the local economy. As such they should be able to continue receiving funding from the national government that, combined with the fee income, should enable them to be financially viable. Output 6 already is financially sustainable, and provides a valuable service to the rural community.

15 ACTIVITIES IDENTIFIED AS GOOD PRACTICE

The following activities have been identified as good practice, and should be considered for replication in future programmes.

- Good coordination at the donor/ implementer level.
- Output 4. Facilitating the introduction of fee based support services by member owned associations.
- Output 5. The provision of post graduate services to students to help them find employment, and to monitor their success.
- Output 5. Adapting the technical training courses so that the marginalised and more vulnerable segments of the community have access to professional skills.
- Output 6. The support of the wholesale funding facility for B&H.
- Output 6. Linking the individual MFIs to an apex organisation (AMFOT) that provides a range of services which impact small borrowers.

16 SUMMARY AND CONCLUSION

The RGP programme took an innovative approach in attempting to support a vertical range of participants in the rural sector. This support ranged from assisting local government in creating a more welcoming environment for the private sector to supporting the provision of adult education in rural areas. While the basic concept of the programme was reasonable, in hindsight it is overly ambitious. This is due to the number and discrete nature of the components involved, the difficulty in coordinating at the field level, limited human resources, and the difficulties of access and communications.

Regardless of these challenges, the programme has achieved considerable success, despite the late start-up and being behind on some of the log frame milestones. Based on these achievements, the Review Team is recommending that support continue for Outputs 3, 5 and 6, and for some sub-components on Output 4. The Review Team has included some recommendations that could help increase the positive impact on the performance of the RGP going forward. The main concerns of the Review Team centre on Output 2 and one sub-component of Output 4.

The Review Team recognises that some good work has been done at the Mahallah level under Output 2 in regards to capacity building. But the Team cannot see how the Mahallah, Jamoat and Rayon levels of government will receive any benefit from the development plans, as long as they are not included in the mainstream budgeting exercise at those levels. Moreover, the fact that they are not included in the development plan at the Oblast level, unless they have a multi rayon impact, further heightens this concern, as does the top down management style in practice at that level. The only likely funding that is likely to support the development plan exercise in the immediate future is from

the Trust Fund. While it might be possible that some funding may flow from the national government at a later stage, no funding is likely within the foreseeable future that will flow directly to the Rayon and Jamoat levels. At this time, therefore, there is no immediate benefit to be obtained by further supporting the governance activities and development plans, since they do not represent good value for money for the donors. Nonetheless, it has been recommended that financing for the Trust Fund continues through the first year of the second phase to be allocated for small projects, so that the small farmers will receive some benefit from the RGP. Additionally, on-going assistance should continue at the Mahallah level.

The reservations expressed regarding Output 4 relate to the sub-component that focuses on developing the public/private partnership. The Review Team feels that the progress achieved to date is disappointing. This seems to result from the public sector's reluctance to change its approach from the demand economy, top down approach, and the private sector's lingering distrust of the public sector. The result being that, in the opinion of the Review Team, the devotion of further resources from the RGP will achieve little over the remainder of the life of the programme. As such, this does not represent good value for money. Consequently, it is recommended that consideration be given to re-allocating the resources allocated to this sub-component to other activities.

APPENDIX A

A1 PEOPLE MET DURING THE COURSE OF THE MID-TERM REVIEW

Ms. G. Allison	Livelihoods and Rural Growth Advisor, DFID.
Mr. S. Kurbanov	Economic Advisor, DFID
Mr. S. Rajabov	Programme Manager, DFID
Ms. M. Kalanderova	Programme Officer, DFID.
Ms. P. Bonzom	Rural Growth Programme Coordinator, RGP.
Mr. Y. Kurbonkhojaev	Sen. Local Governance Officer, Communities Prog. UNDP.
Mr. S. Erber	Country Director, GIZ.
Mr. H. Ungethuem	Team Leader, GIZ.
Ms. N. Dzihabbarova	Liaison Officer, GIZ.
Ms. Z. Kosymova	Deputy Team Leader, AFC Consultants/ GIZ.
Mr. M. Scheftelowitz	International Expert, GIZ.
Ms. M. Yarbabaeva	National Programme Manager, IOM.
Mr. O. Saidov	Project Asst/Media Focal Point, IOM.
Mr. C. Miller	Project Manager, BEE Project, IFC.
Ms. B. Schoreit	Senior Programme Officer, Rural Development, Aga Khan Foundation.
Mr. N. Jawad	Coordination Office, FAO.
Mr. A. Aliev	Vice Rector, Civil Servants Training Institute.
Mr. R. Kimovich	Manager, MEDT Advisory Team for RGP.
Mr. K. Norov	Deputy Director, State Statistic Agency.
Mr. F. Akbarov	Director, AMFOT.
Mrs. N. Rustamova	Executive Director. Bovari va Hamkori (B&H).
Mr. N. Obidjonov	Hukumat Chairmen of Proletar District of Sughd Region.
Mr. M. Aripov	Area Manager, Khujand Office, UNDP.
Mr. F. Khamidov	Area Manager, Ayni UNDP office.
Mr. F. Odinaev	Project Coordinator, Ayni UNDP office.
Mr. D. Nazarov	Programme Analyst. Ayni UNDP office.
Mr. M. Safolov	Local Governance. Ayni UNDP office.
Mr. A. Ikromov	Economic Development Advisor. Ayni UNDP office.
Mr. O. Kurbanov	Civil Engineer. Ayni UNDP office.
Mrs. D. Hojijmoh	Head of Ayni Jamoat.
Mr. B. Tohir	Loiq Sherali Jamoat's secretary.
Mr. H. Alisher	Head of Jamoat Initiative.
Mr. K. Shokir	"Gulrez" Mahala Committee Head.
Mr. S. Nurkhon	"Ghusariyon" Mahala Committee Head.

Mr. R. Faizullo	“Samandarov” Mahala Committee Head.
Mrs. I. Savri	Head of Woman Committee of “Samandarov” Mahala Committee.
Mr. R. Oqil	“Gulrez” Mahala Committee Accountant.
Mr. U. Farid	MSDSP coordinator in Panjikent.
Mr. Z. Shukuhi	Urmetan WG’s Head.
Mr. K. Farhat	Urmetan WG’s Deputy Head.
Mrs. T. Tuhfa	Urmetan WG secretary.
Mr. Q. Aliqul	Economic Sector of Urmetan Jamoat.
Mr. E. Faizimurod	Social sector of Urmetan Jamoat.
Mr. Q. Haqboy	Infrastructure sector of Urmetan Jamoat.
Mr. A. Hojiboy	Environment sector of Urmetan Jamoat.
Mr. R. Qodirov	The First Deputy of the Chairmen. WG’s Head.
Mr. N. Mamadov	Head of Department of Economy and Trade. WG deputy.
Mr. J. Orifjonov	Deputy Head of Finance Department. WG member.
Mr. Q. Obidov	Head of Dept Industry, Transport and Comm. WG member.
Mr. M. Nuriddinov	Dept. Head Investment and State Assets Mgt. WG member
Mr. A. Sotimov	Deputy Head, Land Department. WG member.
Mr. C. Buriev	Head Economist of Agriculture Dept. WG member.
Mr. A. Rahimov	Head of Businessmen Council. WG member.
Mr. T. Karimov	Deputy Head Statistic Dept. WG member.
Mr. A. Mahkamov	Dept. Head of Employment and Migration. WG member.
Mr. B. Sharipov	Head of M&E Department. WG member.
Mr. N. Mansurov	Specialist of Economic Development Dept. WG member.
Mr. M. Juraev M.	Jamoat of Ortiqov . WG member.
Mrs. H. Usupova	Jamoat of Puloton . WG member.
Mrs. R. Tojjeva	Jamoat of Patar . WG member.
Mr. A. Jalilov	Jamoat of Lohuti . WG member.
Mr. B. Saidov	Jamoat of Sharipov . WG member.
Mr. F. Qodirov	Jamoat of Hamroboev . WG member.
Mr. D. Khisrav.	Deputy Chairmen of Panjakent City. WG head.
Mr. M. Toshtemurov	Head of Cashpoint of Chinor Jamoat
Mrs. Z. Rajabov	Credit Specialist of Cashpoint of Chinor Jamoat.
Mrs. D. Ibragimova	Client, Chinor Jamoat.
Mrs. T. Qumova	Client Chorvodor Village.
Mr. H. Sharipov	Zarzamin NGO. Consultant.
Mr. S. Ashurov	Isfara City Mayor.

Mrs. M. Sharofiddinova	Head of Kulkand Jamoat.
Mr. M. Boboev	Sughd agro service consultant in Isfara.
Mr. A. Lakimov	Farmer. Shurtang village.
Mr. A. Azimjon	Head of Dehkan farm. Navgilem Jamoat.
Mr. B. Sharipov	Head of Puloton Jamoat.
Mrs. U. Nozimova	Farmer. Qaraqchiquim village.
Mr. M. Aliev	Head of Qistakuz Cashpoint.
Mrs. S. Madaminova	Client Trader. Qistakuz Jamoat.
Mrs. M. Tutiniso	Client Trader. Qistakuz Jamoat.
Mrs. Olimova	Client, Livestock.
Mrs. U. Obida	Client Livestock.
Mr. G. Sharobiddinov	SAS consultant. Head of CDF
Mr. K. Juraboy	Dekhan Farm member. Qamish-qurghon Jamoat.
Mr. M.M. Fotehkxon	The Secretary of Advisory Council. Soghd Oblast
Mr. D. Mizrobkhon	Ministry of Agriculture. Consultant
Mr. R. Hasanov	Consultant, Sugdh Oblast Development Plan Committee.
Mr. S. Rustamov	Deputy Governor, Sugdh Oblast.
Dr. A. Avezov	Director, Business Consulting LLC.
Mr. T. Aknazarbekov	Humo & Partners.
Mr. N. Gaffarov	Executive Director, Phoenix +.
Mr. S. Hotamovich	Executive Director, Rushdi vodii Zarafshon.
Mr. Y. Muminjon	Deputy Director General, Matin.
Mr. A. Madaminov	Head, Sughd Mikrofin.
Mr. M. Hasanov	Jabbor Raslov Village Dekhan Farm Association.
Mr. K. Egamov	Chairman, Dekhan Farm Assocn, Muhallah Gulrez.
Mr. M. Umarov	Member, Dekhan Farm Assocn, Muhallah Gulrez.

APPENDIX B

A2 INSTITUTIONS/SITES VISITED

International Organization for Migration.
Bovari Va Hamkon.
International Finance Corporation.
Association of Microfinance Organizations of Tajikistan.
Mountain Societies Development Support Programme.
Food and Agricultural Organization.
Ministry of Economic Development and Planning.
State Bureau of Statistics.
Institute of Civil Service Training.
District Governor and Working Group of Khujand District.
Jamoat Office of Ayni District.
Jamoat and Mahallahs at Loiq Shrali.
Ghusariyon Mahallah.
Samandarov Mahallah.
Khojali Egamov Muhallah, Gulrez.
The T2 Vocational Training Centre, Penjikent
The Rushdi Microfinance Fund.
The Khokomat Office, Penjikent.
The Sujina Jamoat.
The Odil Temur Water Users Association.
The Urmetan Jamoat.
The Professional Technical College Number 53, Zараforon-2 Settlement.
Elita Istaravshan LLC.
Khulkand Jamoat.
The VTI Adult Education Centre.
Puloton Jamoat.
Madanyat Mahallah.
Kanibadam Khokomat.
Navbahor Women's Group.
Sudgh Microfin.
Gafurov Khokomat.
The State Agency Education Centre Khujand.
The Sughd Oblast Statistics Office.
The AWS Women's Association, Baro.
Phoenix + Microfinance Institution.
Humo and Partners MFI.

Appendix A

Baro MLF

Borshod MLF

Matin MDO.

Yarmi Purfize Water Users' Association.

The Jabbor Rasolu District Village Association.

Qamish-qurghon Jamoat.

Gulrez Mahallah.

SAS Consulting.

Zarzamin NGO.

The Ministry of Agriculture.