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Acronyms

AGS	Agricultural Support Systems Division of FAO
AIID	Agro-Industries Investment Development Sub-Division of MoA
APAK	Agro-processing Association of Kenya
ASCU	Agricultural Sector Coordination Unit
ASDS	Agriculture Sector Development Strategy
BMLSP	Business Market Link Service Provider
COMESA	Common Market for Eastern and Southern Africa
DADO	District Agricultural Development Officer
DAMD	Department of Agribusiness and Market Development
EAC	East African Community
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GDP	Gross domestic product
GTZ	German Organisation for Technical Cooperation
GoK	Government of Kenya
HQ	Head Quarter
KAPAP	Kenya Agricultural Productivity and Agribusiness Project
KenAAC	Kenya Agribusiness & Agro-industries Consortium
KENFAP	Kenya National Federation of Agriculture Producers
LoA	Letter of Agreement
M&E	Monitor & Evaluation
MDG	Millennium Development Goals
MoA	Ministry of Agriculture
MoUs	Memorandum of Understanding
MTR	Mid-Term Review
NGOs	Non-Governmental Organizations
NMTPF	National Medium Term Priority Framework
POC	Project Oversight Committee
PSDA	Promotion of Private Sector Development in Agriculture (Project)
PST	Project Support Team
SMAE	Small and Medium Agricultural Enterprise
SME	Small and Medium Enterprise
UN	United Nations
UNDAF	United Nations Development Assistance Framework
USAID	United States Agency for International Development

Executive Summary

ES1. This final evaluation of the four-year US\$2,579, 511 Agribusiness Support for Smallholders (AbSS) Project was carried out in January and February 2014. The purpose of the evaluation was to draw specific conclusions and formulate recommendations for any necessary further action by Government, FAO and/or other parties. The evaluation was expected to identify specific good practices that validate the approach, fine tune the concept, and assess the potential for follow-up or up-scaling action and lessons to be learned for the formulation and execution of other similar projects.

ES2. The conclusions below are focused on 1) project design or suitability, 2) efficiency or the conversion of inputs into outputs, 3) effectiveness or the conversion of outputs into outcomes, 4) impact or the relationship between the specific objective and the overall objective and 5) sustainability or the likelihood of the continuity of the project outputs and outcomes in the post-AbSS implementation period(s):

ES3. The project design was aligned with country and donor development priorities for agricultural sector development. It was logical but over-designed for the level of resources committed to it. Specifically, there were too many project components i.e. six components with multiple stakeholders. Also, there were assumptions about stakeholder commitment, both by NGOs and beneficiaries that were only partly substantiated after the project was launched. For example, it was assumed that KenAAC and other non-government stakeholders like larger SMAEs were committed to participating in the project prior to project implementation. However, this assumption was not valid for some stakeholders like KenAAC who chose to opt out of the project once implementation had started. This required a shift in emphasis by the project, which downscaled the level of SMAE targeted and also required adjustments to two outputs – namely, the training of BMLSPs and the size of SMAEs targeted.

ES4. Project efficiency was mixed: Initially, AbSS suffered from protracted delays in operational project management. These deficiencies were eventually overcome after twelve months. Thereafter, the project displayed high levels of efficiency in converting the activities into the expected outputs. After the second Agribusiness Advisor joined the project, work planning, training, and supervision were above-average quality. However, information management was inadequate. Project risks were well managed by the project team. The relationship with local authorities was positive. However, it could not be determined whether the costs of the project had been justified by the benefits because of the omission of performance indicators in stakeholders agreements reached with the project. Overall, GoK contributions were delivered in a timely manner as planned. But the quality of project-specific M&E was inadequate.

ES5. Achievement of the project outputs and their contribution to the two project outcomes was mixed. In terms of the first Outcome (commercially viable and mutually beneficial business models linking producers to SMAEs in place and working), the contribution of the first output (business models validated) revealed that the business models were only partially validated. The contribution of the second output (strengthening capacity of SMAEs, trainers, and support

organizations) revealed that all of the quantitative targets were exceeded. More than 10 organizations, 100 producers and 25 SMAEs had benefitted from AbSS assistance.

ES6. Performance under the second Outcome that improved institutional capacity was being used to up-scale and replicate linkage models and had provided complementary support to increase value addition and competitiveness was varied. The BMLSPs were partly trained to improve their capacity to deliver training to SMAEs, Ministry of Agriculture and other participating organizations. The capacity of KENFAP and other local producer organizations was improved. But the degree to which that improved capacity has translated into up-scaling and replication of linkage models could not be substantiated by the evaluators. In contrast, KenAAC's capacity to support and represent the interests of SMAEs was not improved. However, there was reasonable evidence that the public sector's capacity to support agribusiness models had been significantly improved. This appeared to be the most effective of the six outputs.

ES7. Overall, the evaluators found that the data on 1) the reduction in total costs of value chains, 2) increased income for producers and 3) increased profitability of SMAEs was inconclusive because of the absence of an adequate M&E performance management plan. Therefore it was not possible to reach definite conclusions about the overall impact of the project. Generally, the level of business had improved for most SMAEs but the evaluators found that those interviewed were now cash-strapped because of increasing working capital constraints invoked by extended credit by these enterprises to retailers.

ES8. Furthermore, the number of SMAEs assisted by the project (i.e. 31 of an estimated total of at least 11,000 SMAEs in Kenya) is too small to draw any inferences about economic impact at the national level.

ES9. The project does not appear to have had a material impact on crosscutting issues such as gender equality, environment, good governance and conflict prevention. The reason: with the exception of promoting gender mainstreaming by KenAAC, who opted out of the project, there were no other cross-cutting requirements stipulated as key Outputs or Outcomes. With regard to mainstreaming gender in agribusiness, there was a reasonably good gender balance in terms of the persons participating in the project as trainers and SMAE beneficiaries. Also, AbSS held a specific workshop for the African Women Agribusiness Network (AWAN).

ES10. The extent of ownership of the specific objectives (outcomes) and overall objective (impact) was mixed. Ownership was strongest by the Ministry of Agriculture Agribusiness Directorate. But ownership was less evident at NGO-, SMAE- and producer association levels. The reason: these beneficiaries were not required to commit to the indicators associated with the AbSS objectives/achievements. However, there was visible evidence of commercially viable business models linking producers to SMAEs in place at the time of this evaluation.

ES11. In line with these observations, there was improved institutional capacity of the Ministry of Agriculture's Agribusiness Directorate, which has assimilated the capabilities to develop a Contract Farming Framework. Also, according to the Ministry, as a result of its

interaction with AbSS, more practical “pro-agribusiness” policies have been articulated in the Ministry’s Agribusiness Development Strategy.

ES12. The recommendations below highlight the issues that FAO, Government and other stakeholders need to address when designing and implementing agribusiness support projects like AbSS:

ES13. For FAO, project design should be scaled to match the level of resources available for implementation. When resources are limited, as was the case with AbSS, the project should have reflected this in terms of its design content. For multidimensional projects like AbSS, the number of outputs should be reduced from six to three and the project should be simplified – in terms of its expected impact and scope of the outputs and expected outcomes. For instance, AbSS had one Impact with three indicators; two outcomes with five indicators, six outputs with nine sets of indicators; 23 activities and 39 assumptions. Obviously, this range of metrics was excessive for a project of just US\$2.5 million to be implemented over three years.

ES14. For the Government of Kenya, project design should include 1) the establishment of formal agreements between key stakeholders and the project and 2) comprehensive appraisals of stakeholders and beneficiaries – in terms of the strengths, weaknesses and their appropriate roles prior to the completion of the design process. Such an approach would ensure that the project minimizes its stakeholder ownership risks and that the assistance to be provided is appropriately “positioned” to fit stakeholder needs.

ES15. Agribusiness project managers should be sensitive to the fact that retailers need to be engaged in agribusiness support projects to encourage them to establish and monitor processor and supplier adherence to acceptable product protocols. *The validity of business models aimed at sustaining entrepreneurial access to higher-valued retail markets is driven by the product protocol/specification requirements of those markets.* Under the AbSS project almost all of the SMAEs were selling their products to commercial retailers (i.e. supermarkets). Therefore the development of a self-correcting structure that would ensure SMAE and producer adherence to stringent market protocols depends on the establishment of those protocols as entry-level requirements for agribusinesses that supply those markets. However, in Kenya, there is inadequate and therefore inconsistent application of mechanisms whereby retail buyers closely monitor the adherence of processors and producers to critical food safety requirements. This “missing link” in the agribusiness development models has to be addressed by support projects in order to improve both their effectiveness and sustainability. Noticeably, this was a “missing link” in the AbSS project which future assistance programmes should incorporate/address.

ES16. For project designers: if projects like AbSS are to target start-ups and fledging SMAEs, then the one-off training interventions should be combined with a mentoring programme to improve the probability of continued business sustainability among targeted SMAE beneficiaries. The reasons: 1) the failure rate amongst smaller SMAEs tends to be very high, therefore their performance needs to be monitored closely and 2) the SMAEs will experience newer challenges as they improve their operations because of initial technical assistance. Therefore they will need continued assistance beyond that provided by projects such as AbSS. For instance three of the four SMAEs that were monitored from AbSS inception closed their

doors during the life of the project – suggesting that stronger hand-holding may have been required for them to improve their operations on a sustainable basis.

ES17. Two key lessons were evident from the evaluation of the AbSS project:

- 1) The first lesson learned was that the correlation between Impact and targeted beneficiaries has to be reconciled i.e. made logical by agribusiness support projects. If there is to be assurance that producer incomes and SMAE profitability will be increased, then the project must choose to work with producers and SMAEs that are operating at levels sufficient to ensure that such impact is likely to be achieved. In AbSS, the decision to downscale the project to work with fledging SMAEs at cottage-industry level (i.e. very small) compromised the project's capacity to achieve its overall objective because of the limited capacities of these agribusinesses to improve their business performance on a sustainable basis. Given their minimal resources, it is questionable whether they can upscale their operations to levels sufficient to achieve the desired impact.
- 2) The second lesson learned was that, as a first step, an M&E performance management system should be put in place when a commercialization project like AbSS is established¹. In doing this, the logical framework indicators should be included in the obligations of both stakeholders and beneficiaries of such projects. Ideally, the establishing of an appropriate M&E system should be a pre-condition for the launch of a project. Without such a Condition Precedent, the evaluators have found that most projects are implemented with limited priority being given to monitoring and evaluation systems. The failure of the AbSS project to do so for most of its life meant that both the project and the evaluators were unable to validate the degree to which the project had achieved its desired impact in accordance with the logical framework performance indicators.

¹ While this was not in place for the AbSS project, the evaluators were informed that such an approach is now in place for all projects managed by FAO Kenya.

1 Introduction

1.1 Background and purposes of the evaluation

1.1.1 Background

1. In 2009, the Government of Kenya (GoK) launched Kenya Vision 2030, which aims at transforming Kenya into a middle income, newly industrializing country. Vision 2030 lays out the national strategy for eradicating poverty and achieving food security through creation of wealth and employment. The agricultural sector, which employs more than 75% of the workforce and accounts, directly and indirectly, for at least 51% of Gross Domestic Product (GDP), is the most important sector of Kenya's economy. It is integral to realisation of Vision 2030's ultimate economic transformation goal.

2. Government's strategy for development and transformation of the agricultural sector is embedded in the Agricultural Sector Development Strategy (ASDS), also launched in 2009. The goal of the ASDS is to position the sector as a key driver for delivering 10% annual economic growth under the economic pillar of Vision 2030.

3. The Agribusiness Support for Smallholders Project (AbSS) was designed by the Food and Agricultural Organisation (FAO) in 2009 to address several specific objectives under the first priority area of the ASDS, i.e. increasing productivity, commercialization and competitiveness of the agricultural sector. AbSS was also expected to address several outputs identified under the National Medium Term Priority Framework (NMTPF) and the United Nations Development Assistance Framework (UNDAF). To this end the Government of Kenya, in close collaboration with the FAO, sought and secured US\$2,579,511 in grant funding from the Government of the Federal Republic of Germany to implement AbSS over the three-year period 1st January 2010 to 31 December 2012. A budget revision in 2011 reduced this amount to \$2,183,513. Following a mid-term review in April 2012, the project budget was increased to US\$2,557,470 and the duration extended to 31st December 2013.

4. The developmental challenge that the project addressed was to increase the capacity and orientation of small producers and small and medium agricultural enterprises (SMAEs) towards the broader commercialization trends that were emerging in the economy.

5. Given the scale of the agribusiness sector (between 3 million – 6 million small farmers and more than 11,000 SMAEs in Kenya) AbSS was designed as a pilot project aimed at supporting small farmers and SMAEs in five locations. Consequently, the project's targets were to support at least 10 different business models involving a minimum of 1,200 farmers, 75 producer groups and 25 SMAEs in the up scaling of their commercialization processes.

6. As designed, AbSS was expected to achieve two closely related, synergistic outcomes or specific objectives:

- *First*, commercially viable and mutually beneficial business models linking producers to SMAEs would be in place and working in five pilot locations. Business and market linkages services in the pilot locations would also be available.
- *Second*, improved institutional capacity to provide support to small producers and SMAEs would be in place and being used to upscale and replicate linkage models and provide complementary support for improving value addition and competitiveness of small producers and SMAEs.

7. These outcomes were to be achieved through delivery/realisation of six outputs or expected results, in conjunction with conditions beyond the control of the project that have a reasonable likelihood of occurring. The six outputs to be delivered or achieved were:

- Validated business models for linking producers to SMAEs - Business models for linking producers to SMAEs would be appraised, strengthened and validated as being commercially viable in five business development pilot locations.
- Improved capacity for business and technical training of producers and SMAEs - Capacity for supporting and providing business and technical training of producers and SMAEs would have improved in five pilot locations.
- Improved capacity of business and market linkage service providers - Five or more organizations would have improved capacity to provide business and market linkage services. The target organizations would have demonstrated their capacities to assist producers and SMAEs in developing commercially viable business partnerships.
- Improved capacity of KENFAP and local producer organizations to support collective action and provide business services - KENFAP and local producer organizations would have improved capacity to support collective action and provide business services.
- Improved capacity of KenAAC to support and represent interests of SMAEs - The Kenyan Agribusiness and Agro-Industries Consortium would have become firmly established and would have improved capacity to support and represent the interests of SMAEs.
- Improved public sector institutional capacity to support producer-SMAE business models - Institutional capacity of the Ministry of Agriculture and the Agricultural Sector Coordination Unit (ASCU) to support development and replication of commercially viable business models, provide assistance on business planning, backstop business development service providers, design and implement initiatives to promote the improved performance of value addition enterprises, and develop policy and strategy papers.

1.1.2 Purpose of the evaluation

8. The purpose of the evaluation was to draw specific conclusions and formulate recommendations for any necessary further action by Government, FAO and/or other parties. The evaluation may also identify specific good practices that validate the approach, fine tune the

concept, and assess the potential for follow-up or up-scaling action and lessons to be learned for the formulation and execution of other similar projects. The evaluation may contribute to documenting the approach and its impact.

9. The evaluation covers all aspects of the AbSS (i.e. project GCP/KEN/070/GER), running from the initial period of January 2010 to December 2012 and the extension period covering January to December 2013. The five project areas were reduced to three considering the distances and the limited timeframe the project had to operate in. These are lower eastern, central and the upper Rift Valley.

10. The project was critically assessed through the internationally accepted evaluation criteria, i.e. relevance, efficiency, effectiveness, impact, and sustainability. The primary issues to be addressed under each of these criteria are presented in Annex 1, Evaluation Terms of Reference (ToR). In line with the new FAO project cycle, the evaluation assessed compliance with the following UN Common Country Programming Principles: Human Rights Based Approaches (HRBA)/ Right to Food/ Decent Work; Gender equality, Environmental sustainability, Capacity Development and Results Based Management.

1.2 Methodology of the evaluation

1.2.1 Methodology

11. The methodology of this evaluation is based on four ToR criteria:

- The evaluation will adhere to the UNEG Norms & Standards².
- The evaluators will adopt a consultative and transparent approach with internal and external stakeholders throughout the evaluation process. Triangulation of evidence gathered will underpin the validation and analysis and will support conclusions and recommendations,
- Use of the following methods and tools: review of existing reports, semi-structured interviews with key informants, stakeholders and participants, supported by check lists and/or interview protocols; direct observation during field visits; surveys and questionnaires, and
- Particular attention will be devoted to ensure that women and other under-privileged groups will be consulted in an adequate manner. Insofar as possible and appropriate, interaction will also take place with non-participants to canvass their opinions.

12. In line with this criteria, the evaluation team's approach consisted of 1) a comprehensive review of relevant documentation, 2) interviews with stakeholders and beneficiaries to develop an appreciation of the context, structure, implementation arrangements, inputs delivered and uptake of the outputs at producer, SMAE and institutional support levels, 3) a mapping of the project's chronology to better understand its evolution and orientation, 4)

² United Nations Evaluation Group, <http://www.uneval.org/normsandstandards>

development and use of a questionnaire designed to address the FAO's issues of concern as expressed in the Table of Contents of the FAO Evaluation Report Guidelines, and 5) employment of a project evaluation grid – with subsequent documentation of all of the key issues to be addressed in accordance with FAO evaluation criteria. The evaluation team also opted to review the Mid-Term Review (MTR) carried out in April 2012.

1.2.2 Limitations of the evaluation

13. This evaluation was limited by the absence of key sets of data and information namely 1) comprehensive baseline and monitoring and evaluation (M&E) information systems/data, 2) the final report on the project, which was not completed two months after the project was terminated, and 3) a final report on the business models identified by AbSS over the duration of the project.

2 Context of the project

2.1 Approach to the question

14. This section includes a description of the developmental context relevant to the project including major challenges in the area of the intervention, political, and legislative issues, etc. It also describes the process by which the project was identified and developed and cites other related United Nations (UN), including FAO, and bilateral interventions.

2.1.1 Development Context

15. The origins of the AbSS project lie in the Government of Kenya's commitment to accelerate the process of commercializing the development of the agricultural sector in 2007. To mainstream this process the Ministry of Agriculture (MoA) established two new directorates – one directed at fostering more conducive policies towards sector development and the other aimed at transforming Government's core capacity of a production based facilitator to that of an agribusiness enabler. To strengthen its Agribusiness orientation, the GoK sought the support of the FAO in establishing a mechanism i.e. project, that would serve as an educational as well as a capacity building "entre" for the MoA into the agribusiness commercialization process. Given the significant role played by the small and medium enterprise sector in agriculture – and with Government's acquiescence - the FAO, with lead support from FAO HQ/Rome developed the intervention logic for a pilot project intended to strengthen the agribusiness environment by creating an interactive programme aimed at highlighting the needs and roles of key players in commercial smallholder agriculture and agro-processing.

16. The Economic Recovery Strategy for Wealth and Employment Creation (ERS) launched in 2003, which represented the government's policy response to structural adjustment and globalization, gave high priority to creation of wealth and employment as a means of eradicating poverty and achieving food security. This emphasis on wealth and employment

generation is viewed by the government as a major departure from its previous strategies for poverty reduction and food security.

17. The steps that the Kenyan government is taking to enhance competitiveness, wealth and employment generation are particularly important in light of the progress being made on trade liberalization in the Eastern Africa Region. Through trade policy reforms, a regional market is developing, with easier movement of goods, infrastructure and people between East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC).

2.1.2 *Status of Agribusiness Development*

18. After years of relative stagnation, the sector has started to recover. There has been a notable increase in growth for a number of commodities but, in the government's assessment, a number of challenges still need to be addressed. As stated by the then President of Kenya in his forward to the ASDS 2009-2020, "*strengthening the agricultural sector and industry is a prerequisite condition for achieving the envisaged economic growth and, by extension, employment creation and poverty reduction.*"

19. The National Medium Term Priority Framework 2009-13 (NMTPF)³ and the realigned UNDAF priorities⁴ reflect, at least in part, the shift in government priorities. It should be noted that the NMTPF is also referred to as the Country Programme Framework (CPF), which constitutes the agreement between FAO and the Government of Kenya on the national priorities the Organisation will address over a period of 4-6 years and the results that FAO commits to achieve within that time frame.

20. The NMPTF was formulated to support the policies and strategies embodied in the ERS, UNDAF and the Millennium Development Goals (MDGs). The NMPTF framework identifies four thematic priority areas: 1) agricultural transformation and policy reforms under the Strategy for Revitalizing Agriculture (SRA), 2) sustainable natural resources and environment management, 3) support to vulnerable households – food security, and 4) information and knowledge management systems. AbSS is fully aligned with the first priority area. The NMPTF noted that there is considerable scope for increasing productivity and agribusiness development. It also indicated that FAO collaboration with the government would target strengthening of institutions and capacities in order to address challenges relating to market access, low levels of value addition and commercialization, and compliance with food quality requirements. Some of the specific programme outputs that were to be addressed by AbSS include 1) sectoral coordination strengthened and improved; 2) institutional capacity for provision of training services improved; and 3) productivity and value addition of crops, livestock, commercial insects and fisheries increased.

21. The UNDAF was developed in 2007 and was subsequently realigned. FAO participated actively in the UNDAF review and realignment process as leader of the Food Security Group.

³ (NMPTF 2009-2013), Revised Draft Framework, April 2009, FAO Representation in Kenya

⁴ Update from the Post UNDAF Realignment Retreat in June 2009

The UNDAF focuses on three priority issues: 1) improving governance and the realization of human rights, 2) empowering people who are poor and reducing disparities and vulnerabilities, and 3) promoting sustainable and equitable economic growth for poverty and hunger reduction with a focus on vulnerable groups. This project primarily aligns with priority area three, especially Country Programme Outcome (CPO) 3.1.2: Business environment productivity and competitiveness of MSMEs improved and 3.1.4: Agricultural productivity and competitiveness of smallholders increase.

22. An Agricultural Sector Coordination Unit was established and included the participation of ten ministries, several non-governmental and private sector organizations, and major developmental partners⁵. In 2008, the ASCU undertook a review of progress under the SRA and supported preparation of a new Agricultural Sector Development Strategy (ASDS) based on lessons learned. The new ASDS was launched in early 2009. The goal of the ASDS is to position the agricultural sector as a key driver for delivering ten per cent annual economic growth under the economic pillar of the Vision 2030.

2.1.3 Rationale for the AbSS Project

23. The AbSS was to focus on several priorities aimed at addressing the first priority of the ASDS of increasing productivity, commercialization and competitiveness of the agricultural sector via:

- Reforming institutions by transforming key organizations through strengthening producer organizations;
- Increasing market access through development of cooperatives and agribusiness through promotion of value addition and of internal and external trade; and
- Private sector participation in increasing productivity, commercialization and competitiveness of the agricultural sector; particularly through development and implementation of a framework and instruments for strengthening institutional capacity; promotion of private sector participation in agricultural transformation services; and development of a mechanism for recognition and support to integrated agricultural product value chain innovations.

24. Whilst the design of the project included conventional features such as impact, outcomes, outputs and performance targets/indicators, an unstated but primary overall objective was to use the pilot to expose and address the dynamics of good practice within the sector – especially by agro-processors, by public, NGO and private service providers and by the Ministry of Agriculture itself. Consequently, the project was designed to identify business models used by the SMAE sector, find “weak points” in those models and provide technical support aimed at increasing the related training capacity of service providers in the Government, NGO and private sectors. Through “real life” assistance to SMAEs, it was envisaged that the project would 1) ignite SMAE’s perceptions about the value of technical assistance and increase the usage of it by

⁵ However, since the most recent election, the three agricultural sector Ministries were consolidated into one, reducing its role as a coordinating unit within that Ministry.

them, 2) strengthen the capacity of service providers to deliver needed services along the value chain and 3) create opportunities for the Ministry of Agriculture to address resulting commercialization challenges of the sector e.g. in forging or modifying policies that would make it clearer and easier for the business models to function more competitively over time.

25. To better understand the relative role of the project in the context of support initiatives in the agriculture sector, it is important to summarize the relative position or ‘niche’ which the AbSS project was expected to hold in Kenya. As noted earlier, the project is relatively small in the context of national scale: its expected impact and outcomes confine the performance targets to five districts (now three) and to a relatively modest level of farmers (1,200 out of a total small farmer population of over 3 million; only 75 farmer groups and just 25 SMAEs of a total estimated number of more than 11,000 in Kenya).

26. It is also important to remember that AbSS was part of a much broader developmental agenda aimed at boosting agricultural production and productivity in Kenya. Other projects at the time included:

- The Ksh 6.087 billion Agricultural Sector Development Support Programme⁶. The overall programme goal is to support the transformation of Kenya’s agricultural sector into an innovative, commercially oriented, competitive and modern industry that will contribute to poverty reduction and improved food security in rural and urban Kenya.
- The US\$82 million IDA/GoK Kenya Agricultural Productivity and Agribusiness Project (KAPAP) aimed at increasing agricultural productivity and incomes of participating smallholder farmers
- The Ksh 3.270 billion GiZ/GoK Promotion of Private Sector Development in Agriculture (PSDA). The objective of the PSDA was to fully utilize production, market and employment potential while managing natural resource base in a sustainable manner.

27. In summary between 2007 and 2009 Kenya was just starting to address commercialization and related enterprise and value chains development. There have been many commercialization projects since then. More recently, there have been an increasing number of value chain projects. Although there are examples of sound business development in Kenya, understanding of business strategy, planning and management is not widespread. Institutional capacity to support business development involving producers and SMAEs at scale is also lacking. For AbSS, the next key steps in Kenya’s agribusiness evolution were to (a) mainstream business oriented thinking, planning and management capacity among all stakeholders, and (b) reduce reliance on short term projects by developing institutional capacity to support development of commercially viable business models linking producers and SMAEs.

⁶ This programme was funded by the Swedish International Development Agency and covered 47 countries.

3 Analysis of project concept and design

Approach to the question

28. Programmes and projects are built on assumptions of how and why they are supposed to achieve the agreed objectives through the selected strategy. This set of assumptions constitutes the programme theory or ‘theory of change’ and can be explicit (e.g. in a logical framework matrix) or implicit in a project or programme document. This chapter of the evaluation will analyse the theory of change, or the strategy underpinning the project, including objectives and assumptions, and assess its robustness and realism.

3.1 Concept and design

3.1.1 Relevance of stated development goals and outcomes

29. In terms of relevance (or suitability) the development goals and outcomes were aligned to the overall objective (i.e. impact) of increasing producer incomes and SMAE profitability in Kenya – especially since, prior to AbSS, a programmatic approach to building-out an agribusiness development model of retailer-processor-small farmer system had not been tried before. As designed, there was a close correlation between the two outcomes and six outputs, although, in retrospect, the number of outputs could have been collapsed from six to three or four, thereby reducing the complexity of arranging activities around a consolidated number of activities.

30. In particular, as illustrated under section 2, Context of the Project, the development goals and outcomes were closely linked to Government’s agribusiness development priorities as articulated in its Agricultural Sector Development Strategy (ASDS) of 2009. Table 1 below highlights the close relationship between the ASDS of increasing productivity, commercialization and competitiveness of the agricultural sector and the AbSS Design Summary:

Table 1. Alignment of ASDS priorities and AbSS Project Outcomes

ASDS Priorities	AbSS Design Summary: Outcomes
1. Reforming institutions by transforming key organizations through strengthening producer organizations	• Outcome 2: Improved institutional capacity is used to upscale linkage models and provide complementary support to increase value addition and competitiveness
2. Increasing market access through development of cooperatives and agribusiness through promotion of value addition and of internal and external trade	• Outcome 1: Commercially viable and mutually beneficial business models linking producers to SMAEs in place and working
3. Private sector participation in increasing productivity, commercialization and competitiveness of the agricultural sector; particularly through development and implementation of a framework and instruments for strengthening institutional capacity; promotion of private sector participation in agricultural transformation services; etc.	• Outcome 1: Commercially viable and mutually beneficial business models linking producers to SMAEs in place and working

31. The AbSS outcomes were especially relevant to the ASDS given that Government had recently created two new directorates within the Ministry of Agriculture (i.e. Policy and Agribusiness) both of which needed to develop a better understanding of Agribusiness and the challenges faced by the sector in order to provide relevant support to strengthen its evolution – partly by adopting more supportive policies and partly by eliminating policy and developmental bottlenecks along the way. But because some of the sector’s technical requirements were also being accessed through NGO and private service providers, it was also important to establish activities and outputs that would strengthen those links in the commercialisation chain via activities deliberately aimed at these components of the sector’s developmental “eco-system”. In the project design summary the activities were tied to specific outputs, which, in turn, were linked directly to the two outcomes. Consequently the project was designed as a dynamic model for learning how to approach agribusiness commercialisation by forging interactions – mostly through appraisal, training, matchmaking and feedback from key players along the value chain.

32. The AbSS strategy of sharing the priority issues highlighted in the appraisals carried out by the project and the findings/priorities identified by the SMAEs in their training sessions – which were also attended by service providers and government officials – established the basis for orienting the Agribusiness Directorate and the District Agricultural Development Officer (DADOs) towards addressing the challenges and priorities which producers and SMAEs face in accessing intermediate and final consumer markets.

3.1.2 Adequacy of approach and implementation methodology

33. In terms of the approach, while the project’s outcome and outputs were closely aligned with Kenya’s agricultural sector development strategy and stated priorities, the adequacy of the approach and implementation methodology was mixed: The strategic decision to use the Ministry of Agriculture as the project’s “home base” ensured that Government was always aware of project dynamics and the challenges which the main stakeholders and beneficiaries faced during AbSS implementation. Also, the inclusion of public, NGO support organisations, producer associations and the private sector into the design model widened the perspective of Government about the full scope of commercialisation of smallholder agribusinesses.

34. However, the evaluators had two concerns. The first concern was that AbSS had two sets of priorities to address: capacity building of support organisations and capacity building of SMAEs. This dual approach within a project with limited resources was perhaps too ambitious. Also, the project was designed in its entirety but there was no indication that strategic alternatives for achieving the outcomes and impact were considered at the project formulation stage. For example, given that the project was a “pilot”, it could have considered splitting the approach to implementation into two distinct phases: Phase I would have incorporated training to service providers, government and SMAE assimilation of skills learned via the training programmes. Phase II would have taken the lessons learned from Phase I as the basis for refining and tweaking the next steps in the agribusiness development process (e.g. addressing cash flow needs of SMAEs, developing strategies aimed at improving raw material procurement, and quality control at producer and SMAE levels).

35. Another option would have been to limit the number of outputs and related activities while concentrating instead on providing relatively stronger levels of SMAE and producer “hand-holding” technical assistance and using this approach to develop “best practice” guidelines for agribusiness (sector) development. However, this may have compromised the dynamic nature of the project (i.e. helping all key players to understand better the developmental priorities in agribusiness development).

36. The evaluators’ second concern about the approach was the incompleteness of the design model. For instance, formal commitments were not secured from key partner institutions prior to the launch of the project – resulting in some of the lead institutions expressing reservations about the roles that they were expected to play once the project had been activated. Also, the analysis and validating of “business models” encountered was given top priority in the design but its effectiveness/impact was limited to improving MoA and BMLSPs’ understanding about how sub-sector business models actually work. Finally, extensive appraisals were carried out *after* the project was launched instead of at the design feasibility stage. Given that project logical frameworks are usually “cast in stone” once they have been articulated by the beneficiary government and the project designers/donors, the appraisals should have been carried out as part of the pre-design process to ensure that the project would include activities aimed at addressing the constraints and challenges which the appraisals would have highlighted in the pre-design phase.

37. Overall, the methodology was appropriate because of its inclusiveness, learning-by-doing strategy and its intent to incorporate all of the major players into the capacity building objectives of the project. While some projects focus on singular outputs and outcomes, AbSS was deliberately designed to elevate the level of understanding of processors, producers, government officials and service providers about most of the key prerequisites for successful development and up-scaling of a sustainable SMAE-linked agribusiness sector.

38. However, there are pros and cons about the adequacy of the implementation methodology that did not narrowly confine the list of beneficiaries (i.e. trainees) as rigorously as it could. On the one hand, it would be somewhat restrictive to have confined AbSS eligibility to a limited number of sub-sectors and participants⁷. Given the project was a “pilot” such an approach would have restricted the potential benefits of the assistance provided to a limited range of beneficiaries. Also the relatively wide scope of issues to be covered in an effective agribusiness development initiative would have been compromised. For instance, some SMAEs may not have been eligible for assistance and some government agencies may not have been exposed to agribusiness development challenges highlighted in the training sessions and workshops. On the negative side, as designed, the project’s limited resources meant that comprehensive coverage would confine the depth of the assistance that could be provided to the two groups (i.e. to SMAEs or to support institutions). In other words, there would be limited

⁷ Based on the initial VC appraisals conducted by the project in early 2011, five pre-determined sub-sectors were identified based on a ranking of commodity sectors against a set of predefined criteria including importance in national development, competitiveness potential etc. These were edible oils, cereal milling, fruit and vegetable, dairy and meat processing. The original portfolio of SMAEs were selected based on these sub-sector priorities.

capacity for a project, stretched so thinly, to provide lengthier support to either institutions or SMAEs that were on a growth path and needed further handholding in the process.

39. The evaluators were also concerned that the implementation methodology did not articulate SMART performance indicators for the six outputs presented in the AbSS Logical Framework – an observation also noted in the April 2012 Mid-Term Review (MTR). The methodology also failed to incorporate provisions for institutionalisation of most of the indicators into post-implementation mechanisms such as revised job descriptions for stakeholder staff – especially in relation to the technical assistance provided to key institutions involved in the project. However, following an AbSS workshop on Roadmap (Strategy) Development in June 2012 the MoA’s Agribusiness Management Department reviewed their core competencies and client base and used the outputs of the workshop to redefine the AMD vision, mission, and objectives and related job descriptions and compiled a report on the proceedings from this event.

3.1.3 Time-frame and total resources allocated for implementation

40. As designed, the three-year time frame for the project was sufficient to allow for full implementation and the (full) use of project resources. However, given that project activities would also be phased-in over the three-year period, it was perhaps too optimistic to expect that the “uptake” or assimilation of the outputs by the stakeholders/beneficiaries would occur within the same period. For instance, the planned capacity building, which was to be transmitted mostly through training and workshops, was to be carried out *over the three-year period* and was not front-loaded. This meant that some of the capacity building/training would be carried out in the last year of the project, leaving little room for actually measuring the effectiveness of these efforts.

41. Given that the project was supposed to bring about change in the agribusiness environment, such change required that a reasonable amount of time be spent on 1) observing and monitoring SMAE and institutional adoption of the techniques imparted via the AbSS-initiated training sessions and 2) documenting the adoption of the new approaches to effective agribusiness sector development. Unfortunately, the project did not make any time-bound provisions for such actions during implementation although the sharing of lessons learned was planned for a final Agribusiness Forum that was eventually suspended because of unforeseen circumstances (i.e. withdrawal of the Agribusiness Advisor due to health reasons).

3.1.4 Quality of stakeholders’ and beneficiary identification

42. There were multiple groups of prospective stakeholders to be co-opted into the project. Several projects and organizations in the sector with objectives and activities related to this project included:

- a. The Ministry of Agriculture Agribusiness Directorate: Department of Agribusiness and Marketing Development (DAMD)
- b. Promotion of Private Sector Development in Agriculture Project (PSDA) (GTZ);
- c. Rural Knowledge Network (RKN) Project for East Africa (FAO-IFAD);

- d. MSME Competitiveness Project (World Bank);
- e. DrumNet (Pride Africa);
- f. Farm Concern International (FCI);
- g. AgriTrade;
- h. TechnoServe;
- i. KENFAP;
- j. KNFC;
- k. KenAAC.

43. There were also other public and private service providers such as the Agribusiness Cooperative Training and Consultancy Services or ATC (public), the Enterprise Institute and Smart Logistics Solutions (private) as well as SMAEs.

44. Overall, the quality of stakeholder and beneficiary identification was relevant to the project design. However, apart from the Agribusiness Directorate and DADO component, the actual selection of the institutions for capacity building was mixed. One reason was that AbSS had failed to secure firm commitments from these entities to participate in the project before the project was launched i.e. through Letters of Agreement (LOAs) or Memoranda of Understanding (MOUs). In principle the identification of a group of prospective stakeholders created some flexibility for the project. But the approach also ran the risk of weakening AbSS' delivery capacity on the institutional strengthening side of the project once implementation had started since some of those stakeholders had not formally 'brought into' the project strategy prior to its launch.

3.1.5 Appropriateness of institutional and management arrangements

45. According to the project design document, AbSS was to be executed by the Government and implemented by FAO in collaboration with the MoA as the counterpart ministry. The Government was expected to assign authority for the project to the Agribusiness and Inputs Promotion Division, which would constitute the focal point for cooperation with FAO in the execution of the project. Other institutions that would have a functional relationship to the project were:

- Agricultural Sector Coordination Unit;
- Kenyan National Federation of Agricultural Producers (KENFAP);
- Kenyan Agribusiness and Agro-Industries Consortium (KenAAC).
- Business and market linkage service providers:
 - Drumnet;
 - Farm Concern International;
 - AgriTrade;

- Technoserve.
- Affiliated projects:
 - Private Sector Development in Agriculture (PSDA);
 - MSME Competitiveness Project (World Bank).

46. General oversight on behalf of the government and communications between the project and the government would be the responsibility of a National Project Coordinator assigned by the government to the project. A Project Oversight Committee (POC) was to be set up by the government, with coordination provided by the National Project Coordinator, in order to provide policy and strategic guidance. The POC was supposed to convene on a six monthly basis or as needed for the smooth functioning of the project. However, the POC did not meet regularly as planned, mainly because of lack of interest by Government.

47. A Project Support Team (PST) comprising the above-indicated implementing institutions would coordinate project planning and operations. The PST was to be co-convened by the National Coordinator and an Agribusiness Advisor with the Advisor ensuring required administrative support. The PST was supposed to convene on a bi-monthly basis or as needed for the smooth functioning of the project. Again, the PST did not have established bi-monthly meetings as planned.

48. The Agribusiness Advisor, to be provided by FAO, would have day-to-day responsibilities for coordinating and managing project activities. The Agribusiness Advisor would be assisted by a nationally recruited Business Development Specialist, who would also act as deputy to the Agribusiness Advisor.

49. In theory, such implementation arrangements should have worked reasonably well especially if the National Project Coordinator was strategically sourced from the MoA and had established networks with the various stakeholders to draw on. Also the choice of hosting and coordinating AbSS' implementation activities at the MoA was appropriate given that one of the primary goals of the project was to reinforce the Ministry's capacity to organize and support agribusiness development after the project had been completed. Furthermore, the FAO "brand" helped to legitimize the project in a donor environment replete with numerous projects and programmes vying for Government support and attention. But to some extent the "donor branding" advantage was offset by the fact that this project was not contributing financially to government's operating costs (a typical "buy-in" practice of many international donors) and therefore was not ranked as highly by the MoA when compared to other grant-funded projects.

50. On the positive side, there was a clear advantage to working with organisations like Farm Concern International because of their considerable technical capacity in food technology, marketing, post-harvest handling and production expertise. In contrast, Technoserve felt that the size of the AbSS grants for training was too small and therefore was ambivalent about their expected role in project implementation. Another indicative stakeholder, KenAAC, also proved to have low institutional capacity and was reluctant to participate in the project because it felt that the focus on SMAEs was not compatible with its own corporate priorities. In retrospect therefore, it could have been more effective if the project had chosen to work with smaller

commodity organisations that were going to benefit more, given the relatively small scale of the project. Some smaller organisations did come on board at a later stage in the project's life (e.g. Enterprise Institute, Enterprise Development Centre for Africa, React Africa, Smart Logistics Solutions) and were more enthusiastic about their participation in this process.

51. With regard to FAO support, the evaluators noted that there was relevant and timely support provided by FAO Rome and that access to project funding, which was coordinated by FAO Kenya, was efficiently organised and well-executed. Overall, delivery of these support services was critical to efficient and effective project implementation and was reasonably well synchronized by the FAO.

3.1.6 Relationship of inputs, activities, outputs, outcomes and impact

52. The efficacy of the causal relationships between inputs, activities, outputs, expected outcome and impact was mainly dependent on *the institutionalisation of the methods and new techniques acquired by the stakeholders and beneficiaries of the project*. In other words, the predictability of the continued use of the tools imparted would depend on the degree to which the “receivers” of AbSS assistance had actually incorporated those tools into their daily tasks, work plans and, ideally, programmatic frameworks such as annual plan of operations and specific implementation of business plans priority “actions”.

53. The challenge with the project design is that resources were spread quite thinly across six outputs and two outcomes – a factor that would appear to have left limited resources for actually supporting the institutionalisation of the agribusiness development tools within the support organisations (MoA, Technoserve, KENFAP etc.) and the habit-forming use of the content of the training provided to SMAEs. However, apart from the Strategy Workshop with AMD and preparation of a ToR for an institutional capacity evaluation for AMD, there were limited activities aimed at ensuring institutionalisation in the project design framework.

54. It should be noted that it was emphasized at the project design stage that AbSS would not push for successful adoption/use of the tools and techniques imparted by the beneficiaries, partly because the project was a “pilot” only. However, while such an approach is understandable it also ran the risk of relegating the real value of the project to serendipitous assimilation and therefore possibly inconsistent adherence to the use of such tools beyond the Life of Project.

3.1.7 The validity of indicators, assumptions and risks

55. The evaluators noted that the indicators were not SMART and lacked a level of details and exactness that would have allowed for careful monitoring of implementation progress over the life of the project. We observed that most of the sub-indicators were qualitative in nature and therefore somewhat ambiguous. Furthermore, recommendations for improving the logical framework/indicators as identified in the mid-term review (MTR) were not implemented by the project.

56. The evaluators observed that there were an excessive number of assumptions in the Logical Framework: 15 at Outcome and Output levels and another 24 at Activity level. Consequently our analysis of the assumptions is mostly limited to the ones articulated under Outputs and Outcomes in section 3.4 Risks and Assumptions, of the project document.

57. The assumptions with respect to complementary conditions that will have to be obtained for full attainment of the project's expected impact and outcomes were articulated in the Logical Framework. With respect to these assumptions, the most significant risks, which could have adverse effects on achievement of expected project outcomes are highlighted in italics below:

1. Producers and SMAEs lack needed business and technical skills and there is insufficient capacity to provide the requisite training

58. Building the skills of producers and SMAEs is not central to the project strategy but lack of any attention to “remedial” reinforcing of such training capacity would constitute too large of a risk to the project. Therefore a specific output has been added to ensure sufficient capacity to provide the requisite training exists in the business model pilot locations.

59. The evaluators concur that this mitigating strategy was appropriate.

2. New enterprises, technologies and business models are not commercially viable

60. The project will address this risk by taking into account the prospects for commercial viability when selecting sectors and pilot locations. The start-up value chain and business model appraisals will be particularly important for identifying risks to commercial viability and developing action plans to resolve constraints.

61. The evaluators' position is that while such an approach would mitigate the underlying risk, it also skews the selection of targeted beneficiaries towards a “winners model” only, thereby distorting the “real life” issues and consequences of advancing agribusiness development in Kenya in practice.

3. Service providers such as input suppliers, transporters, financial institutions and wholesalers do not themselves have the capacity to provide services to the value chain actors

62. The project addressed this risk by undertaking appraisals and developing sound business and financial proposals. These appraisals would specifically consider the availability and capacities of essential service providers. The project was supposed to build the capacities of farmer organizations and business linkage service providers, thereby reducing the risks and costs to other commercial services providers.

63. The evaluators concur that such an approach was appropriate, in terms of ensuring the satisfactory delivery of essential agribusiness support services to SMAEs. However, the strategy for mitigating this risk would effectively exclude those providers who did not meet all of the delivery criteria – an action that would result, albeit unintentionally, in the eclipsing of an area or

potential opportunity to provide capacity building skills to some “weaker” service providers in the agribusiness market.

4. An effective alliance can be established and sustained among the key implementing partners

64. The implementing partners have shared interests coinciding with the desired outcome of the project but each organization has its own priorities, obligations and competing demands on limited resources. It will not be easy to ensure sustained active involvement and continuity of action. This risk has been mitigated by clear indication of interest by the main stakeholders from the start of project formulation. Further steps were to be taken during the start-up phase to ensure maximum convergence between the core interests of the partners, including the public sector, and the project outputs and activities. The Project Support Team is also an important mechanism for strengthening and sustaining collaboration among the implementing partners.

65. The evaluators view is that this approach to obviating this risk is acceptable in theory. In practice however, it was not evident that the primary stakeholders had committed to the content of the project. Consequently, the formation of an effective alliance did not materialise as planned.

5. Farmers and processors are fully committed to meeting their commitments

66. The project addresses this assumption through training provided to the farmers and processors, which will stress the importance of meeting buyer requirements and commitments. The strategy was to work closely with local authorities and farmer leaders and apex bodies in order to reinforce formal and informal authority that might influence individual farmer behaviour.

67. The evaluators’ view is that this approach was both relevant and appropriate since it created a market-derived approach to farmers and SMAEs establishing their priorities based on what the market demanded that they deliver as acceptable quality products and produce.

68. But did this mitigation strategy go far enough in aligning processors and producers with market needs? The evaluators noted that the planned mitigation strategy zeroed-in on only one part of the most critical aspect of agribusiness development strategy. While direct contact was established with the KEBs training and FCI on HACCP, specific “consumer/retailer feedback systems” were not used to reinforce the adoption/maintenance of quality standards by SMAEs: Essentially, project beneficiaries were deliberately aligned with with local authorities, farmer leaders and apex bodies but processor and producer capabilities were not aligned to expand with the priorities of consumers and intermediaries at wholesale and retail levels.

4 Analysis of the implementation process

Approach to the question

69. This section assesses the effectiveness and efficiency of the implementation process, financial resources allocation and utilization and institutional arrangements. Specifically it will present the evaluation of the effectiveness of the strategic decisions making by the project management including 1) quality, realism and focus of annual work plans, 2) efficiency and effectiveness of the monitoring system and internal review processes, 3) effectiveness of staff management, 4) quality and progress in the implementation of an exit strategy, and 5) a review of whether the financial resources were adequate to achieve the intended results. This section also examines the efficiency and effectiveness of institutional arrangements including Government's participation.

4.1 Project Management

70. The oversight of the project on behalf of the government and communication between the project and the government was the responsibility of the National Project Coordinator. The Government was to set up a Project Oversight Committee. FAO on the other hand was to provide the Agribusiness Advisor and the Business Development Specialist, technical support through the lead technical officer and consultants where it has specific expertise. FAO Kenya was to provide 50% time of a Finance Officer and a part time Monitoring and Evaluation and Communication and Knowledge management support. Planning and operations were to be coordinated by a project support team comprising of the implementing institutions. During the project period, several supervision missions were organized and the agribusiness advisor regularly consulted the Lead Technical Officer as required. The National Project Coordinator, being a government officer, ensured information flow to the government through reports to the Director of the Agribusiness Department.

71. The evaluators found that both FAO and the government provided in a timely manner the expected contribution. Other than the fact that there was no steering committee and the project support team did not meet regularly as expected, the evaluation found the implementation arrangements; the technical support and supervision were satisfactory to achieve the desired objective.

72. The project experienced several challenges in the process of initial implementation. For instance, some of the identified primary stakeholders who were to be involved directly in the project implementation turned out not to have the capacity or willingness to participate in the project - for example Kenya Agribusiness and Agro-Industries Consortium (KenAAC) and some of the business and market linkages service providers(i.e. BMLSPs) like Drumnet and Agritrade. The evaluators found that the inclusion of some of these organizations in the log frame contributed to non achievement of the specific log frame outputs and delayed implementation. The project also had challenges identifying SMAEs as few organizations met the FAO portfolio selection criteria.

73. The evaluators found the strategic decision making by the project to be satisfactory. The project team's bi annual progress reports and work plans were largely adhered to. The work plans were very ambitious as the team worked to make up for the time lost during the first year of the project.

74. The evaluators found the operations management effectiveness and efficiency to be satisfactory as gaps identified were addressed and remedial measures taken. For example when the project team realized that some of the BMLSPs were not available to work on the project, they identified new partners. To address the gap created due to KenAAC's weaknesses, the team promoted the establishment of an agro processors association of Kenya (APAK). When the first appraisal could not identify a suitable SMAE portfolio, the management placed an advert in the newspaper to identify suitable SMAEs.

75. The evaluators found that the monitoring and evaluation system was weak. . The log frame indicators were not SMART (specific, measurable, attainable, relevant and time-bound). Futhermore, there was no integrated performance management plan. There was no revised or approved performance measurement plan except the log frame in the project design document which was overtaken by events as the project started late. Progress indicators should have been defined to guide performance measurement. Baseline data and performance management plans should have been defined for each new SMAE. The Project Progress Reports (PPRs) should have had variance analysis of progress against achievements. There was no regular tracking of performance against plan to communicate effectiveness of the project activities so as to be responsive to emerging issues except for 1) Section C, "Problems encountered and actions taken to resolve them" in the project progress reports and 2) end-of-course evaluation feedback.

76. The government project team was seconded to the project in good time at the start of the project. There was a one year delay in recruitment of the Chief Technical Adviser (CTA) who unfortunately left within six months. Though the successor was identified soon after, time was lost as the new CTA chose to re-orient the project and implementation arrangements. The National Business Development Specialist who was recruited in 2011 lasted to the end of the project. This assured continuity and lesson-learning through the life of project. FAO HQ provided the other consultants as per the project document in a timely manner.

77. The team was sufficiently skilled and experienced but, additional commercialization experience would have been useful to further enhance the approach including choice of targeted SMAEs. The structure was appropriate to achieve the desired objective except for the need for enhanced monitoring and evaluation and knowledge and communication support.

78. The evaluation team found the choice of topics to be aligned to the beneficiaries needs as identified during the appraisals. The course duration of each course of 4-5 days was found adequate and responsive to the working environment of agribusinesses and farmers as it would not be possible to engage the participants for a longer duration. But the topics were very wide and therefore the time allocated (per topic) was mostly not sufficient and tended to be rushed. The trainings should have had follow-up support for the organizations to strengthen and validate the business models.

79. The AbSS team has developed a concept paper for phase two but the evaluators were unsure whether this was part of the project's exit strategy. The nongovernmental organizations are expected to mobilize additional resources from other partners for replication and up scaling. The private service providers are expected to continue providing services to the SMAEs on a commercial basis even if not at the same scale and cost.

4.2 Financial resources management

80. The original project budget was US\$ 2,579, 511. Due to delays in mobilization the budget was revised downwards and then revised upwards on extension. This being a pilot, the evaluators found the budget was adequate and realistic to achieve intended results. The budget revisions were realistic to meet the project objectives. The project delivery rate was efficient as the funds allocated were utilized and disbursed in a timely manner. However, the project management costs are over 50% (staff costs 26%, equipment 8%, PSC costs 12%, general expenses 6%). Ideally the allocation should be less than 30% of the total budget to free more funds for technical assistance.

Table 2. AbSS Project Budget in US Dollars

Description	Account	Year 1	Year 2	Year 3	Total	Pct
Positions (numbers)						
Prof. – international		1	1	1	3	
Prof. – national		1	1	1	3	
General Service		4	4	4	12	
Total		6	6	6	18	
Staff Months						
Prof. - international		9	12	12	33	
Prof. - national		10	12	12	34	
General Service		26	30	30	86	
Total		45	54	54	153	
Budget in US Dollars						
Staff Costs						
Professional	5300	166 500	216 000	216 000	598 500	
General Service	5500	19 800	21 960	21 960	63 720	
Total		186 300	237 960	237 960	662 220	26
Consultants	5570	28 600	15 600	10 400	54 600	2
Contracts	5650	252 500	188 500	218 500	659 500	25
Travel	5900	62 640	58 480	37 320	158 440	6
sub-total TSS		31 740	43 820	18 120	93 680	
sub-total other		30 900	14 660	19 200	64 760	
Training	5920	158 000	128 000	50 000	336 000	13
Equipment						
Expendable	6000	58 000	33 000	33 000	124 000	5
Non-expendable	6100	75 500	1 000	0	76 500	3
Support Costs	6150	23 576	17 682	14 735	14 735	1
General Expenses	6300	50 500	52 500	52 500	155 500	6
Total Budget w/o PSC						
		895 616	732 722	654 415	2 282 753	

	PSC	13 percent	116 430	95 254	85 074	296 758	12
	Total Budget with PSC		1 012 046	827 976	739 489	2 579 511	100

4.3 Efficiency/Effectiveness of institutional arrangements including Government's participation

81. Administrative and technical support was provided in a timely manner. FAO HQ's Lead Technical Officer and other consultants provided prompt back-stopping support. The Chief Technical Adviser kept contact with the regional and sub regional offices even though there was no direct administrative and technical obligation. The FAO country office provided the part time finance officer, monitoring and evaluation officer, and knowledge and communication officer. The evaluators found that the finance and administration support was especially efficient and therefore satisfactory. In contrast, the monitoring and evaluation and communication and knowledge management support was inadequate. The monitoring and evaluation officer for FAO Kenya joined in February 2013. She was not a dedicated resource to the project and therefore was not available as required. The same applies to the communication and knowledge management who was a shared resource. The evaluators found that while the website was operational, but only a limited number of knowledge resources had been posted to the site. Consequently, it was not possible to develop a good understanding of the project from the contents on the site.

82. The implementation team kept close contact with the other FAO offices to learn and share lessons to promote delivery of FAO as one.

83. The evaluators could not assess the effectiveness of the project steering committee and project support team as they were not set up.

84. The evaluators found that it is likely there will be uptake of outputs and outcomes through policy as after training on contract management, the government has started to develop the contract farming framework. In addition, the government was also supported to develop the national agribusiness development strategy (see also section 5.4 Capacity Development).

5 Analysis of results and contribution to stated objectives

Approach to the question

85. This section will critically analyse the extent to which planned project outputs have been achieved. This section also looks at achievement of outcomes, gender equality, capacity development, human rights based approach and partnerships and alliances. In this case, the primary assessments are of six outputs and two outcomes. The methodology used was to examine each output and outcome on the basis of the performance indicators established in the Logical Framework/ Design Summary. Given the limited time frame for field work, the analysis is based on a combination of 1) a summary of activities implemented as articulated in the PPR

reports contrasted with the Output-Indicator Results articulated in the logical framework and 2) the findings of the evaluation team.

5.1 Achievements at Outputs level

86. As noted in an earlier section of this report, the six outputs or results to be achieved were as follows:

- Validated business models for linking producers to SMAEs - Business models for linking producers to SMAEs would be appraised strengthened and validated as being commercially viable in five business development pilot locations.
- Improved capacity for business and technical training of producers and SMAEs - Capacity for supporting and providing business and technical training of producers and SMAEs would have improved in five pilot locations.
- Improved capacity of business and market linkage service providers - Five or more organizations would have improved capacity to provide business and market linkage services. The target organizations would have demonstrated their capacities to assist producers and SMAEs in developing commercially viable business partnerships.
- Improved capacity of KENFAP and local producer organizations to support collective action and provide business services - KENFAP and local producer organizations would have improved capacity to support collective action and provide business services.
- Improved capacity of KenAAC to support and represent interests of SMAEs - The Kenyan Agribusiness and Agro-Industries Consortium would have become firmly established and would have improved capacity to support and represent the interests of SMAEs, and
- Improved public sector institutional capacity to support producer-SMAE business models - Institutional capacity of the Ministry of Agriculture and the Agricultural Sector Coordination Unit (ASCU) to support development and replication of commercially viable business models, provide assistance on business planning, backstop business development service providers, design and implement initiatives to promote the improved performance of value addition enterprises, and develop policy and strategy papers would be improved.

87. The evaluators' findings of the degree to which these six outputs were achieved are presented below.

5.1.1 Output 1: Validated business models available

88. The evaluators found partial evidence of the use of 11 business models linking producers to SMAEs over the life of the project. A post intervention rapid appraisal of SMAE business models was completed in the second half of 2013 and eleven distinct business models were identified. Although an end-of-project SMAE appraisal report was completed by a national consultant, a project briefing note which was to further characterize the models and highlight lessons learned was still pending at the time of this evaluation.

89. Feedback from the Ministry of Agriculture suggests that the identification of business models now allows the Agribusiness Directorate to develop a better appreciation of how some agribusiness sub-sectors actually work and, in doing so, allows the Ministry to provide more relevant advice to agribusiness entrepreneurs seeking direction from that source.

90. Confirmation of the extent to which the models had resulted in 1) increased availability and reduced costs of crucial inputs, 2) increased provision of marketing and technical extension services, 3) the mobilisation of financial and investment resources and 4) engendered productivity gains was carried out via a business model validation survey of 17 beneficiary SMAEs. The results were that:

- 47% of the SMAEs now offer technical extension services to their producer suppliers in the areas of production, post-harvest management, access to and improved use of inputs (e.g. fertilizer & vaccines)
- 82% of the SMAEs believe they can now access finance compared to almost none at the beginning of the project
- 74% of the SMAEs provide logistics support to smallholder farmers by organizing and/or covering the costs of transport from the farm and in some cases providing storage free of charge
- New mechanisms have been introduced to improve buyer-supplier relationships such as prompt payment (COD), quality incentive payments, small loans and in-kind input provision, support for farmer field days.

91. The evaluators confirm that most SMAEs interviewed by the evaluators pointed to increased sharing of business planning information with suppliers and a gradual expansion of the scope of collaboration between producers and buyers along the value chain.

5.1.2 Output 2: Improved capacity for training of producers and SMAEs

92. There were three performance targets for this output. The first target was “at least 10 organizations and 50 trainers that provide training to producers and SMAEs will be using business oriented training content and approaches and relevant training materials”. The second target was that at least 100 producers benefiting from training would have improved business planning and implementation skills and acquired technical skills for supplying high quality products. A third target was that at least 25 SMAEs benefitting from training would have improved 1) operational management and efficiency, 2) quality management systems and technologies and 3) raw material procurement practices.

93. The evaluators found that at least 10 organisations were trained and that as much as 408 trainers were trained under this Output.

94. A total of 353 producers benefited from training aimed at improving their 1) business planning and implementation skills and 2) technical skills for supplying high quality products (see Output 4 for details).

95. Also, as many as 31 SMAES benefited from training by service providers aimed at improving 1) operational management and efficiency, 2) quality management systems and technologies and 3) raw material procurement practices.

96. However, such evidence does not address the underlying performance targets of producers and SMAEs actually using the business oriented training content or relevant training materials or evidence that the producers trained would have improved business planning and technical skills. Notwithstanding these deficiencies in the AbSS M&E system, the evaluators noted that most of the interviewees had confirmed that they were using the skills and knowledge acquired via AbSS training and that the tools/skills acquired had made a significant difference to them in terms of improving their business operations and processes.

5.1.3 Output 3: Improved capacity of BMLSPs

97. There is a distinct difference between improving the capacity of business and market linkage service providers and using them as mechanisms to provide training to SMAEs; to producers and SMAE trainers; and to the Ministry of Agriculture's Agribusiness and Marketing Department/Directorate.

98. To ensure that the BMLSPs had the capacity to provide appropriate training, AbSS trained them on business appraisals, use of the FAO Rural Invest tool and on training approaches and methodologies. This training was carried out by an FAO/Rome expert. The knowledge imparted improved their capacity to delivery training to stakeholders and beneficiaries.

99. A rigorous process was adopted to identify a range of BMLSPs with varying levels of capacity, to identify their core competencies and to provide an opportunity for all who showed interest and commitment towards the project to participate in a "learning by doing" process through engagement in LoAs to develop and deliver training to project beneficiaries (SMAEs, AMD, producer organizations and trainers), and then be provided feedback on the technical quality of the material, delivery approach and value for money proposition. While it is true that Technoserve did not need this opportunity, the other BMLSPs had lower levels of experience and capacity servicing these clients and for them this was an appropriate approach. It is possible therefore that the indicator target "that at least five BMLSPs would demonstrate capacity to 1) assist buyers, 2) facilitate development of producer alliances, 3) provide realistic appraisals of costs and benefits etc, was achieved. For example, ATC, one BLMSP, which was previously offering extension services to producer organizations, is now offering agribusiness training to the same groups.

100. Another BMLSP, Farm Concern International, is working closely with producers to educate them on post-harvest and quality management in fruits and vegetables, efficient food processing technologies and efficiency in marketing.

101. These findings do not attempt to negate the obviously positive benefits that training carried out by the BMLSPs would have had on the targeted beneficiaries in skills and knowledge acquisition areas such as Leadership, Understanding Agro-Industry Development, Agro-Industry Strategy, and Value Chain Financing etc., – especially for the participants of the MoA’s Agribusiness Directorate.

5.1.4 Output 4: Improved capacity of KENFAP and local producer organizations

102. The indicator for Output 4, “improved capacity of KENFAP and local producer organisations to support collective actions and provide business services” was that KENFAP and at least 20 affiliated farmer organisations would demonstrate capacities to 1) help farmers consolidate activities for market power and economies of scale; 2) provide support in contract negotiations and intermediation and 3) assist producers to meet SMAE requirements.

103. Among the technical assistance received by KENFAP, the project organized training for KENFAP-affiliated farmer organization leaders. 24 people participated in the training. The aim of the activity was to train the leaders on Agribusiness Management, contract representation, business linkages, information management, understanding and communicating on Agribusiness trends.

104. The training courses were conducted by ATC and Smart Logistics Solutions. This was a follow-up training exercise after a similar initiative in 2012 carried out in two areas: 1) value chains including contract negotiations and 2) post-harvest handling.

105. Given that KENFAP carried out Training of Trainers (ToT) sessions and trained at least 20 farmer groups, it is likely that the knowledge imparted would have allowed these beneficiaries to increase their capacities to help farmers, provide support in contract negotiations and help producers meet SMAE product requirements. However, the findings from a survey of KENFAP producer organizations in November 2012 highlighted a number of institutional weaknesses at KENFAP which that organization would have to address.

5.1.5 Output 5: Improved KenAAC capacity to support/represent SMAE interests

106. The evaluators found that KenAAC was not interested in AbSS assistance. Instead therefore, AbSS tried to support the development of Agro – processing association of Kenya (APAK), which was to be formed by AbSS-assisted SMAEs. But at the time of the evaluation, APAK had still not been formally registered.

107. As an alternative, one Agribusiness Associations’ Workshop was held in May 2013, which specifically targeted 19 agribusiness associations covering 19 sub sectors/value chains with the aim of helping them to strengthen their capacity in identifying the needs of their members and improve the delivery of relevant services.

108. Also, 16 Agribusiness Apex Associations involved in retailing, processing, manufacturing, trading in agricultural commodities participated in technical workshops on business models for small farmers while mainstreaming women participation in agribusiness.

109. The Apex Associations were mostly commodity associations under the KENFAP umbrella. In retrospect, the evaluators' view is that dealing with commodity associations in the first place would have been a more effective step towards addressing the capacity needs of producer groups. Overall however, while activities aimed at an alternative solution (to working with KenAAC) would have produced positive results, Output 5 was not achieved by the project – primarily because KenAAC did not participate in the project's activities.

110. With regard to mainstreaming gender in agribusiness, there was a reasonably good gender balance (in terms of the persons participating in the project as trainers and SMAE beneficiaries). However, there was no definite gender balance strategy that was articulated by the project although AbSS held a specific workshop for the African Women Agribusiness Network (AWAN).

5.1.6 Output 6: Improved public sector capacity to support business models

111. There was clear and positive evidence that the Agribusiness Directorate had benefited from and assimilated AbSS training: Effectively, the Agribusiness Directorate now understands agribusiness better and therefore have more confidence in advising the private sector on agribusiness issues today.

112. The Directorate have taken Contract Farming tools and are developing an implementation framework to regulate contract-farming options for both buyers and sellers of produce contracted to small holders. Also, AbSS helped to facilitate the development of the Kenya National Agribusiness Strategy (KNAS).

113. Also, the evaluators found that the Agribusiness Directorate has used Rural Invest programme to assess potential investments in a pineapple project.

114. Although the degree of institutionalisation could not be quantified, it was obvious that Directorate staff had gained confidence in their knowledge of the critical components (best practice) of agribusiness development in Kenya.

115. Looking back, one of the major AbSS challenges was that the indicators did not go far enough – in terms of articulating/defining the evidence needed to support the conclusion that capacity building had in fact been effectively strengthened.

5.2 Achievements at Outcome level

116. According to the project design, there were two Outcomes or Specific Objectives, which the project was expected to achieve:

- Commercially viable and mutually beneficial business models linking producers to SMAEs are in place and working, and
- Improved institutional capacity is used to upscale and replicate linkage models and provide complementary support to increase value addition and competitiveness.

117. In logical framework methodology, achievement of the Outcomes would be highly influenced by the successful completion of the Outputs or expected results. Thereafter, the indicators associated with the expected Outcomes would substantiate or validate that the Outputs have effectively contributed to the achievement of the project outcomes.

118. Therefore, from the evaluators’ perspective the analytical issues are two-fold: 1) the extent to which the Outputs have or are likely to contribute to the achievement of the Outcomes and 2) the degree of evidence or “presence” of the indicator targets established for/associated with each of the two AbSS Outcomes. These two issues are discussed in sub-sections 5.3.1 and 5.3.2 below.

5.3 Contribution of Outputs to AbSS Outcomes

119. Table 3 below provides a synopsis of the evaluators’ main conclusions about the contribution of AbSS Outputs (Results) to the project’s two Outcomes (Specific Objectives):

Table 3. Contribution of Outputs to AbSS Outcomes over the Life of Project

Outcomes	Summary findings of related Outputs
Outcome 1: Commercially viable and mutually beneficial business models linking producers to SMAEs in place and working	<p>Output 1: There was partial evidence that the 11 models identified were systematically developed by both SMAEs and producers. There is tangential evidence that both SMAEs and producers have taken on board many of the critical factors associated with improving business models – such as business planning, better record keeping, clearer purchasing arrangements with producers etc. But overall, the evaluators found limited evidence that the 11 models had been validated.</p> <p>Output 2: All of the quantitative targets set for this indicator were exceeded by the project, i.e. for strengthening capacity of organizations, trainers and SMAEs.</p>
Outcome 2: Improved institutional capacity is used to upscale and replicate linkage models and provide complementary support to increase value addition and competitiveness	<p>Output 3: BMLSPs were partly trained to improve their capacity. Most of the BMLSPs benefitted from the “learning by doing” approach adopted by AbSS.</p> <p>Output 4: The capacity of KENFAP and local producer organizations was improved. But the degree to which that capacity has translated into up-scaling and replication of linkage models is unknown or unsubstantiated.</p> <p>Output 5: KenAAC’s capacity to support and represent the interest of SMAEs was not improved because KenAAC opted out of the AbSS project. The effectiveness of the APAK alternative is unknown since that organization is not yet formally registered/operational.</p> <p>Output 6: There is reasonable evidence that the public sector’s institutional capacity to support producer-SMAE business models had been improved. The evaluators found this Output to be the most effective of the six outputs/results achieved.</p>

120. As the Table reveals, the project's performance was mixed – in terms of the actual realization of the Outcomes/specific objectives. Overall however, reasonable progress has been made towards realization of both of the two outcomes although there are some weaknesses in the delivery of some outputs, especially Outputs 1 and 5. Of the six outputs, No.2 and No.6 were exemplary. However, in the absence of a comprehensive M&E system specifically linked to the performance indicators - and committed-to by the various stakeholders and beneficiaries - it would be inappropriate to attempt to draw any definitive conclusions about the absolute achievement of the project outcomes.

5.4 Evidence of Indicator targets at Outcome level

121. What was the degree of accomplishment or realization of the two Outcomes as measured by the performance targets established in the logical framework/project design summary?

122. The evidence indicates that at least ten business models were identified as being implemented involving farmers, farmer groups and SMAEs. However, the targeted number of farmers and farmer groups (1,200 and 75 respectively) were only partly achieved. Based on the findings from the survey of 17 SMAEs the reported number of famers involved was 932 and the number of farmer groups participating was 48 (over the life of the project).

123. The project's findings suggest that the business models in pilot locations had increased "returns" by at least 10%. This implies that cost savings and revenue increases had been attained – or, in other words, that sales and profitability had also increased to the level of the stated performance target. However, a 10% increase in farm, firm and inter-firm cost efficiencies was not substantiated by the project survey on output-indicator results.

124. The evaluators agree that the training of frontline producer organization leaders on farm planning, business management, marketing etc., is likely to generate the desired indicators of 1) enhanced access to improved technologies, 2) improved availability and reduced cost of inputs and 3) improved access to market and price information. However, although an SMAE financial sector study and workshop highlighted financing options for SMAEs, it was unclear that the training has lead to improved access to finance and reduced cost of finance and/or more timely payments received from buyers – especially since these indicators are exogenous to the increased capacity of the producer organization leaders.

125. Based on our findings from interviews with SMAEs, the evaluators concur that once the skills and knowledge acquired through training are deliberately applied in trainer/SMAE interactions, then it is highly likely that the businesses involved in the AbSS pilot will develop stronger relationships with suppliers and therefore have more dependable supply of raw materials. Likewise, similar effects are likely to occur in increasing value added and profitability. This should lead to stronger commitments between SMAEs and their buyers and between SMAEs and producer-suppliers.

126. The evaluators also agree that as a result of AbSS training, the capacity of the primary stakeholders would have improved in the areas of 1) coordinating initiatives relating to

smallholder support services and 2) engaging the private sector in provision of more relevant services for SMAEs and producers. Skills should have improved in the process of helping SMAEs and producers to develop business strategies and plans; in training in business entrepreneurial skills; and in facilitating development of producer alliances and partnerships between producers and SMAEs.

127. Going forward, what is the likelihood that the agribusiness capacity improvements engendered by the project will be sustained on an institutional (delivery) basis given that improvements are dependent on the continued provision of support services to both groups by other private and public sector services providers along the value chain?

128. It is quite likely that the AbSS capacity building initiatives will lead to a more realistic and market-led approach to the MoA's development of policies and strategies that are supportive of agribusiness and of SMAE-led growth. But the degree to which commercialization of retailer-SMAE-producer relationships will be enhanced will depend on the extent to which each link in the value chain is prepared to establish and adhere to clear criteria for the progressive supply of products from one group to the other (e.g. food safety standards, reliable quantity, good agronomic practices, contract farming and negotiations etc.).

5.5 Gender equality

129. Gender equality is central to the Food and Agriculture Organization of the United Nations' (FAO's) mandate to achieve food security for all by raising levels of nutrition, improving agricultural productivity and natural resource management, and improving the lives of rural populations⁸. FAO can achieve its goals only if it simultaneously works towards gender equality and supports women's diverse roles

130. in agriculture and rural development. Gender equality is not only an essential means by which FAO can achieve its mandate; it is also a basic human right. In pursuing its goals, FAO is mandated by the United Nations (UN) system to promote and protect human rights and gender equality and to work in ways that ensure that it contributes to their realization, by addressing the underlying causes of human rights violations, including discrimination against women and girls.

131. In Kenya gender equality issues are quite severe: Throughout Kenya's history, women have been subjugated to consistent rights abuses while shouldering an overwhelming amount of responsibilities. A prominent example of this relates to agriculture, which creates over 80 percent of Kenya's jobs and 60 percent of income. Currently, women in Kenya do the vast majority of agricultural work and produce/market the majority of food. Yet they earn only a fraction of the income generated and own a nominal percentage of assets. Only 29 percent of those earning a formal wage throughout the country are women, leaving a huge percentage of women to work in the informal sector without any federal support. The effect is severe—nearly 40 percent of

⁸ Excerpted from "FAO Policy on Gender Equality" prepared by Food and Agriculture Organization of the United Nations Rome, 2013

households are run solely by women and, because of a lack of fair income, nearly all these homes suffer from poverty or extreme poverty.

132. In the context of this evaluation, the central Gender Equality issue is: has AbSS had an impact on improving gender balance in the physical regions that it has worked in?

133. The evaluators found that the issue was difficult to define for two reasons: 1) the AbSS project did not have an explicit Gender Equality component and 2) the project did not have an M&E system that actually recorded the effects/impacts of its interventions on women – both at the production and processing parts of the technical assistance provided by AbSS. However, we noted that there was no discrimination against the hiring of women staff at SMAE operations. In at least one producer group (mango farmers) women were given preference over men for some aspects of the operation e.g. super-slicing and drying of mangoes, because they were deemed to be more adept at those aspects of the operation.

134. Also, the evaluators noted that about a third of the SMAEs were women-owned including one of the most successful grain logistics operators interacting with small holders (i.e. Smart Logistics Solutions).

135. With regard to the skills imparted via AbSS training, we noted that on the issue of mainstreaming gender in agribusiness, there was a reasonably good gender balance in terms of the persons participating in the project as trainers and SMAE beneficiaries: at least 50% of the participants from the Agribusiness Directorate who were trained were women and at least 30% from producer groups and SMAEs were women. As noted elsewhere in our report, although a definite gender balance strategy was not articulated by the project although AbSS held a specific workshop for the African Women Agribusiness Network (AWAN).

5.6 Capacity development

136. In the absence of a comprehensive M&E performance gathering system, our assessment of capacity development (i.e. the improvement in the capacity of the beneficiaries to carry out core functions) was limited to the following observations:

- Capacity development was mainly confined to the assimilation by participants in training sessions and workshops of the tools, methodologies and techniques proffered in those sessions.
- Some capacity development did occur through cross-pollination of ideas that were shared by the participants of the training sessions (e.g. SMAEs with producer groups and government representatives).
- Capacity development potential may have been compromised by the structure/duration of the training – which was very intensive i.e. less than one week in total and therefore limited to one or two days per training session.
- There was clear evidence of capacity development at the SMAE level given that they had participated in business appraisals and had development priorities to be addressed in their respective business plans.

- The absence of Letter of Agreement commitments by some stakeholders suggests that capacity development was varied - in terms of assimilation by a lower number and somewhat different group of service providers.
- There was some evidence that the project had positive effects at MoA headquarter level and at DADO level. But the degree of capacity development in these two functional areas could not be substantiated by the evaluators – in lieu of AbSS LOA requirements regarding “stakeholder capacity development”.
- In line with the preceding observation there was limited evidence that the tools acquired had been formally institutionalized by the stakeholder organizations, although there was some subjective evidence that their approaches to addressing agribusiness development challenges had changed since receiving AbSS assistance. For instance, initially, the MoA was sceptical of the project’s value but became increasingly supportive as its contribution was provided as required. During implementation DADOs and other headquarter staff attended training and was enthusiastic of the skills acquired – especially the use of the FAO Rural Invest tool and training on effective adult training techniques. The trainees also acknowledged that they have a better understanding of post production agro processing business models and expanded their service providers network. The Agribusiness department also appreciated the fact that the project was unique since it focused on SMAEs while traditionally the Ministry always focuses on extension services and on production challenges only.

5.7 Human-Rights Based Approach

137. The central Human Rights issues were 1) Did the project exclude women? 2) Did it change perceptions about child labour amongst beneficiaries? 3) Did it exclude ethnic groups? and 4) did it affect social balance in the beneficiary locations?

138. Overall, the project has operated along the human rights approach and contributed to the provision of equal opportunities for men and women. The evaluators found that AbSS did not exclude women and that it did not exclude any ethnic groups, given that its priority was to mobilize processors and their suppliers to meet market demand. The project could have affected the social balance in beneficiary locations where women were the main processors or producers (in terms of increasing the working demands placed on women farming groups as suppliers to processors). Overall, the evaluators did not find any evidence of such human rights violations over the life of the project. To the contrary we found that: 1) Gender is mainstreamed in the Ministry of Agriculture Therefore at least 50% of the trainees in the Training of Trainer AbSS programmes were women; 2) About 34% of SMAEs were female and, in the one firm that was operational when we visited, about 50% of the persons drying mangoes were women in the mango producer groups.

5.8 Partnerships and Alliances

139. According to the project design document, it was expected that, in three pilot locations, the project would partner with non-profit organizations that have been introducing innovative approaches for strengthening business and market linkages. In two locations, the project would partner with the on-going GTZ value chains project, Promotion of Private Sector Development in Agriculture (PSDA). The partnering strategy of the project is intended to reinforce the commercial viability and sustainability of the services provided by these partners, demonstrate best practices in building business linkages between small producers and SMAEs, and leverage investments already made by the partners in order to further increase the incomes of the producers and SMAEs in the pilot locations.

140. Partnerships were built with SMAEs and BMLSPs (Smart Logistics (SLS), Farm Concern International (FCI), ATC, Enterprise Institute) via establishment of follow-on contacts between SMAEs and BMSLPs (they now know each other and the services that BMSLPs provide).

141. Also, partnerships were built between BMLSPs and the public sector via invitations to public officials in various management positions (e.g. directors and deputy directors of livestock, fisheries, industrialization, trade) who participated in technical workshops hosted by AbSS. Alliances were established between producer commodity groups and SMAEs (producers meeting processors in technical workshops for KenAAC).

142. Market linkages were also established between SMAEs and producers and retailers and between the SMAEs, producers and financiers. However, in the absence of a comprehensive M&E (reporting) system, it was difficult to determine the degree to which the alliances had been maintained.

6 Analysis by evaluation criteria

143. This section of the evaluation report examines the AbSS project from the point of view of strict evaluation criteria. The examination covers the following topics: 1) Relevance, 2) Efficiency, 3) Effectiveness, 4) Impact and 5) Sustainability.

6.1 Relevance

144. The project was consistent with beneficiary requirements, country needs, global priorities, and Government's and UN and FAO policies. The overall and specific objectives are consistent with beneficiaries, country needs and global priorities, and partners and donors policies i.e. the Vision 2030, the Agriculture Sector Development Strategy, the National Medium Term Priority Framework and the United Nations Development Assistance Framework.

145. The needs analysis was linked to the Government's Vision 2030 priorities and to the specific priorities established in the Agribusiness Development Strategy – that of improving the commercialization of agriculture to strengthen wealth creation in Kenya. The lessons learned about the proposed approach came from experiences of FAO via its AGS division's application of similar strategies in 23 other countries.

146. The quality of the identification of key stakeholders and target groups was mixed: some key players such as the Ministry of Agriculture’s Agribusiness Directorate and some NGO s/farmer groups such as FCI, Technoserve and KENFAP were well-identified. However, the capacity of some of these institutions was underestimated at the project design stage. (e.g. Technoserve). Furthermore, some “indicative stakeholders” did not participate e.g. DrumNet, Agritrade and KenAAC.

147. Stakeholders were not formally co-opted into the project design via Memoranda of Understanding (MoUs) or Letters of Agreement (LOAs) prior to the launch of the project. Consequently, there was a lack of participation of some NGOs. This adversely affected the project’s capacity to address at least one key output (i.e. institutional strengthening of KenAAC).

148. The intervention logic and logical framework appropriately reflected the problems and challenges that needed to be addressed, including the analysis of assumptions and risks. However, there was limited emphasis on inclusion of relevant/appropriate monitoring and evaluation arrangements, which appeared to have been subsequently addressed on an ad hoc basis.

149. The choice and quantity of inputs (financial, human, and administrative resources) was realistic and would have allowed for efficient project implementation.

150. There was a significant change in the focus of the project – which initially intended to target larger SMAEs. This change was due to a combination of 1) Ministry of Agriculture reluctance or inability to pursue/target this niche and 2) a relatively inflexible pre-programmatic description of eligible activities which AbSS would carry out (e.g. business planning support, which the larger SMAEs did not need).

6.2 Efficiency

151. The quality of day-to-day management was above average for the project considering that the project lost the first 12 months to start-up challenges. These challenges included the late arrival of the first agribusiness advisor (who was contracted one year after the formal launch of the project) and the revamping of the project by the second advisor (which took an additional six months). Consequently, the project was effectively “started” one year into its original three-year implementation time frame – which was then extended from three to four years.

152. Once started, work planning and implementation was efficient, especially the delivery of training programmes for SMAEs, KENFAP and government officials.

153. Management of personnel was efficient but information management was less than satisfactory – primarily because of the failure of the project to maintain its publicly accessible website content.

154. There was reasonable management of project risks. Examples include 1) the down-scaling of the projects to work with much smaller SMAEs, 2) the switching of the project from a

non-responsive KenAAC to the fostering of an alternative SMAE-derived association (APAK), and 3) the inclusion of Apex Association training to compensate for the loss of KenAAC.

155. The AbSS relationship with local authorities was positive and cemented by the presence of the Project Coordinator – who proved invaluable in terms of maintaining project access to critical government authorities, NGOs and SMAEs and provided experienced guidance and networks, without which AbSS would not have achieved such a significant level of revitalization.

156. The evaluators could not determine the extent to which the costs of the project had been justified by the benefits – mainly because of the failure of the project to incorporate clear benefit-type indicators into its training agreements with stakeholders.

157. Partner country contributions i.e. Project Coordinator, office facilities and logistical support, were all delivered as planned.

158. Technical assistance helped to provide appropriate solutions and to develop local capacities with the intent to produce eventual outcomes/results - especially business planning, matchmaking, contract negotiations for SMAEs, farmers and technical officers in the Ministry of Agriculture.

159. The quality of the monitoring and evaluation was inadequate – especially since the project’s performance indicators were not SMART and there was no performance management plan. There was no dedicated M&E resource at project start-up. This was flagged during the midterm evaluation. FAO however provided this support in 2012, when the project was coming to an end and hence little could be done. It is however noteworthy that it’s the M&E gaps noted in this project that had a contribution towards FAO Kenya now having a dedicated M&E unit to ensure sound M&E systems are built into the current Kenya programme.

6.3 Effectiveness

160. There were two specific expected outcomes:

- Commercially viable and mutually beneficial business models linking producers to SMAEs are in place and working in five locations, and
- Improved institutional capacity to provide support to small producers and SMAEs are in place and being used to upscale and replicate linkage models and provide complementary support for improving value addition and competitiveness of small producers and SMAEs.

161. The relationship between the outputs and the outcomes have already been summarised in section 5.3.1 Contribution of Outputs to AbSS Outcomes (Table 2).

162. The SMAEs, DADOs and the Ministry of Agriculture have all exhibited changes in the ways in which they approach agribusiness development.

163. The SMAEs are using business-planning tools and have a stronger appreciation of health, hygiene and food standards.

164. The DADOs have acquired new training skills and knowledge that they will impart to farmers.

165. The MoA's Agribusiness Directorate has assimilated considerable knowledge about Agribusiness, its challenges and the appropriate areas of response which the Directorate will have to focus on to improve its responsiveness to agricultural sector commercialization.

166. These changing institutional arrangements are likely to produce planned improvements in capacity and/or have strengthened beneficiary ability to generate actions, which lead to improved economic and social development.

6.4 Sustainability

167. The extent of ownership of the objectives was mixed: it was reasonably well understood by the MoA's Agribusiness Directorate, the project's main stakeholder. However, there was limited evidence that the NGOs, producer organisations, SMAEs and farmers understood the objectives and expected achievements of the project given that they were not required to commit to the indicators that would substantiate achievement.

168. The evaluators found that Outcome 1: *Commercially viable and mutually beneficial business models linking producers to SMAEs in place and working*, was evident via the partial strengthening of the BMLSPs, who are more acutely aware of the importance of fostering such models in their interactions with SMAEs and farmer groups.

169. The evaluators found that under Outcome 2: Improved institutional capacity is used to upscale and replicate linkage models and provide complementary support to increase value addition and competitiveness, there was improved institutional capacity in the Ministry of Agriculture's Agribusiness Directorate. The Directorate has incorporated the development of a contract-farming framework to foster stronger links between farmers and SMAEs. Similar linkage policies are also incorporated into the MoA's Agribusiness Development Strategy.

170. Given the formidable institutional capacity of the MoA, the evaluators noted that it is highly likely that it would continue the flow of benefits after the project has ended – with adequate staff, sufficient budget and equipment. However, it is unlikely that the continuation will be in the same AbSS form.

171. Overall, the counterparts were not properly prepared for the taking over, technical, financially and managerially, of AbSS responsibilities. An agribusiness forum was scheduled for late 2013 – early 2014, as a culmination of the lessons learned from the project and as an “exit strategy”. However, the forum never materialised and the project was closed without a systematic “exiting” from its main stakeholders and beneficiaries.

172. In the absence of a deliberate exit strategy the evaluators could not determine the extent to which the financial sustainability of AbSS was to be assured.

6.5 Impact

173. The expected AbSS impact or overall objective was “increased contributions of SMAE to agricultural and rural development in Kenya”.

174. The indicator targets were:

- 10 per cent reduction in total costs for value chains directly affected by project
- 15 per cent increase in income for producers directly affected by project
- 15 per cent increase in profitability of SMAEs directly affected by project

175. Overall, the data is inconclusive on “Impact”. The indicator results reported on the project suggest that, on a pilot basis, there was a positive increase in the performance of the assisted SMAEs. The data does verify that 1) the assisted SMAEs had reduced their total costs for the value chain by 10%; and 2) most of the assisted enterprises had increased their net incomes by 15%. While 16 SMAEs had both baseline and end-of-project data collected and 17 SMAEs were involved in the Business Model indicator assessment survey, the evaluators found that only three of four SMAEs for which baseline was initially collected did so and 3 out of 31 (only 10%) is too small a sample to infer that most of them did. Furthermore none of the three SMAEs in the pre- and post baseline study was operational at the time of the evaluation (i.e. Mount Kenya, Ferer, Mitunguu Millers).

176. The indicator referred to producers increasing their incomes by 15% - which was not recorded by the project. AbSS points out that “the impact on the producers and value chains is not definitive” but it is expected that, after the trainings “transaction costs will reduce while producer incomes will increase” through more direct and consistent supply linkages to SMAEs operating out of localized production areas. However, almost all of the SMAEs interviewed by the evaluators explained that, while business had improved, they were now cash-strapped because of limited working capital (due to upfront payments for supplies while having to grant retailers up to 90 days credit for sales to them).

177. It is too early to tell/assess the extent to which the project is likely to contribute to social and economic development and poverty reduction in Kenya. One reason is that the number of SMAEs selected by the project is too small to quantify “impact” at national level (only 31 of over 11,000 SMAEs in Kenya). A second reason is that the project was a “pilot” and therefore not intended to have national impact but rather to provide a learning experience for the continued commercialization of smallholder agriculture.

178. Finally, this question was not directly addressed by the project – either in its design or implementation.

179. Consequently, AbSS did not include provisions for crosscutting issues like environment, good governance and conflict prevention. The issue of gender equality was briefly addressed by

the project when it initiated one-off training for the African Women in Agribusiness Network (AWAN). Generally, however, AbSS did not address this indicator, although KenAAC was supposed to address gender mainstreaming under that project Output.

7 Conclusions and Recommendations

7.1 Conclusions

180. This section of the report provides a synopsis of the main conclusions reached by the evaluation team based on the three weeks of in-field investigations and findings. The conclusions are focused on 1) project design or suitability, 2) efficiency or the conversion of inputs into outputs, 3) effectiveness or the conversion of outputs into outcomes, 4) impact or the relationship between the specific objective and the overall objective and 5) sustainability or the likelihood of the continuity of the project outputs and outcomes in the post-AbSS implementation period(s).

181. The project design was aligned with country and donor development priorities for agricultural sector development. It was logical but over-designed for the level of resources committed to it. Specifically, there were too many project components i.e. six components with multiple stakeholders. Also, there were assumptions about stakeholder commitment, both by NGOs and beneficiaries that were only partly substantiated after the project was launched. For example, it was assumed that KenAAC and other non-government stakeholders like larger SMAEs were committed to participating in the project prior to project implementation. However, this assumption was not valid for some stakeholders like KenAAC who chose to opt out of the project once implementation had started. This required a shift in emphasis by the project, which downscaled the level of SMAE participation and also required adjustments under two outputs – namely, the training of BMLSPs and the size of SMAEs targeted.

182. Project efficiency was mixed: Initially, AbSS suffered from protracted delays in operational project management. These deficiencies were eventually overcome after twelve months. Thereafter, the project displayed high levels of efficiency in converting the activities into the expected outputs. After the second Agribusiness Advisor joined the project, work planning, training, and supervision were above-average quality. However, information management was inadequate. Project risks were well managed by the project team. The relationship with local authorities was positive. However, it could not be determined whether the costs of the project had been justified by the benefits because of the omission of performance indicators in stakeholders agreements reached with the project. Overall, GoK contributions were delivered in a timely manner as planned. But the quality of project-specific M&E was inadequate.

183. Achievement of the project outputs and their contribution to the two project outcomes was mixed. In terms of the first Outcome (commercially viable and mutually beneficial business models linking producers to SMAEs in place and working), the contribution of the first output (business models validated) revealed that the business models were only partially validated. The contribution of the second output (strengthening capacity of SMAEs, trainers, and support

organizations) revealed that all of the quantitative targets were exceeded. More than 10 organizations, 100 producers and 25 SMAEs had benefitted from AbSS assistance.

184. Performance under the second Outcome that improved institutional capacity was being used to up-scale and replicate linkage models and had provided complementary support to increase value addition and competitiveness was varied. The BMLSPs were partly trained to improve their capacity to deliver training to SMAEs, Ministry of Agriculture and other participating organizations. The capacity of KENFAP and other local producer organizations was improved. But the degree to which that improved capacity has translated into up-scaling and replication of linkage models could not be substantiated by the evaluators. In contrast, KenAAC's capacity to support and represent the interests of SMAEs was not improved. However, there was reasonable evidence that the public sector's capacity to support agribusiness models had been significantly improved. This appeared to be the most effective of the six outputs.

185. Overall, the evaluators found that the data on 1) the reduction in total costs of value chains, 2) increased income for producers and 3) increased profitability of SMAEs was inconclusive because of the absence of an adequate M&E performance management plan. Therefore it was not possible to reach definite conclusions about the overall impact of the project. Generally, the level of business had improved for most SMAEs but the evaluators found that those interviewed were now cash-strapped because of increasing working capital constraints invoked by extended credit by these enterprises to retailers.

186. Furthermore, the number of SMAEs assisted by the project (i.e. 31 of an estimated total of at least 11,000 SMAEs in Kenya) is too small to draw any inferences about economic impact at the national level.

187. The project does not appear to have had a material impact on crosscutting issues such as gender equality, environment, good governance and conflict prevention. The reason: with the exception of promoting gender mainstreaming by KenAAC, who opted out of the project, there were no other cross-cutting requirements stipulated as key Outputs or Outcomes. With regard to mainstreaming gender in agribusiness, there was a reasonably good gender balance in terms of the persons participating in the project as trainers and SMAE beneficiaries. Also, AbSS held a specific workshop for the African Women Agribusiness Network (AWAN).

188. The extent of ownership of the specific objectives (outcomes) and overall objective (impact) was mixed. Ownership was strongest by the Ministry of Agriculture Agribusiness Directorate. But ownership was less evident at NGO-, SMAE- and producer association levels. The reason: these beneficiaries were not required to commit to the indicators associated with the AbSS objectives/achievements. However, there was visible evidence of commercially viable business models linking producers to SMAEs in place at the time of this evaluation.

189. In line with these observations, there was improved institutional capacity of the Ministry of Agriculture's Agribusiness Directorate, which has assimilated the capabilities to develop a Contract Farming Framework. Also, according to the Ministry, as a result of its

interaction with AbSS, more practical “pro-agribusiness” policies have been articulated in the Ministry’s Agribusiness Development Strategy.

7.2 Recommendations

190. For FAO project design should be scaled to match the level of resources available for implementation. When resources are limited, as was the case with AbSS, the project should have reflected this in terms of its design content. For multidimensional projects like AbSS, the number of outputs should be reduced from six to three and the project should be simplified – in terms of its expected impact and scope of the outputs and expected outcomes. For instance, AbSS had one Impact with three indicators; two outcomes with five indicators, six outputs with nine sets of indicators; 23 activities and 39 assumptions. Obviously, this range of metrics was excessive for a project of US\$2.5 million to be implemented over three years.

191. For the Government of Kenya, to be more effective, project design should include 1) the establishment of formal agreements between key stakeholders and the project and 2) comprehensive appraisals of stakeholders and beneficiaries – in terms of the strengths, weaknesses and their appropriate roles prior to the completion of the design process. Such an approach would ensure that the project minimizes its stakeholder ownership risks and that the assistance to be provided is appropriated “positioned” to fit stakeholder needs.

192. Agribusiness project managers should be sensitive to the fact that retailers need to be engaged in agribusiness support projects to encourage them to establish and monitor processor and supplier adherence to acceptable product protocols. *The validity of business models aimed at sustaining entrepreneurial access to higher-valued retail markets is driven by the product protocol/specification requirements of those markets.* Under the AbSS project almost all of the SMAEs were selling their products to commercial retailers (i.e. supermarkets). Therefore the development of a self-correcting structure that would ensure SMAE and producer adherence to stringent market protocols depends on the establishment of those protocols as entry-level requirements for agribusinesses that supply those markets. However, in Kenya, there is inadequate and therefore inconsistent application of mechanisms whereby retailers closely monitor the adherence of processors and producers to critical food safety requirements. This “missing link” in the agribusiness development models has to be addressed by agribusiness support projects in order to improve both their effectiveness and their sustainability. Noticeably, this was a “missing link” in the AbSS project which future assistance programmes should incorporate/address.

193. For project designers: if projects like AbSS are to target start-ups and fledging SMAEs, then the one-off training interventions should be combined with a mentoring programme to improve the probability of continued business sustainability among targeted SMAE beneficiaries. The reasons: 1) the failure rate amongst smaller SMAEs tends to be very high, therefore their performance needs to be monitored closely 2) the SMAEs will experience newer challenges as they improve their operations because of initial technical assistance, therefore they will need continued assistance beyond that provided by projects such as AbSS. For instance three of the four SMAEs that were monitored from AbSS inception closed their doors during the

life of the project – suggesting that stronger hand-holding may have been required for them to improve their operations on a sustainable basis.

8 Lessons Learned

194. Two key lessons were evident from the evaluation of the AbSS project:

- 1) The first lesson is that the correlation between Impact and targeted beneficiaries has to be reconciled i.e. made logical by agribusiness support projects. If there is to be assurance that producer incomes and SMAE profitability will be increased, then the project must choose to work with producers and SMAEs that are operating at levels sufficient to ensure that such impact is likely to be achieved. In AbSS, the decision to downscale the project to work with fledging SMAEs at cottage-industry level (i.e. very small) compromised the project's capacity to achieve its overall objective because of the limited capacities of these agribusinesses to improve their business performance on a sustainable basis. Given their minimal resources, it is questionable whether they can upscale their operations to level sufficient to achieve the desired impact.
- 2) The second lesson is that, as a first step, an M&E performance management system should be put in place when a commercialization project like AbSS is established⁹. In doing this, the logical framework indicators should be included in the obligations of both stakeholders and beneficiaries of such projects. Ideally, the establishing of an appropriate M&E system should be a pre-condition for the launch of a project. Without such a Condition Precedent, the evaluators have found that most projects are implemented with limited priority being given to monitoring and evaluation systems. The failure of the AbSS project to do so meant that both the project and the evaluators were unable to validate the degree to which the project had achieved its desired impact in accordance with the logical framework performance indicators.

⁹ While this was not in place for the AbSS project, the evaluators were informed that such an approach is now in place for all projects managed by FAO Kenya.



Food and Agriculture
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Office of Evaluation

Agribusiness Support for Small Holders Project Kenya – GCP /KEN/070/GER

Annexes

Food and Agriculture Organization of the United Nations

Office of Evaluation (OED)

This report is available in electronic format at: <http://www.fao.org/evaluation>

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Annex 1. Evaluation Terms of Reference

1 Background of the Project

1. In 2009, the Government launched Kenya Vision 2030, which aims at transforming Kenya into a middle income, newly industrializing country.

2. The Government's strategy for development and transformation of the agricultural sector is embedded in the Agricultural Sector Development Strategy (ASDS), also launched in 2009. The ASDS identifies four strategic growth results as the highest priorities for sectoral development. This project, GCP/KEN/070/GER, was intended to address several specific objectives under the first priority area of ASDS: increasing productivity, commercialization and competitiveness of the agricultural sector. The project also addresses several outputs identified under the NMTPF and the Kenya UNDAF.

3. The Project's aims at ensuring small farmers and small and medium agricultural enterprises (SMAEs) are able to benefit from broader commercialization trends through :

- supporting the development of commercially viable business partnerships between small farmers and SMAEs.
- reinforcing the effectiveness and sustainability of business and market linkage support services and the broader institutional support system needed by small producers and SMAEs.
- helping to mainstream business oriented thinking, planning and management capacity among all stakeholders and strengthen institutional capacity for development of business linkages between producers and SMAEs.

4. Project under study: This was initially a three year project running from January 2010 to December 2013. Following the findings from the Midterm evaluation conducted in April 2012, an extension until December 2014 was recommended and subsequently approved. The budget was raised from USD 2 183 513 to USD 2 557 470.

5. Outcomes: The project was intended to achieve two synergistic outcomes namely:

- Commercially viable and mutually beneficial business models linking producers to SMAEs will be in place and working in five pilot locations. Business and market linkage services in the pilot locations will also be available.
- Improved institutional capacity to provide support to small producers and SMAEs will be in place and being used to upscale and replicate linkage models and provide complementary support for improving value addition and competitiveness of small producers and SMAEs.

6. Outputs: The above outcomes were to be achieved through delivery of six outputs as described in section 3.3 of these ToR. The six outputs to be delivered were:

- Validated business models for linking producers to SMAEs -

- Improved capacity for business and technical training of producers and SMAEs Etc.
- Improved capacity of business and market linkage service providers -
- Improved capacity of KENFAP and local producer organizations to support collective action and provide business services
- Improved capacity of KenAAC to support and represent interests of SMAEs
- Improved public sector institutional capacity to support producer-SMAE business models.

2 Purpose of the Evaluation

7. This is a final evaluation foreseen in the project document. The purpose of the Evaluation, is to inform the Government of Kenya, FAO, the German donor and other stakeholders about the project's achievements and performance in attaining the expected outputs and outcomes. The evaluation will draw specific conclusions and formulate recommendations for any necessary further action by Government, FAO and/or other parties. The evaluation may also identify specific good practices and lessons to be learned for the formulation and execution of other similar projects.

3 Evaluation framework

3.1 Scope

8. The evaluation will cover all aspects of project GCP/KEN/070/GER, running from the initial project period of January 2010 to December 2012 and the extension period covering January to December 2013.. The five project areas as per the project documents have been reduced to three considering the distances and the limited timeframe the project had to operate in. These are Lower eastern, Central and the upper Rift Valley.

3.2 Evaluation criteria

9. The project will be critically assessed through the internationally accepted evaluation criteria, i.e. relevance, efficiency, effectiveness, impact, and sustainability. In line with the new FAO project cycle, the evaluation will assess compliance with the following UN Common Country Programming Principles: Human Rights Based Approaches (HRBA)/ Right to Food/ Decent Work; Gender equality, Environmental sustainability, Capacity Development and Results Based Management.

3.3 Evaluation issues

I. Relevance of concept and design

- a. Project relevance to: national/regional development priorities (Kenya Vision 2030, ASDS(Agriculture Sector Development Strategy), NAS(National Agribusiness Strategy), programmes, needs of the population; UNDAF (Kenya UNDAF2014); Consolidated Appeal or other UN programming framework; FAO Country Programming Framework; FAO Global Goals and Strategic Objectives/Core Functions; other aid programmes in the sector;
- b. Robustness and realism of the theory of change underpinning the project;
- c. Clarity, coherence and realism of the Logical Framework¹ of the project and of its design, including:
 - The causal relationship between inputs, activities, outputs, expected outcomes (immediate objectives) and impact (development objectives);
 - Validity of indicators, assumptions and risks;
 - Approach and methodology;
 - Resources (human and financial) and duration;
 - Stakeholder and beneficiary identification and analysis;
 - Institutional set-up and management arrangements.

II. Effectiveness of outputs and outcomes

- d. Overall effectiveness of the project, actual or potential, in attaining its intermediate/specific objectives;
- e. Description and analysis of the outputs produced, in terms of quantity, quality and timeliness; (Key outputs include:
 - *Validated business models for linking producers to SMAEs* - Business models for linking producers to SMAEs will be appraised, strengthened and validated as being commercially viable in five business development pilot locations.
 - *Improved capacity for business and technical training of producers and SMAEs* - Capacity for supporting and providing business and technical training of producers and SMAEs will have improved in five pilot locations.
 - *Improved capacity of business and market linkage service providers* - Five or more organizations will have improved capacity to provide business and market linkage services. The target organizations will have demonstrated their capacities to assist producers and SMAEs in developing commercially viable business partnerships.
 - *Improved capacity of KENFAP and local producer organizations to support collective action and provide business services* - KENFAP and local producer organizations will have improved capacity to support collective action and provide business services.
 - *Improved capacity of KenAAC to support and represent interests of SMAEs* - The Kenyan Agribusiness and Agro-Industries Consortium will have become firmly established and will have improved capacity to support and represent the interests of SMAEs.and

¹ The Logical Framework embodies the Results-Based Management approach in a project

- *Improved public sector institutional capacity to support producer-SMAE business models*-Institutional capacity of the Ministry of Agriculture and the Agricultural Sector Coordination Unit to support development and replication of commercially viable business models, provide assistance on business planning, backstop business development service providers, design and implement initiatives to promote the improved performance of value addition enterprises, and develop policy and strategy papers will be improved.
- f. Description and analysis of the outcomes achieved, expected and unexpected, their robustness and expectations for further uptake and diffusion. The project has following two outcomes:
- g. Use made by the project of FAO's normative and knowledge products and actual and potential contribution of the project to the normative and knowledge function of the Organization.

III. Efficiency and effectiveness of project implementation process

- h. Assessment of project management:
- Quality, realism and focus of work plans;
 - Assessment of delivery, causes and consequences of delays and of any remedial measure taken, if any;
 - Monitoring and feed-back loop into improved management and operations;
 - Staff management;
 - Development and implementation of an exit strategy;
- i. Institutional Setup:
- Administrative and technical support by FAO HQ, regional, sub-regional and country office, as appropriate;
 - Institutional set-up, internal review processes, coordination and steering bodies;
 - Inputs and support by the Government/s and resource partner/s.
- j. Assessment of financial resources management, including:
- Adequacy and realism of budget allocations to achieve intended results;
 - Adequacy and realism of Budget Revisions in matching implementation needs and project objectives;
 - Rate of delivery and budget balance at the time of the evaluation and in relation to work-plans.

IV. Analysis of the application of the UN common country programming principles, cross-cutting themes, and of the Humanitarian Principles and Minimum Standards in the case of emergency projects

- k. Analysis of gender mainstreaming for gender equality. This will include:
- extent to which gender equality considerations were reflected in project objectives and design to address the needs, priorities and constraints of both women and men, and in the identification of beneficiaries;

- extent to which gender equality considerations were taken into account in project implementation and management;
 - extent to which gender relations and equality have been or will be affected by the project.²
- l. Analysis of the Capacity Development dimension in the design, implementation and results of the project, at individual, organizational and enabling environment levels.³ This will include CD on both technical and soft-skills, i.e. planning, budgeting, partnering and negotiating.
 - m. Analysis of the adoption of the Human-Rights Based Approach, namely:
 - the integration of the Right to Food dimension and principles, in the design, implementation and results of the project;
 - the integration of decent rural employment concerns in the design, implementation and results of the project.
 - n. Analysis of Partnerships and Alliances, namely:
 - how they were planned in the project design and developed through implementation;
 - their focus and strength; and
 - their effect on project results and sustainability.⁴
 - o. Analysis of how environmental impacts were taken into consideration and addressed, following the steps and criteria contained in the FAO Environmental Impact Assessment guidelines.

V. Impact

- p. Overall impact of the project, actual or potential, positive and negative, produced directly or indirectly, intended or unintended; and
- q. Overall contribution of the project to FAO Country Programming Frameworks, Organizational Result/s and Strategic Objectives, as well as to the implementation of the corporate Core Functions.

VI. Sustainability

- r. The prospects for sustaining and up-scaling the project's results by the beneficiaries and the host institutions after the termination of the project. The assessment of sustainability will include, as appropriate:
 - Institutional, technical, social and economic sustainability of proposed technologies, innovations and/or processes;
 - Expectation of institutional uptake and mainstreaming of the newly acquired capacities, or diffusion beyond the beneficiaries or the project;

² See: http://typo3.fao.org/fileadmin/templates/gender/docs/FAO_FinalGender_Policy_2012.pdf

³ See: <http://www.fao.org/capacitydevelopment/en/>

⁴ See: <http://www.fao.org/partnerships/partners-home/en/>

- Environmental sustainability: the project's contribution to sustainable natural resource management, in terms of maintenance and/or regeneration of the natural resource base.

10. Based on the above analysis, the evaluation will draw specific conclusions and formulate recommendations for any necessary further action by Government, FAO and/or other parties to ensure sustainable development, including any need for follow-up or up-scaling action. The evaluation will draw attention to specific good practices and lessons to be learned as they are of interest to other similar activities. Any proposal for further assistance should include specification of major objectives and outputs and indicative inputs required.

4 Evaluation methodology

4.1 Approach and tools

11. The evaluation will adhere to the UNEG Norms & Standards⁵.

12. The evaluation will adopt a consultative and transparent approach with internal and external stakeholders throughout the evaluation process. Triangulation of evidence and information gathered will underpin its validation and analysis and will support conclusions and recommendations.

13. The evaluation will make use of the following methods and tools : review of existing reports, semi-structured interviews with key informants, stakeholders and participants, supported by check lists and/or interview protocols; direct observation during field visits; surveys and questionnaires.

14. Particular attention will be devoted to ensure that women and other under-privileged groups will be consulted in adequate manner. Insofar as possible and appropriate, interaction will also take place with non-participants to canvass their opinions. The Sustainable Livelihoods Framework;⁶ the Strengths, Weaknesses, Opportunities and Threats (SWOT) framework can be used for assessment of project results.⁷

4.2 Stakeholders and consultation process

15. The evaluation team will discuss in detail with the key stakeholders of the project and will take into account their perspectives and opinions. Key stakeholders will include:

⁵ United Nations Evaluation Group, <http://www.uneval.org/normsandstandards>

⁶ The Sustainable Livelihoods Framework identifies five different capitals (human, social, natural, financial, and physical), each including different assets. It helps in improving understanding of livelihoods, in particular of the poor. For more information, among others: http://www.livelihoods.org/info/guidance_sheets_pdfs/section2.pdf

⁷ SWOT is a widely used strategic planning tool, useful also in the assessment of development interventions, to canvass their strengths and weaknesses, as well as future perspectives. It is particularly used in focus groups, but it can be adapted to individual interviews as well.

- Project Task Force members; Government representatives from the partner organizations in particular from the Ministry of Agriculture Livestock and Fisheries Agribusiness Market Development and Agriculture Information Department)
- the resource partner;
- FAO Representatives in the participating countries; and
- Participants in communities, including farmers, processors, exporters, organizations and cooperatives, service providers, etc.
- the participating SMAEs (29),
- the Business and Market Linkage Service Providers (5)

5 Roles and responsibilities

16. FAO Budget Holder (BH), the Lead Technical Officer (LTO) and the Project Task Force (PTF) of the project to be evaluated are responsible for initiating the evaluation process, drafting the first version of the Terms of Reference, and supporting the evaluation team during its work. They are required to participate in meetings with the team, make available information and documentation as necessary, and comment on the draft final terms of reference and report. Involvement of different members of the project Task Force will depend on respective roles and participation in the project.

17. The BH is also responsible for leading and coordinating the preparation of the FAO Management Response and the Follow-up Report to the evaluation, fully supported in this task by the LTO and PTF. OED guidelines for the Management Response and the Follow-up Report provide necessary details on this process.

18. FAO Office of Evaluation assists the BH and LTO in drafting the ToR, in the identification of the consultants and in the organization of the team's work; it is responsible for the finalization of the ToR and of the team composition;⁸ it shall brief the evaluation team on the evaluation methodology and process and will review the final draft report for Quality Assurance purposes in terms of presentation, compliance with the ToR and timely delivery, quality, clarity and soundness of evidence provided and of the analysis supporting conclusions and recommendations.

19. The Office of Evaluation has also a responsibility in following up with the BH for the timely preparation of the Management Response and the Follow-up to the MR.

20. The Evaluation Team is responsible for conducting the evaluation, applying the methodology as appropriate and for producing the evaluation report. All team members, including the Team Leader, will participate in briefing and debriefing meetings, discussions, field visits, and will contribute to the evaluation with written inputs for the final draft and final report.

⁸ The responsibility for the administrative procedures for recruitment of the team, will be decided on a case-by-case basis.

21. The Team Leader guides and coordinates the team members in their specific work, discusses their findings, conclusions and recommendations and prepares the final draft and the final report, consolidating the inputs from the team members with his/her own.
22. The Evaluation team will be free to expand the scope, criteria, questions and issues listed above, as well as develop its own evaluation tools and framework, within time and resources available.
23. The team is fully responsible for its report which may not reflect the views of the Government or of FAO. An evaluation report is not subject to technical clearance by FAO although OED is responsible for Quality Assurance of all evaluation reports.
24. As a contribution to the OED Knowledge Management System:
- the Team Leader will be responsible for completing the OED quantitative project performance questionnaire, to be delivered at the same time with the final evaluation report;
 - OED will ask all team members to complete an anonymous and confidential questionnaire to get their feedback on the evaluation process.
25. For further details related to the tasks of the Team leader and team members, please refer to template TORs provided in annex.

6 Evaluation team

26. Mission members will have had no previous direct involvement in the formulation, implementation or backstopping of the project. All will sign the Declaration of Interest form of the FAO Office of Evaluation.
27. The evaluation team will comprise the best available mix of skills that are required to assess the project, and as a whole, will have expertise in all the following subject matters:
- Agribusiness and agro-enterprises management (AGSF/TCI)
 - Market and Agribusiness Agriculture and Rural development support to small farmers Gender equality and HRBA;
 - Conduct of evaluations.
28. Furthermore, to the extent possible, the team will be balanced in terms of geographical and gender representation to ensure diversity and complementarity of perspectives.

7 Evaluation deliverables

29. The evaluation report will illustrate the evidence found that responds to the evaluation issues, questions and criteria listed in the ToR. It will include an executive summary. Supporting data and analysis should be annexed to the report when considered important to complement the main report.

30. The recommendations will be addressed to the different stakeholders and prioritized: they will be evidence-based, relevant, focused, clearly formulated and actionable.

31. The evaluation team will agree on the outline of the report early in the evaluation process, based on the template provided in Annex I of this ToR. The report will be prepared in English/French/Spanish⁹, with numbered paragraphs, following OED template for report writing. Translations in other languages of the Organization, if required, will be FAO's responsibility.

32. The team leader bears responsibility for submitting the final draft report to FAO within two to three weeks from the conclusion of the mission. Within one week, FAO will submit to the team its comments and suggestions that the team will include as appropriate in the final report within maximum two weeks.

33. Annexes to the evaluation report will include, though not limited to, the following as relevant:

- Terms of reference for the evaluation;
- Profile of team members;
- List of documents reviewed;
- List of institutions and stakeholders interviewed by the evaluation team;
- List of project outputs;
- Evaluation tools.

8 Evaluation timetable

34. The evaluation is expected to take place during December 2013, January 2014 . The country visit phase is expected to last approximately 3 weeks. The timetable in the box below shows a tentative programme of travel and work for the evaluation team. It will be finalised upon the recruitment of the evaluation team.

Box 1. Tentative timetable of the evaluation

Task	Dates	Duration	Responsibility
ToR finalization	October		JJFF/ BM
Team identification and recruitment	November	4 weeks	OED
Mission organization	November	5 days	OED/PTF
Reading background documentation	November	5 days	Mission members
Briefing	November	1 day	LTU Rome / AGS
Travel	November	1 day	
Mission to Kenya	November-	2 weeks	AbSS/JJFF/BM

⁹ Select as appropriate

	December		
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Annex 2. Brief profile of the evaluation team members

Michael Julien is a financial economist with 28 years of private sector development experience. His expertise includes the design, management and evaluation of policy level, budget support, agribusiness environment, trade and competitiveness, firm level, and export development programmes. Since 1984 he has completed 90 short- and long-term consultancies for the EU, USAID, the IADB and DFID in various regions including Africa, the Caribbean, the Middle East, South America, and Eastern Europe.

Mr. Julien has more than 15 years senior experience in the following areas: 1) Team Leader of the development of a National Services Sector Strategy for Jamaica aimed at improving the regulatory and enabling environment for SME service sector development and at strengthening Jamaica's capacity to access the EU market under the EPA, 2) Advisor to the Government of Suriname and formulator of that Country's National Competitiveness Strategy, 3) Team Leader of the design of the implementation framework for advancing trade, investment, legislative and Doing Business reforms under a Public-Private Partnership Business Forum in Suriname, 4) Team Leader/Manager of the demand-led US\$8 million New Economy Project, a USAID-funded ICT-driven SME business and regulatory environment improvement project in Jamaica from 2000 – 2005, 5) Team Leader of the design of an EC-funded €20 million 5-year Private Sector Development Programme (PSDP) for SMEs and private sector organizations in 2005 and 6) preparation of the export development component of a US\$27 million National Competitiveness Strategy in 2006 for Guyana.

Mr. Julien has carried out over 15 mid-term and final evaluations as Team Leader including agribusiness, trade and investment, and private sector development projects. He has conducted All-ACP, regional and country level evaluations using the DAC methodology (i.e. relevance, effectiveness, efficiency, impact, sustainability, coherence) and had worked with multi-disciplinary teams on these assignments.

Josephine Ngethe has 15 years' work experience with hands on experience in carrying out monitoring and evaluation assignments, value chain analysis, project management and providing technical assistance using the value chain approach.

Josephine has seven years' senior management experience implementing a World Bank Funded technical assistance project using the value chain approach for coffee, cotton to garment, pyrethrum and leather value chains. In this assignment she was responsible for the grants management and monitoring and evaluation. She has also been involved in several other short term assignments including being the team coordinator/monitoring and evaluation specialist during the evaluation of the USAID funded Powering Progress Project End of Project Performance Evaluation; was the Engagement Manager for the benchmarking/market inquiry on the tea sector for the Competition Authority of Kenya; was part of a team that conducted the Kenya sun flower value chain analysis as part of a DANIDA project mobilization activity. She has five years' experience as the Project Manager managing six coffee cooperatives computerization initiative. She holds an MBA and is a Certified Public Accountant.

Annex 3. List of documents reviewed

1. AbSS related documents
 - a. AbSS Project Document (GCP/KEN/070/GER)
 - b. Bi annual Project Progress Reports (for Jan -June 2010, July – Dec 2010, Jan-June 2011, July –Dec 2011, Jan-June 2012, July –Dec 2012, Jan – June 2013, July – December 2013)
 - c. AbSS Website
www.abss.o.ke
 - d. End of Mission Report by Adam Sendall, January 2011
 - e. Appraisal 1&2, July 2011
 - f. Appraisal 3, 4 & 5, July 2011
 - g. Supportive Policies and Programmes for SMAEs Sector Development in Kenya, September 2011
 - h. BMLSPs Mission Report by FAO -AGS, October 2011
 - i. AbSS Mid - Term Review Report, April 2012
 - j. Rural Invest – Roret Pineapple Factory case study, 2012
 - k. Agribusiness Marketing Strategy Development Mission Report by FAO – AGS, June 2012
 - l. Report on the 1st Kenya National Agro-Industry Workshop, April 2013
 - m. SMAE Business Appraisal and Evaluation Report, May 2013
 - n. Mango Value Chain Exposure Visit Report, May 2013
 - o. KENFAP Services Limited Baseline Report, July 2013
 - p. Accessibility to finance tools for Kenyan SMAES, 2013
2. Kenya Vision 2030
3. Agriculture Sector Development Strategy (ASDS), 2009
4. United Nations Evaluation Group (UNEG) Norms & Standards
5. Kenya Agricultural Value Chain Enterprises (KAVES) Project documents
6. Managing Agricultural Commercialization for inclusive growth in Sub Saharan Africa (by Global Development Network)
http://www.gdn.int/admin/uploads/editor/files/SSA_1_PolicyBrief_Agricultural_Commercialization.pdf
7. PATH's Commercialization Tool Kit for Small – and Medium –Sized Enterprises, 2011
http://www.path.org/publications/files/TS_swp_commerc_toolkit_es.pdf

Annex 4. List of institutions and stakeholders met during the evaluation process

Name	Organization	Position	Telephone
Elizabeth Kamau	Ministry of Agriculture	National Project Coordinator	254722892505
John Mungoo	FAO	Business Development Specialist	254717079749
Jean Jacques De Ferriere	FAO	Chief Technical Adviser	254703500925
Eric Muthomi	Stawi Foods/APAK Secretary	Director	254720466910
Bernard Chitunga	Cooperative University College	Programme Implementation Officer	254208890233/ 2540720494901
Rose Kuria	Anuru Ventures	Director	254722399134
Peter Mwangi	KENFAP	General Manager Resource Mobilization	254020 6008324/60000355
Nyango V Violet	KENFAP	Ag General Manager Administration	254720801429
Tei Mukunya	AZURI Health Ltd	CEO	254707762777
Charles Muigai	Enterprise Institute	CEO	254721499311
Rose Mutuku	Smart Logistic Solutions	Managing Director	254722436552
Dennis Mayaka	Farm Concern International	Markets Trade Manager Value Addition & Product Development	254720353148
Samuel Muchoki	Gikindu Mango Processors	Chairman	254723217974
Ferdinand Njiru	FEREL Enterprises.	Proprietor	254724655967
Steven Marete	Mt. Kenya Foods	Proprietor	254721915017
Francis Muoria	SEPTA	Proprietor	254720297810
Joseph Watene	Mitunguu Millers	Proprietor	254728552150
Cecilia Mungai	Juja Sub County	Thika - DADO	254723779352
Emily Osen	State Department of Agriculture	Department of Agribusiness & Market Development/Agro Industry Sub Division	2540202215704/8/ 9
Zachariah Mairura	State Department of Agriculture	Senior Assistant Director of Agriculture	2540202215704/8/ 9
Arshfod Ngugi	PSDA	Project Officer	254723726629
Mulinge Mukumbu	Fintrac - USAID - Kenya Agricultural Value Chain Enterprises (KAVES)	Deputy Chief of Party	
George Adem	Fintrac - USAID - Kenya Agricultural Value Chain Enterprises (KAVES)	Technical Director	

<i>Design Summary</i>	<i>Indicators / Targets</i>
Output	
1: Validated business models for linking producers to SMAEs available	<p>At least ten models validated that:</p> <ul style="list-style-type: none"> • Increase availability and reduced cost of crucial inputs • Provide marketing and technical extension services • Mobilize financial and investment resources • Induce and support productivity gains • Make contributions to chain logistics • Sharing of risks and rewards • Full or partial alignment of farm and SMAE operations • Sharing of information for planning and monitoring • Effective resolution of small barriers and conflicts • Gradual expansion of the scope of collaboration
2: Improved capacity for business and technical training of producers and SMAEs	<p>At least 10 organizations and 50 trainers that provide training to producers or SMAEs will be using:</p> <ul style="list-style-type: none"> • Business oriented training content and approaches • Relevant training materials <p>At least 100 producers benefiting from training will have improved:</p> <ul style="list-style-type: none"> • Business planning and implementation skills • Technical skills for supplying high quality products <p>At least 25 SMAEs benefiting from training will have improved:</p> <ul style="list-style-type: none"> • Operational management and efficiency • Quality management systems and technologies • Raw material procurement practices
3: Improved capacity of business and market linkage service providers	<p>At least five business and market linkage service providers will demonstrate capacity to:</p> <ul style="list-style-type: none"> • Assist buyers in procuring raw materials • Facilitate development of producer alliances • Provide realistic appraisals of costs and benefits • Absorb transaction costs of value chain partners • Help ensure fair governance in value chains
4: Improved capacity of KENFAP and local producer organizations	KENFAP and at least 20 affiliated farmer organizations will demonstrate

<i>Design Summary</i>	<i>Indicators / Targets</i>
to support collective action and provide business services	capacities to: <ul style="list-style-type: none"> • Help farmers consolidate activities for market power and economies of scale • Provide support in contract negotiations and intermediation • Assist producers to meet SMAE requirements
5: Improved capacity of KenAAC to support and represent interests of SMAEs	KenAAC will demonstrate established capacity to: <ul style="list-style-type: none"> • Support SMAE participation in public private dialogue • Promote gender mainstreaming in agribusiness • Provide technical advice on farmer-SMAE business models and financing
6: Improved public sector institutional capacity to support producer-SMAE business models	AIPD will demonstrate institutional capacity to: <ul style="list-style-type: none"> • Provide assistance in developing business ideas and business plans • Backstop business development service providers • Provide training in business and entrepreneurial skills • Develop and promote interventions to improve the performance of value addition enterprises • Develop policy and strategy papers related to agro-industrial development ASCU will demonstrate institutional capacity to: <ul style="list-style-type: none"> • Coordinate inter-ministerial initiatives related to agribusiness and value chains • Engage the private sector in policy dialogue and sector planning • Appraise and provide oversight to private sector services provision and innovation

Annex 6. Detailed Evaluation Method Grid for AbSS Project

<i>Proposed Final Evaluation Method GRID to be used by Evaluation Team</i>				
Agenda: to articulate the methodological approach to the evaluation using the Table of Contents format prescribed by FAO in “ Annex 1. Project evaluation report outline” contained in the OED “Annexes of Terms of Reference for the Final evaluation of Agribusiness Support for Small Holders Project - Kenya				
Table of Contents Issue	Information needed to address the issue	Information sources/entities	Methodology/Evaluator Action	Responsibility/comments
Acronyms	Content of the report	FAO AbSS Project Reports	Compile the Acronyms Sheets from the body of the evaluation report	Evaluation Team Leader: Michael Julien (MJ) or Evaluation Team Member, Josephine Ngethe (JN)
Executive Summary	Content of the evaluation report	Body of the main evaluation report	Extract the main points from body of the evaluation report including Introduction, Background and Purpose, Methodology, Context, Analysis of project design, concept, implementation process, project management, financial resource management, efficiency and effectiveness of institutional arrangements, analysis of results and contribution to stated objectives, achievements at output and outcome levels, Gender equality, capacity development, human rights based approach, relevance, efficiency , effectiveness etc.	Evaluation Team Leader (ES to be limited to 4 – 6 pages only). The ES will include sufficient content to facilitate the drafting of the FAO Management Response to the evaluation.
1. Introduction: 1.1. Background and Purpose of the Evaluation	AbSS Project Information from FAO	FAO AbSS Project Design and Final Reports	Access the needed information from Evaluation ToR and from project reports (i.e. title, starting and closing dates, initial and final budget, dates of implementation etc.	Evaluation Team Member: Josephine Ngethe (JN). It is very important that a clear description of the project is established at this stage of the evaluation, including description of its operating arrangements
Table of Contents Issue	Information needed to address the issue	Information sources/entities	Methodology/Evaluator Action	Responsibility/comments
1. Introduction 1.2 Methodology	Description of the Methodology	Evaluation Grid, FAO Evaluation Guidelines	Articulation of the methodology used: evaluation grid, review of project documents, interviews with stakeholders and beneficiaries etc.	Evaluation Team Leader (MJ)
2. Context of the project	(Description of) Developmental context relevant to	FAOKEN	Review project design documents and interview Project Coordinator to identify developmental rationale/alignment of the	Evaluation Team (MJ and JN)

	the project; major challenges; process by which project was identified		project with Kenya, UN and FAO priorities/agenda	
3. Analysis of project concept and design	Logical framework for the project; strategy underpinning the project (i.e. objectives and assumptions etc.	Project design documents	Determine the suitability of stated development goals and outcomes; adequacy of the approach, implementation methodology, time frame and resources (human and financial) allocated. Assess quality of stakeholder and beneficiary identification criteria and appropriateness of institutional set-up and management arrangements. Analyse causal relationships (i.e. logic of linkages between inputs, activities, outputs, expected outcomes (immediate objectives) and impact (development objectives) in logical framework and work plans. Look at the validity of indicators, assumptions and risks in the logical framework.	Evaluation Team (MJ and JN)
4. Analysis of the implementation process	Logical framework and “as-designed” and “actual” implementation processes	Project Design documents and project implementation documents and processes	Analyse the implementation process to determine suitability for the project as designed. Examine the suitability of the implementation process for achieving outputs/outcomes and impact	Evaluation Team (MJ and JN) to discuss the actual implementation processes used by the project and by key implementing partners/stakeholders. What is relevant? Was it clear? Was it timely? Was it efficient?
Table of Contents Issue	Information needed to address the issue	Information sources/entities	Methodology/Evaluator Action	Responsibility/comments
4. Analysis of the implementation process 4.1 Project Management	AbSS Annual Work Plans and Progress Reports	FAO AbSS project documents. Information from interviews with implementing partners/agencies	Determine degree of alignment of strategic decision-making by project management with expected impact, outcomes and outputs. Assess timeliness of delivery of inputs; identify gaps and delays and reasons for them; assess adequacy of remedial action taken. Assess quality of day-to-day project management team (experience needed to deliver/use outputs) Determine extent of the elaboration, quality and progress in implementing an exit strategy	Evaluation Team Members (MJ and JN) This section of the evaluation will highlight the suitability of project management – in terms of their professionalism, clarity of work plans, realism of work plan implementation time lines, and, where appropriate the realism of their assumptions of the role of selected project partners over the

				life of the project
4.2 Financial Resources Management	AbSS Annual Work Plans and Progress Reports	FAO AbSS project documents	Determine whether the budget allocations were realistic for achieving the intended results. Determine the soundness of Budget Revisions and the logic behind them. Assess the rate of delivery of the budget vs. actual planned	Evaluation Team Member: JN: we will look at the realism of the budgets and whether, based on implementation experience, practical changes were made to ensuing period budgets to reflect the realities/constraints and opportunities encountered
4.3 Efficiency and Effectiveness of the institutional arrangements including Government's participation	AbSS Annual Work Plan but mostly the AbSS Progress Reports	FAO Project Coordinator, Government partners directly involved with the project	Assess the degree of administrative and technical support provided by FAO HQ, and country office (FAOKEN). Assess the roles and degree of active involvement of coordination and/or steering committees. If counterpart resources were required, assess Government's delivery of agreed resources (finance and personnel).	Evaluation Team Member (JN) Our analyses will be closely aligned with the guidelines provided in section 25.1 and 25.2 of the FAO ToC outline
Table of Contents Issue	Information needed to address the issue	Information sources/entities	Methodology/Evaluator Action	Responsibility/comments
5. Analysis of Results and Contributions to stated objectives 5.1 Achievements at Output Level	AbSS Project Plans and Progress Reports	FAO AbSS Project Files Findings from interviews with those who were direct beneficiaries at Output level	List all of the outputs completed. Identify the intended beneficiaries/users and assess the extent to which the outputs have been utilised Determine the degree of uptake of the outputs by beneficiaries and partner institutions.	Evaluation Team Members (MJ and JN)
5.2 Achievements at Outcome Level	As above	As above plus interview findings from those who were the direct beneficiaries at Outcome level	List all of the outcomes achieved or are likely to be achieved. Identify the intended beneficiaries and assess the extent to which they now "own" the project outcomes. Determine the degree of uptake of the outcomes by stakeholders and partner institutions. Is there evidence of policy and investment for up scaling?	Evaluation Team Members (MJ and JN)
5.3 Gender Equality	Logical Framework, Project Design Documents, Training	FAO/AbSS Project Files.	Identify whether gender issues were reflected in Objectives, project design and ID of beneficiaries and in implementation.	Evaluation Team Member: JN

	and Workshop Data		Identify the extent to which gender equality considerations were incorporated into Project Management. Identify the extent to which gender relations and equality and processes of women's inclusion were likely to be affected by the initiatives undertaken by the project	
5.4 Capacity Development	Project Design and Project Implementation documents	FAO AbSS Project files	Identify examples of capacity development measures in D & I and results achieved at individual, organizational and enabling environment levels.	Evaluation Team Leader: MJ
Table of Contents Issue	Information needed to address the issue	Information sources/entities	Methodology/Evaluator Action	Responsibility/comments
5.5. Human Rights based Approach	Relevance to project?	Relevance to project?	Relevance to project?	Relevance to project? Arwa: Could you please explain this section in greater detail via skype?
5.6 Partnerships and Alliances	Project Design Documents, Project Work Plans and Progress Reports	FAO AbSS Project Files	Determine the importance/ significance of partnerships and alliances developed in facilitating efficient programme delivery, strengths of this strategy and the effects on (achieving) project results and sustainability	Evaluation Team Members: MJ and JN
6. Analysis by evaluation criteria	Please see attached Annex I for detailed Evaluation Grid approach			
6.1 Relevance				

Section 1. Evaluation of Relevance

Proposed Final Evaluation Method GRID to be used by Evaluation Team				
Relevance – The project's consistency with beneficiary requirements, country needs, global priorities, and Government's and UN and FAO policies i.e. the suitability/relevance of the project design in terms of the extent to which the overall and specific objectives are consistent with beneficiaries, country needs and global priorities, and partners and donors policies.				
Evaluation Question	Information needed to address the issue	Information sources/entities	Evaluator Action	Findings, Feedback, Comments

1. What was the extent to which the Programme was consistent with, and supportive of national development priorities, programmes and needs of the population; FAO Country Programming Framework, FAO Global Goals and Strategic Objectives?	Higher-level policy documents: Kenya Country Development Strategy and/or National Development Plan. FAO Country Strategy or equivalent. Other relevant macro-level policy and strategic documents	FAOKEN	Determine the extent of consistency and linkages between Project objectives, purpose (i.e. specific objectives) and Expected Results with country and FAO development objectives and strategy Discuss the consistency with Government of Kenya and FAO	
2. What was the quality of the (needs) analyses and of lessons learnt from past experience, and of sustainability issues?	- Background study reports: e.g. project design document, mid-term review document/recommendations	FAOKEN	Review the quality/scope/content of the analysis and the stated or implied assumptions supporting them Assess extent to which lessons learned from prior programmes were factored into programme design	
3. What was the quality of the identification of key stakeholders and target groups and of institutional capacity issues?	Background study reports	FAOKEN	Review the Report to identify key design recommendations regarding stakeholders. Review Implementation arrangements to evaluate extent of inclusion of design recommendations. Hold discussions with TL and counterparts on rationale behind stakeholder selection.	
Evaluation Question	Information needed to address the issue	Information sources/entities	Evaluator Action	Findings, Feedback, Comments
4. To what extent was stakeholder participation included in the design and in the management/implementation of the project or the level of local ownership, absorption and implementation capacity a significant programme design feature?	Background and project design report(s) Feedback from stakeholders and partner institutions	Project stakeholders	Ask a sample selection of stakeholders about the extent to which they were involved in the programme design process	
6. Did the intervention logic and logical framework appropriately reflect the	Logical Framework and Project Design documents	FAOKEN	Discuss the consistency of the LF relevance over the life of programme with the Project Coordinator	

problems and challenges that needed to be addressed, including the analysis of assumptions and risks and inclusion of relevant/appropriate monitoring and evaluation arrangements?			especially issues relating to the assumptions and the extent to which any external events/factors were taken into account in the articulation of budget estimates	
5. Given the level of (expected) outputs and outcomes, how realistic were the choice and quantity of inputs (financial, human and administrative resources) and would they have allowed for efficient programme implementation?	As above	FAOKEN	Discuss the appropriateness of the inputs in terms of the implementation arrangements designed for the project	
6. Did the nature of challenges originally identified change? If so, what is the extent to which the objective and/or focus were updated to adapt to those changes and was there flexibility and adaptability to facilitate rapid responses such changes?	Information on any major changes in the environment or context over the implementation time frame	“Context information” relating to assumptions, milestones, and time frames from FAOKEN and project management personnel	Review the Logical Framework with the FAO and Project Coordinator to obtain relevant information in terms of achievement of specific objectives and overall programme objective	

Section 2. Evaluation of Efficiency

Final Evaluation Method GRID used by Evaluation Team				
Efficiency – How well did the various activities transform the available resources into the intended results (sometimes referred to as outputs), in terms of quantity, quality and timeliness? Given the relatively short time frame for implementation the focus of the final evaluation is on the extent to which the inputs used were successfully converted into outputs and the extent to which they have or are likely to contribute to the Outcome of the project				
Evaluation Question	Information needed to address the issue	Information sources and entities	Evaluator Action	Findings, Feedback, Comments
1. What was the quality of day-to-day management in terms of: a. Work planning and implementation (input delivery, activity management and	AbSS Work Plan CVs and resumes of the project team	AbSS Project Files	Make comparisons of planned activities in work plans and progress reports Examine the TA selection process used including the criteria for selecting experts	

<p>delivery of outputs), management of the budget (including cost control and whether an inadequate budget was a factor)</p> <p>b. Management of personnel, information, property etc</p> <p>c. Adequate management of risks, i.e. whether flexibility has been demonstrated in response to changes in circumstances</p> <p>d. Relations and coordination with local authorities, institutions, beneficiaries, other donors</p> <p>e. The quality of information management and reporting: extent to which key stakeholders were kept informed of programme activities.</p>	<p>AbSS Project reports</p> <p>Skills and experience profiles of core and short term experts contracted/deployed for delivery of Technical Assistance</p> <p>Quality of implementation plans and progress reports</p>		<p>Examine planned vs. actual use of budget resources and reasons for variances</p> <p>Assess the extent to which the TA funding method(s) were appropriate for the planned activities</p> <p>If applicable, interview the Steering Committee Chairman to assess extent to which TA activities were coordinated with local authorities, institutions and other donors</p> <p>Examine extent to which they were kept abreast and adequately informed (look at nature/frequency of correspondence with SC and stakeholders)</p> <p>Examine the extent to which completion days for planned deadlines and milestones were met</p>	
<p>Evaluation Question</p>	<p>Information needed to address the issue</p>	<p>Information sources and entities</p>	<p>Evaluator Action</p>	<p>Findings, Feedback, Comments</p>
<p>2. Extent to which the costs of the programme have been justified by the benefits whether or not expressed in monetary terms in comparison with similar programmes or known alternative approaches, taking account of contextual differences and eliminating market distortions</p>	<p>Comment: not a question that can be adequately addressed if a) there were no comparative programmes in country and b) there is insufficient time for this evaluation to make effective comparisons with similar programmes in other (nearby) countries</p>	<p>N/A</p>	<p>N/A</p>	
<p>3. Were partner country contributions from local institutions and govt. (e.g. offices, experts, reports) and other local parties provided as planned?</p>	<p>If applicable, evidence that country contributions were/were not provided in accordance with donor assistance agreement</p>	<p>FAOKEN</p>	<p>Review the planned delivery of country contributions against “actual”. Check to see if counterpart contributions were required in Project document</p>	

4. How well did Technical Assistance help to provide appropriate solutions and develop local capacities to define and produce results?	Technical assistance reports	AbSS Project Files	Review content of technical assistance reports	
5. What was the quality of monitoring: its existence (or not), accuracy and flexibility, and the use made of it especially the adequacy of baseline information?	Content of Logical Framework and Project Design Documents and Work Plans	AbSS Project Files	Identify the extent to which M&E requirements were/were not incorporated into the Project Design and LF and assess the extent to which they were used/adhered to by project management	

Section 3. Evaluation of Effectiveness

Final Evaluation Method GRID used by Evaluation Team				
Effectiveness – The effectiveness criterion concerns how far the programme’s results were attained, and the project’s specific objective(s) achieved, or are expected to be achieved or is likely to be achieved. Note: Progress and achievement is measured against evidence that the LF performance indicators exist or have occurred.				
Evaluation Question	Information needed to address the issue	Information sources and entities	Evaluator Action	Findings, Feedback, Comments
1. What is the extent to which the planned benefits have been delivered and received, as perceived by all key stakeholders, including women and men and specific vulnerable groups?	<p>List of Expected Outcomes):</p> <p>1. Commercially viable and mutually beneficial business models linking producers to SMAEs are in place and working in five locations</p> <p>2. Improved institutional capacity to provide support to small producers and SMAEs are in place and being used to upscale and replicate linkage models and provide complementary support for improving value addition and competitiveness of small producers and SMAEs</p>	<p>Reference the logical framework indicators for each expected Outcome (from the logical framework).</p> <p>Entities assisted by the project (according to the logical framework indicators)</p>	<p>Examine the outputs and the verification sources noted in the Logical Framework (LF) to determine the extent to which they have been achieved:</p> <ul style="list-style-type: none"> - At least 10 different business models implemented in at least 5 districts, 1200 farmers, 75 farmer groups and 25 SMAEs? - Business models will have at least 10% increase in sales, profitability, farm, firm and inter-firm cost efficiencies - Farmers involved in pilot locations will have a) enhance access to improved technologies, improved availability of inputs, reduced costs of inputs, improved access to markets etc. (see LF list of indicators) <p>Ask the question: to what extent was the project implemented on a Results and indicator-driven basis? What was the evidence of this?</p> <p>Determine the validity of the LF Outcome assumptions (were they associated with actions completed?)</p>	

Evaluation Question	Information needed to address the issue	Information sources and entities	Evaluator Action	Findings, Feedback, Comments
<p>2a. What is the extent to which behavioural patterns have changed in beneficiary organisations or groups and at what levels?</p> <p>2b. How far have the changed institutional arrangements produced or are likely to produce planned improvements in capacity and/or have strengthened beneficiary ability to generate actions, which lead to improved economic and social development?</p>	<p>Evidence of the degree of adoption/assimilation of technical assistance outputs by beneficiary organisations, especially the recommendations articulated in the technical assistance outputs</p> <p>Evidence of new or changed institutional arrangements associated with each ER</p>	<p>Minutes of meetings of executive decisions taken in support of recommended changes</p> <p>Evidence of follow-on commitments made by beneficiary or assisted organisations that are supportive of or conducive to institution-specific capacity building</p>	<p>Review relevant TA outputs and recommendations with beneficiary organisations to determine the extent of capacity building coming out of their involvement with programme activities</p>	
<p>3. What is the degree of beneficiary ownership of outputs today (xxx years after project completion)?</p>	<p>Evidence of continuity of programme initiative by beneficiaries of the project. Level of their (i.e. beneficiaries') actual participation in planned activities.</p>	<p>Beneficiary organisations</p>	<p>Meet with the beneficiary organisations to discuss their adoption/assimilation/use of TA outputs (referencing the specific actions or changes that they had endorsed or were recommended to them from each specific TA intervention)</p>	
<p>4. Was there sufficient flexibility invoked by Government and the EC to ensure that the objectives and purpose could still be achieved if the programme was affected by any unforeseen external circumstances?</p>	<p>Modifications/amendments to project implementation reflecting adjustments to the programme design, emphasis and/or focus</p>	<p>FAOKEN</p>	<p>Discuss any shifts in emphasis which were taken by the project and the rationale behind them – with the Project Coordinator and FAOKEN</p>	

Section 4, Impact

Final Evaluation Method GRID used by Evaluation Team					
Impact – The term impact denotes the relationship between the programme’s specific and overall objectives. An assessment of impact explores these relationships at the strategic level. In this evaluation, “impact” will assess the current and foreseeable positive and negative impacts produced as a result of the project/programme, directly or indirectly, intended or unintended. It will assess the actual or potential contribution of the project to the planned development objective and to FAO’s Strategic Objectives, Core Functions and Organizational Results.					
Evaluation Question	Information needed to address the issue	Information sources and entities	Evaluator Action	Findings, Comments	Feedback,
1. Extent to which the objectives of the programme have been achieved as intended in particular the programme planned overall objective	Impact: Producer incomes and SMAE profitability increased in Kenya (Evidence from) project progress reports that the project was/was not working towards this impact level objective	Project Design document: Logical Framework content Implementing agency for Progress reports Internal M & E reports on the project’s progress/performance	Determine the extent to which the project has resulted in: a) 10 percent reduction in total costs for value chains directly affected by project b) 15 percent increase in income for producers directly affected by project c) 15 percent increase in profitability of SMAEs directly affected by project Examine trends in national data including any exogenous factors which could have affected performance Examine implementation agency progress reports or final report to determine which indicator targets have been met Discuss the reasons why they did/did not happen with the Implementing Agency and/or Project Coordinator Examine the validity of the Overall Objective and Project Purpose LF Assumptions over the programme’s existence		
Evaluation Question	Information required to address the issue	Information sources and entities	Evaluator Action	Findings, Comments	Feedback,

2. The extent to which the effects of the project a) were facilitated/constrained by external factors; b) produced any unintended or unexpected impacts, c) facilitated/constrained by implementing arrangements?	Any evidence of externalities that may have affected programme implementation	FAOKEN and Project Coordinator	Record any extraordinary events or circumstances that may have affected programme implementation	
3. What is the extent to which the project has or is likely to contribute to social and economic development, poverty reduction?	Collective examples of impact of the project nationally Any major changes in the “before” and “after” environment in the country as a result of the project intervention(s)	FAOKEN AbSS Progress Report Feedback from Project Coordinator	Review any policy changes, or reforms implemented as a result of project implementation	
4. To what extent has the programme made a difference in terms of crosscutting issues like gender equality, environment, good governance, conflict prevention etc?	Note: unless this was a specific programme priority, any differences are likely to be consequential (as a result of) programme implementation			

Section 5, Sustainability

Final Evaluation Method GRID used by Evaluation Team				
Sustainability – Whether the positive outcomes of the project and the flow of benefits are likely to continue after external funding ends or non-funding support interventions. What are the prospects for the sustainability of benefits after the programme/project comes to an end? This section will assess the prospects for sustaining and up-scaling the project's results by the beneficiaries and the host institutions after the termination of the project. It will include, as appropriate, findings related to the project's connectedness				
Evaluation Question	Information needed to address the issue	Information sources and entities	Evaluator Action	Findings, Feedback, Comments
1. What was the extent of ownership of objectives and achievements, e.g. how far were	Background (Design) Reports on the programme	FAOKEN and Project Coordinator	Review processes and implementation arrangement for evidence of the degree/level of	

all stakeholders consulted on the objectives from the outset, and whether they agreed with them and continue to remain in agreement?	Mid Term Review Findings, Conclusions and Recommendations	AbSS Project Files	stakeholder ownership at the start and throughout the life of the programme. Identify examples of current level of stakeholder commitment to programme's overall and specific objectives (e.g. incorporation of the programme outputs and follow-on activities and functions and tasks within stakeholder organisations)	
2. The extent to which existing donor policy and national policy are corresponding and the likely effects of any policy changes; how far the relevant national, sectoral and budgetary policies and priorities are affecting the programme positively or adversely; and the level of support from governmental, public, business and civil society organizations	Current donor and national policies Level of Ministry of Agriculture recurrent budget commitments to enhanced capacity levels emerging from project assistance and essential to sustaining programme recommendations Current resource commitment levels of stakeholder entities in relation to their commitments to implement follow-on actions of the programme	Key beneficiary agencies or institutions: Decisions and changes made within those entities as a result of project support	Discussions on this subject with FAOKEN, Ministry of Agriculture, Project Coordinator of AbSS Discussions with other key stakeholders	
Evaluation Question	Information needed to address the issue	Information sources and entities	Evaluator Action	Findings, Feedback, Comments
3a. What is the extent to which the project outcomes are embedded in local institutional structures? 3b. Do the institutions appear likely to be capable of continuing the flow of benefits after the programme ends (is it well-led, with adequate and trained staff, sufficient budget	Identification of specific activities and tasks relating to the programme priorities that are now embedded in the implementation responsibilities of beneficiary institutions	Beneficiary functions and operational practices (Clarifications from) the implementing agency of the specific outputs that were associated with capacity building/ institutionalization of programme activities	Using relevant programme outputs, interview the relevant entities to determine the extent of their resource (staff, systems, information, budget etc) commitments to institutionalising and/or implementing programme recommendations are in place	

<p>and equipment?</p> <p>3c. Were counterparts properly prepared for taking over, technically, financially and managerially?</p>				
<p>5. Financial sustainability: the extent to which programme follow-on actions are likely to be supported by key stakeholders and beneficiaries now that project funding has come to an end?</p>	<p>Evidence of government or other non-donor institutional support funding for post programme implementation recommended activities</p> <p>Evidence of government access to other donor funding to support implementation of programme recommendations</p>	<p>FAOKEN</p> <p>AbSS Project files</p> <p>Other donors funding programmes providing similar support in the country</p>	<p>Interview stakeholders to determine whether specific funding has been lined up or is being accessed for follow-on implementation of recommendations or intended actions</p> <p>Interview other donors and carry out related web searches on new projects</p>	

Annex 7. FAO Strategic Objectives, Results and core functions, 2010-2019

a. FAO Members Global Goals

Global Goals 2010-13	Global Goals 2014-17
a) Reduction of the absolute number of people suffering from hunger, progressively ensuring a world in which all people at all times have sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life;	Eradication of hunger, food insecurity and malnutrition, progressively ensuring a world in which people at all times have sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life;
b) Elimination of poverty and the driving forward of economic and social progress for all with increased food production, enhanced rural development and sustainable livelihoods;	Elimination of poverty and the driving forward of economic and social progress for all, with increased food production, enhanced rural development and sustainable livelihoods;
c) Sustainable management and utilisation of natural resources, including land, water, air, climate and genetic resources, for the benefit of present and future generations.	Sustainable management and utilization of natural resources, including land, water, air, climate and genetic resources for the benefit of present and future generations.

b. FAO Strategic Objectives and Organizational Results 2010-13

Code	Title	Lead Unit
A	Sustainable intensification of crop production	AG
A01	Policies and strategies on sustainable crop production intensification and diversification at national and regional levels	AGP
A02	Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced at national, regional and global levels	AGP
A03	Risks from pesticides are sustainably reduced at national, regional and global levels	AGP
A04	Effective policies and enabled capacities for a better management of plant genetic resources for food and agriculture (PGRFA) including seed systems at the national and regional levels	AGP
B	Increased sustainable livestock production	AG
B01	The livestock sector effectively and efficiently contributes to food security, poverty alleviation and economic development	AGA
B02	Reduced animal disease and associated human health risks	AGA
B03	Better management of natural resources, including animal genetic resources, in livestock production	AGA
B04	Policy and practice for guiding the livestock sector are based on timely and reliable information	AGA
C	Sustainable management and use of fisheries and aquaculture resources	FI
C01	Members and other stakeholders have improved formulation of policies and standards that facilitate the implementation of the Code of Conduct for Responsible Fisheries (CCRF) and	FI

	other international instruments, as well as response to emerging issues	
C02	Governance of fisheries and aquaculture has improved through the establishment or strengthening of national and regional institutions, including RFBs	FIE
C03	More effective management of marine and inland capture fisheries by FAO Members and other stakeholders has contributed to the improved state of fisheries resources, ecosystems and their sustainable use	FIM
C04	Members and other stakeholders have benefited from increased production of fish and fish products from sustainable expansion and intensification of aquaculture	FIM
C05	Operation of fisheries, including the use of vessels and fishing gear, is made safer, more technically and socio-economically efficient, environmentally-friendly and compliant with rules at all levels	FII
C06	Members and other stakeholders have achieved more responsible post-harvest utilization and trade of fisheries and aquaculture products, including more predictable and harmonized market access requirements	FII
D	Improved quality and safety of food at all stages of the food chain	AG
D01	New and revised internationally agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization	AGN
D02	Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach	AGN
D03	National/regional authorities are effectively designing and implementing programmes of food safety and quality management and control, according to international norms	AGN
D04	Countries establish effective programmes to promote improved adherence of food producers/businesses to international recommendations on good practices in food safety and quality at all stages of the food chain, and conformity with market requirements	AGN
E	Sustainable management of forests and trees	FO
E01	Policy and practice affecting forests and forestry are based on timely and reliable information	FOM
E02	Policy and practice affecting forests and forestry are reinforced by international cooperation and debate	FOE
E03	Institutions governing forests are strengthened and decision-making improved, including involvement of forest stakeholders in the development of forest policies and legislation, thereby enhancing an enabling environment for investment in forestry and forest industries. Forestry is better integrated into national development plans and processes, considering interfaces between forests and other land uses	FOE
E04	Sustainable management of forests and trees is more broadly adopted, leading to reductions in deforestation and forest degradation and increased contributions of forests and trees to improve livelihoods and to contribute to climate change mitigation and adaptation	FOM
E05	Social and economic values and livelihood benefits of forests and trees are enhanced, and markets for forest products and services contribute to making forestry a more economically-viable land-use option	FOE
E06	Environmental values of forests, trees outside forests and forestry are better realized; strategies for conservation of forest biodiversity and genetic resources, climate change mitigation and adaptation, rehabilitation of degraded lands, and water and wildlife management are effectively implemented	FOM
F	Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	NR
F01	Countries promoting and developing sustainable land management	NRL

F02	Countries address water scarcity in agriculture and strengthen their capacities to improve water productivity of agricultural systems at national and river-basin levels including transboundary water systems	NRL
F03	Policies and programmes are strengthened at national, regional and international levels to ensure the conservation and sustainable use of biological diversity for food and agriculture and the equitable sharing of benefits arising from the use of genetic resources	NRD
F04	An international framework is developed and countries' capacities are reinforced for responsible governance of access to, and secure and equitable tenure of land and its interface with other natural resources, with particular emphasis on its contribution to rural development	NRC
F05	Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy	NRC
F06	Improved access to and sharing of knowledge for natural resource management	OEK
G	Enabling environment for markets to improve livelihoods and rural development	ES
G01	Appropriate analysis, policies and services enable small producers to improve competitiveness, diversify into new enterprises, increase value addition and meet market requirements	
G02	Rural employment creation, access to land and income diversification are integrated into agricultural and rural development policies, programmes and partnerships	ESW
G03	National and regional policies, regulations and institutions enhance the developmental and poverty reduction impacts of agribusiness and agro-industries	
G04	Countries have increased awareness of and capacity to analyse developments in international agricultural markets, trade policies and trade rules to identify trade opportunities and to formulate appropriate and effective pro-poor trade policies and strategies	EST
H	Improved food security and better nutrition	ES
H01	Countries and other stakeholders have strengthened capacity to formulate and implement coherent policies and programmes that address the root causes of hunger, food insecurity and malnutrition	ESA
H02	Member countries and other stakeholders strengthen food security governance through the triple-track approach and the implementation of the Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security	ESA
H03	Strengthened capacity of member countries and other stakeholders to address specific nutrition concerns in food and agriculture	AGN
H04	Strengthened capacity of member countries and other stakeholders to generate, manage, analyse and access data and statistics for improved food security and better nutrition	ESS
H05	Member countries and other stakeholders have better access to FAO analysis and information products and services on food security, agriculture and nutrition, and strengthened own capacity to exchange knowledge	ESA
I	Improved preparedness for, and effective response to, food and agricultural threats and emergencies	TC
I01	Countries' vulnerability to crisis, threats and emergencies is reduced through better preparedness and integration of risk prevention and mitigation into policies, programmes and interventions	TCE
I02	Countries and partners respond more effectively to crises and emergencies with food and agriculture-related interventions	TCE
I03	Countries and partners have improved transition and linkages between emergency, rehabilitation and development	TCE
K	Gender equity in access to resources, goods, services and decision-making in the rural areas	ES

K01	Rural gender equality is incorporated into UN policies and joint programmes for food security, agriculture and rural development	ESW
K02	Governments develop enhanced capacities to incorporate gender and social equality issues in agriculture, food security and rural development programmes, projects and policies using sex-disaggregated statistics, other relevant information and resources	ESW
K03	Governments are formulating gender-sensitive, inclusive and participatory policies in agriculture and rural development	ESW
K04	FAO management and staff have demonstrated commitment and capacity to address gender dimensions in their work	ESW
L	Increased and more effective public and private investment in agriculture and rural development	TC
L01	Greater inclusion of food and sustainable agriculture and rural development investment strategies and policies into national and regional development plans and frameworks	TCI
L02	Improved public and private sector organisations' capacity to plan, implement and enhance the sustainability of food and agriculture and rural development investment operations	TCI
L03	Quality assured public/private sector investment programmes, in line with national priorities and requirements, developed and financed	TCI

c. FAO Strategic Objectives 2014-17

1	Contribute to the eradication of hunger, food insecurity and malnutrition
2	Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner
3	Reduce rural poverty
4	Enable more inclusive and efficient agricultural and food systems at local, national and international levels
5	Increase the resilience of livelihoods to threats and crises
Objective 6	Technical quality, knowledge and services

d. FAO Functional Objectives 2014-17

8. Outreach
9. Information Technology
10. FAO Governance, oversight and direction
11. Efficient and effective administration

e. FAO Core Functions 2010-13 and 2014-17

Core functions 2010-13		Core functions 2014-17	
<i>a</i>	Monitoring and assessment of long-term and medium-term trends and perspectives		
<i>b</i>	Assembly and provision of information, knowledge and statistics	2	Assemble, analyze, monitor and improve access to data and information, in areas related to FAO's mandate
<i>c</i>	Development of international instruments, norms and standards	1	Facilitate and support countries in the development and implementation of normative and standard-setting instruments, such as international agreements, codes of conduct, technical standards and others
<i>d</i>	Policy and strategy options and advice	3	Facilitate, promote and support policy dialogue at global, regional and country levels
		4	Advise and support capacity development at country and regional level to prepare, implement, monitor and evaluate evidence-based policies, investments and programmes
<i>e</i>	Technical support to promote technology transfer and build capacity	5	Advise and support activities that assemble, disseminate and improve the uptake of knowledge, technologies and good practices in the areas of FAO's mandate
<i>f</i>	Advocacy and communication	7	Advocate and communicate at national, regional and global levels, in areas of FAO's mandate
<i>g</i>	Inter-disciplinarity and innovation		
<i>h</i>	Partnerships and alliances	6	Facilitate partnerships for food security and nutrition, agriculture and rural development, between governments, development partners, civil society and the private sector

f. FAO cross-cutting themes 2014-17

Gender
Governance

