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Finland/Unit for Eastern and Western Africa and
the Amhara National Regional State/Bureau of
Finance and Economic Development (BOFED)



MID-TERM EVALUATION

PROGRAMME FOR AGRO-BUSINESS INDUCED
GROWTH IN THE AMHARA NATIONAL
REGIONAL STATE (AGRO-BIG)

May 2015

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ACRONYMS AND ABBREVIATIONS

ACSI	Amhara Credit and Saving Institution
AGP	Agricultural Growth Project
AgroBIG	Agro-Business Induced Growth (Programme)
ANRS	Amhara National Regional State
ARARI	Amhara Regional Agricultural Research Institute
ARDPLAC	Agricultural Rural Development Partners Linkage Advisory Council
ASE	Amhara Seed Enterprise
ATA	Agricultural Transformation Agency
BDS Advisors	Business Development Service Advisors
BoA	Bureau of Agriculture
BoEPLAU	Bureau of Environmental Protection, Land Administration and Use
BoFED	Bureau of Finance and Economic Development
BoIUD	Bureau of Industry and Urban Development
BoTT	Bureau of Trade and Transport
CoWASH	Community-Led Accelerated Wash Project
CDF	Community Development Fund
CIDA	Canadian International Development Agency
CIC	Communication and Information Centre
CoC	Chamber of Commerce
CTA	Chief Technical Advisor
DA	Development Agent
ECX	Ethiopia Commodity Exchange
ENIDP	Eastern Nile Irrigation and Drainage Project
ETB	Ethiopian Birr
ETC	Ethiopian Telecommunications Company
FAP	Food & Agriculture Organisation of the United Nations
FTC	Farmers Training Centre
GoE	Government of Ethiopia
GoF	Government of Finland
GTP	Growth and Transformation Plan
HRBA	Human Rights Based Approach
ICT	Information and Communication Technology
IFAD	International Fund for Agricultural Development
Kebele	Lowest Local Government entity
M-Birr	Mobile banking platform
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MEDA	Mennonite Economic Development Associates in Ethiopia
MFA	Ministry for Foreign Affairs (of Finland)
MFI	Micro-finance Institution
MoFED	Ministry of Finance and Economic Development
MSME	Micro, Small and Medium-sized Enterprises
NGO	Non-governmental organisation
NPD	National Programme Director (of AgroBIG)
PEPE M4P	Private Enterprise Programme Ethiopia (Markets for the Poor)
PSU	Programme Support Unit
RBM	Results-Based Management
REILA	Programme for Responsible and Innovative Land Administration in Ethiopia
RUSACCO	Rural Savings and Credit Cooperative
TA	Technical Assistance
TBIWRDP	Tana & Beles Integrated Water Resources Development Programme
TOR	Terms of Reference
USAID	United States Agency for International Development
VCF	Value Chain Fund
VSU	Value Chain Support Unit (VSU)
WB	World Bank

EXECUTIVE SUMMARY

The Programme for Agro-Business Induced Growth in the Amhara National Regional State (AgroBIG) aims to reduce poverty through agriculture-based economic growth. Agriculture based economic growth should lead to the increased income of farm households. AgroBIG's purpose is to 'establish efficient and profitable value chains of selected crops/products benefitting the involved actors and stakeholders along the chain (farmers, processing industries, traders and buyers)'. The programme aims to benefit stakeholders along the value chain such as farming communities, their cooperatives and other farmer's organizations, transporters, processors, research organizations and consumers.

AgroBIG was identified during a joint Finnish-Ethiopian mission. Ethiopian Government stakeholders particularly emphasised the importance of designing an agribusiness programme, which could work with irrigation schemes in Amhara. The draft AgroBIG Programme Document was prepared during a series of 2010 to 2011 missions. Tendering for implementation took place in 2012.

AgroBIG is a three-year Euro 10.4 million pilot programme (9.3 million Euro Finnish funding) running from December 2012 to December 2015. The programme is implemented in two woredas, Fogera and Mecha using a value chain approach. Potatoes and onions were the value chains initial selected and supported by the programme. During late 2014 selected value chains were expanded to include rice and maize. Seven Regional Bureaus (and the associated woreda level offices), supported by a Programme Support Unit housing a Technical Assistance component implement the programme. Funding is arranged using two systems. The first uses the Government of Ethiopia system managed by the Bureau of Finance and Economic Development (BoFED) (approx. 66% of the Finnish budget). This funding system supports implementation costs. The second fund flow is managed by an international consulting company and supports the costs of the Technical Assistance unit.

This Mid Term Evaluation (MTE) of AgroBIG was performed in February - March 2015. The objectives of the evaluation are to assess AgroBIG progress, its potential to achieve targets and to make recommendations on corrective measures. Assessment of the programme follows the standard Development Assistance Committee (DAC) evaluation criteria. It is intended that the findings and recommendations of the MTE will be used to improve AgroBIG implementation and be used for wider lesson learning both for Ethiopia based stakeholders and for the MFA Finland.

The MTE followed a participatory approach consistent with the Ministry for Foreign Affairs of Finland's (MFA) Evaluation Manual. A mixed method approach was used, combining qualitative and quantitative data. The MTE collected primary qualitative data, supported by secondary quantitative data from the programme and other data providers. Qualitative data collection included key informant interviews, focus group discussions, case studies and physical observation. Analysis involved the review of data to determine common themes. Triangulation and cross checking have been used to develop a logical picture of programme progress, and to check data reliability and validity. To verify data, and gather feedback, a workshop was held in Bahir Dar with key stakeholders. In addition, debriefings were held with the Embassy of Finland in Addis Ababa and with the MFA in Helsinki.

Major findings and conclusions from the MTE show that AgroBIG has built strong Government of Ethiopia ownership particularly within the regional Bureaus of Finance and Agriculture. The focus of implementation has been towards co-operatives, Government (Regional Bureaus) and government organizations such as Amhara Regional Agricultural Research Institute (ARARI), Amhara Seed Enterprise (ASE) and the region's University of Agriculture. One private sector organisation (Jemma Integrated Agriculture PLC) has been supported in certified onion seed production. Woreda level platforms designed to engage the Private

Sector (processors, traders and buyers) along the value chain have not had as much focus as originally planned.

Value Chain selection has under emphasised markets. Selection of onion and potato presented AgroBIG with value chains of only moderate processing and market potential. Farmers in Mecha reported moving out of growing potatoes and onions and into wheat. It is difficult to work with farmers when they are more interested in enterprises outside of the intervention targeted value chains. Recent selection of the maize value chain, instead of wheat, has again emphasised production over market potential.

AgroBIG has experienced significant delays contributing to low efficiency and a current urgency to spend. Significant delays occurred with issues related to financing the PSU (contributing to delayed staff recruitment) and slow decision-making processes leading to a one-year inception period and implementation starting in early 2014.

AgroBIG is now focused on distributing grants. Grants (and the revolving loan) represent approximately 52% of the implementation budget (Project Document). Cooperatives are major recipients of grant awards, though actual disbursement is lagging. Distribution of grants is currently challenged as cooperatives are commonly recognised in Ethiopia as having weak leadership and management capacity. More time and effort is needed to build this capacity.

Institutional arrangements and relationships between the Technical Assistance team and implementing Bureaus are challenging. Technical assistance has not been fully valued or utilised by implementing partners. Technical assistance has not been used in developing some programme activities (i.e. onion and potato manuals) and there are examples of technical advice not being used by implementers (for instance, the Technical Team recommended selection of wheat as an additional value chain given its strong market potential).

Mainstreaming gender is not achieving meaningful results, despite efforts. This is common to many programmes and government activities in Ethiopia. While attempts should continue to be made to increase the participation of women (and other vulnerable groups) in programme activities, it is important to move to more specific targeted initiatives.

Recommendations, at a general level, are made for AgroBIG to learn and adapt from its experience to better ensure achievement of its purpose. To do this the TA team needs to engage implementers more effectively bringing ideas and innovation along value chains with strong market potential. Implementing partners need to value the ideas and innovations introduced by the TA team and generally enhance efficient management and administrative performance. As requested by the MFA specific recommendations are made in three groups. These are recommendations for (i) immediate implementation (ii) a one-year extension and (iii) a further programme phase.

Recommendations for Immediate Implementation

The PSU TA team needs to increase its higher level capacity in the Value Chain approach. This needs to be done as soon as possible to support on-going interventions in the rice and maize value chains. Full time expertise is required.

The TA team needs to emphasise the analysis and understanding of markets and take this knowledge effectively into partner engagement. It should strengthen its up to date market analysis and knowledge maintaining this within the PSU. Business thinking needs increased emphasis. Grant proposals should contain information giving an indication of business viability (i.e. margin analysis, payback periods and / or cash flow forecasts). Proposals to support business, such as potato flour processing, should present a valid argument for funding base on clear market and business potential.

Increased networking with similar initiatives is encouraged to rapidly stimulate ideas. Other initiatives should be seen as a source of learning about what works (or hasn't worked) in Ethiopia in value chain and private sector development. Enhanced liaison with AGP is also recommended.

The Finnish Embassy in Ethiopia should become more actively involved in supporting the programme. Embassy staff are new and would benefit from spending time in the field, in order to better understand the strengths and weaknesses of the project and its environment. To support a market led value chain approach with increased private sector engagement will require embassy support in key decision making events (i.e. any future value chain selection). MFA will need to bring expertise and influence to these events to enhance AgroBIG implementation in line with its purpose.

Monitoring and evaluation require a stronger role within AgroBIG. M&E expertise on the TA team has been strengthened. The programme needs to learn from its successes and failures. Lessons need to be absorbed and used by partners to enhance performance. There is a clear need to move from activity level planning and reporting, to a results-based approach.

There is an urgent need to further strengthen the capacity of cooperatives receiving grant funding. Areas of strengthening are suggested as:

- Cooperative leadership and management;
- Members roles and responsibilities;
- Business planning and management for the mutual long term benefit of members;
- Providing accounting systems and materials (financial documents, safe box for cash and documents, use of bank account);
- Providing accountants for groups of coops;
- Regular auditing and capacity to enforce findings;
- Build capacity to enable sustainably manage funds for the benefit of members

Providing fulltime TA with the appropriate capacity to support cooperative development is recommended.

AgroBIG needs to review the roles and responsibilities of staff within the PSU. The roles of the Programme Director and the Chief Technical Advisor require review based on current implementation experience. The MFA and BoFED should facilitate this process. One role should lead the PSU and the other should bring and be responsible for appropriate technical advice and support.

Support to gender and youth require constant emphasis. Mainstreaming should be further pursued through setting realistic targets for the participation of women. However, it is recognised that this will struggle to achieve a gender balance. This points to the need for targeted activities such as gender friendly women-only training, particularly held at the kebele level, as close to the women's homes as possible. Continued support to youth groups is recommended though strengthened business planning, further investigation of 'niche' opportunities and improved participant selection processes emphasising local level participatory processes. Recommendations from the existing AgroBIG Gender Study should be reviewed and implemented where appropriate.

There is a need to increase efficiency at all levels (ie. field and woreda, PSU and SVB). The following recommendations are made to increase efficiency:

- Improve decision making processes and reporting with the agreement, setting and enforcement of clear deadlines
- Involve the TA more in the planning and reporting processes

- In the current system approvals by the SVB have to be more timely. This may mean proposals are circulated by letter with the condition that no response equals agreement.
- Increased budget follow up with under-spending partners is required
- Coordinated implementation between component leaders is recommended and cross-over of staff as relevant (eg. funds staff participating in value chain meetings)

Recommendations for a One-Year Programme Extension (in Addition to the Above)

Given (i) the delayed start of implementation of the programme; (ii) the foreseen implementation constraints in remaining months of 2015; (iii) the positive response by BoFED to MTE recommendations regarding support to the Private Sector and allowing flexibility in value chain engagement (iv) and in order to avoid rushed implementation that compromise quality; the evaluation team recommends a one no-cost extension of the programme.

If a one-year extension is initiated then the value chain approach requires greater implementation flexibility to be effective. This should allow greater opportunity for ideas and innovations to be introduced and tested. AgroBIG should work in a wider 'basket' of value chains based on strong market potential. This should include working in 'vegetables' as opposed to only onions and potatoes and well as supporting wheat, maize and rice.

In addition to strengthening the capacity of grant recipients a programme extension should allow a broadening of the recipient base to include the private sector. This assumes all partners agree and support such an adaption. Stimulating diversity in grant applications will require enhanced promotion to private sector organisations making them increasingly aware of what is on offer. It will also require adapting grant conditions to attract private sector applicants.

Recommendations for a Further Phase of AgroBIG

Extending AgroBIG for a further phase provides the opportunity for significant programme adaption. Three main options are proposed based on MTE findings.

Option 1: Focus the future programme on supporting the commercialisation of cooperatives and parastatal / quasi government organisations

This option has the advantages of maintaining the high levels of Bureau ownership and to build on work with cooperatives and parastatals. The specific targeting of the private sector could be reduced and Technical Assistance focused towards the commercialisation of cooperatives. Evidence found as part of this study suggesting this approach will be more effective than the current programme in achieving the MFA's purpose is limited. However, to be effective, MTE findings show this approach needs to work where there is a strong market for the selected commodities and that a strong Private Sector exists where cooperative structures can support members interests, for example against monopsony or monopoly market power.

Option 2: Completing AgroBIG and channelling support to the Agricultural Growth Program

This option has the advantage of potentially being more efficient (though this isn't certain). Support could use existing systems and technical assistance costs could be shared with other development partners. MFA engagement would move to a Federal level reducing the need for Regional engagement. Supporting this option would dilute clustered Finnish investment in the Amhara region and make support less visible. Government ownership would be reduced at a regional level moving from BoFED to the Ministry of Agriculture. However, evidence found as part of this study suggesting this approach will be more effective in achieving the MFA's purpose is limited. The World Bank reports progress towards achieving AGP

Programme Development Objectives as “Moderately Satisfactory” and gives an Overall Risk level to the initiative as “Substantial”.

Option 3: Re-emphasising a Market led Value Chain approach and support to the Private Sector

This option has the advantage of clearly connecting MFA support to private sector development. The approach would need to be designed and institutionally positioned to support value chains and include private sector development. A significant negative implication would be the loss of government ownership. AgroBIG would have to move towards an institutional arrangement parallel to government. Limited evidence was again found as part of this study to suggest this approach would be more effective in achieving the MFA’s purpose compared to the current approach. Evidence from the DFID Private Enterprise Programme Ethiopia (PEPE) shows mixed results.

Summary table of findings, conclusions and recommendations

Findings & Conclusions	Recommendations	Responsible
Relevance		
AgroBIG is consistent with, and relevant to the Ethiopian national policy under the Growth and Transformation Plan (GTP) and other policies and strategies. It is also appropriate with regard to the local beneficiary needs for improved agricultural production and marketing	No change	N/A
AgroBIG has built strong Government of Ethiopia ownership, particularly within the regional Bureaus of Finance and Agriculture	No change	N/A
AgroBIG fits well within the MFA Finland policy framework	No change	N/A
The programme overall objective and purpose remain relevant. However, Programme experience suggests it has proved very difficult for the Government to fund the Private Sector (as separate from cooperatives, which are a favoured recipient).	Consider recognising cooperatives as the main area of work for the programme (see Option 1); and move to strengthen the capacities of the cooperatives. If there is an extension focused on cooperatives, the MTE recommends that a cooperatives expert is included in the TA team.	SVB
Coherence & Complementarity		
AgroBIG is consistent with, and relevant to the Agricultural Growth Project (AGP), though currently working in different woredas. AgroBIG is also relevant to other development projects and programs including the USAID AGP-AMDe Project, the DFID Private Enterprise Project Ethiopia (PEPE), an Amhara Region World Bank Irrigation and Drainage Project and the Agricultural Transformation Agency (ATA).	While recognising that there have been some meetings with other projects, the MTE recommends that regular meetings are established between technical staff and relevant programmes to share experiences and good practices, and ensure no overlaps.	PSU
Regionally, AgroBIG is aligned with local level policies and plans. AgroBIG's planning and administrative system is parallel to that used by regional government. AgroBIG does present additional planning and reporting demands on the government officers.	MTE recommends that the TA team work more closely with the woredas and Bureaus on planning and reporting, rather than maintaining a solely advisory role.	PSU & SVB
Efficiency		
While the Programme was planned for a three year 'pilot' phase, actual implementation has only occurred for approximately one year, starting in early 2014. AgroBIG has experienced significant delays contributing to low efficiency. Significant delays occurred with issues related the GoE contributions in financing the PSU (contributing to delayed staff recruitment) and slow decision-making processes. There was a one-	Review lessons learnt for future programme inception and initial implementation periods.	All partners

Findings & Conclusions	Recommendations	Responsible
year inception period, and even during 2014, progress was slow.		
Cooperatives are major recipients of grants. Distribution of grants is currently challenged as cooperatives are commonly recognised as having weak leadership and management capacity.	<p>More time and effort is needed to build this capacity. Areas of strengthening are suggested to be:</p> <ul style="list-style-type: none"> • Cooperative leadership and management • Members roles and responsibilities • Business planning and management for the mutual long term benefit of members • Accounting systems and materials (keeping a cash book using a safe cash box, use of bank account) - including developing accountants for groups of coops. • Capacity to sustainably manage funds for the benefit of members 	PSU.
Some delays have occurred due to decision-making processes and long timelines for planning and reporting.	<ul style="list-style-type: none"> • Improve decision making process and reporting with the agreement, setting and enforcement of clear deadlines, plus support from full team to get documents ready • In the current system approvals have to be timelier. This may mean letters are circulated with no response equals agreement conditions. Alternatively the levels of approval require adjustment. • Increased budget follow up with under-spending partners is required • Coordinated implementation between component leaders is required 	PSU
Budget utilisation		
AgroBIG is focused on distributing grants. Grants (and the revolving loan) represent approximately 52% of the Finnish implementation budget. However, design and approval of the guidelines took time. The actual disbursement – as separate from awarding – of the grants has been slow.	Use any no cost extension to build capacity in recipient organisations (i.e. co-operatives) to manage grant assets and then focus support to actual disbursement of the first call grants. Move ahead with the selection of the second call as soon as possible and again emphasise capacity building in recipient organisations.	PSU & Woredas
As the implementation has been slow to start, the budget utilisation of implementation funds has been slow, while the TA funds expenditure has proceeded as planned. From the total expenditure to the end of	There is little that can be recommended other than now focussing on implementation. It is likely that the balance of expenditure will improve if plans for 2014 succeed.	PSU

Findings & Conclusions	Recommendations	Responsible
2014, 46% went to the implementation and 54% to the TA costs.	Plan for a no cost extension for one year with the remaining funds.	MFA/Embassy of Finland & BoFED/GoE
Effectiveness		
Following approximately one year of full implementation the AgroBIG intervention has not yet significantly contributed to the achievement of its overall objective or purpose. While the programme is beginning to achieve some results it is not yet making a significant contribution towards poverty reduction. While it is unrealistic to expect significant change at an objective level given AgroBIG's delayed start, the results seen during the MTE suggest that the programme is unlikely to achieve its purpose in its current form in the remaining months, and needs to adapt.	<p>Three options are presented to adapt and improve the effectiveness of the programme. These are:</p> <p>Option 1: Focus the future programme on supporting the commercialisation of cooperatives and parastatal / quasi-governmental organisations.</p> <p>Option 2: Completing AgroBIG and channelling support to the Agriculture Growth Program.</p> <p>Option 3: Re-emphasise a market led 'whole' value chain approach and commit support to the private sector</p>	Embassy of Finland and BoFED / GoE
Project Management		
The focus of implementation has been towards co-operatives, Government (Regional Bureaus) and quasi government organizations such as Amhara Regional Agricultural Research Institute (ARARI), Amhara Seed Enterprise (ASE) and the Region's University of Agriculture.	Review and clarify support to the Private Sector.	All partners.
There appears to be a division – with the TA team preferring to provide only advisory services, and not planning or reporting; while the NPD and local government bodies are expected to carry out all planning, implementation and reporting. However, this is counterproductive as this is one program, and delays are problematic for everyone.	AgroBIG needs to review the roles and responsibilities of staff within the PSU. Given the existing large TA team it is not appropriate to add more staff to support the NPD, nor to pay for staff within the Bureaus. Rather, all team members should work together.	Embassy of Finland and BoFED, together with NPD & CTA
The TA team is providing a separate annual report.	As this is one programme, it is neither justifiable nor sensible to have separate programme and TA reports. These should be combined.	PSU
There is a lack of results focus in planning, management and reporting by AgroBIG. One reason for this is that government staff members are not generally required to report using a result based management system and have limited experience of this approach. While there are targets set in the AWP at activity level, there are limited targets in the	Enhance the report format and develop clear targets that are included in the log frame. While there is a lot of interesting information available, it should be restructured – agree clear targets for objectives and results. Record progress made towards these based on clear-targeted indicators.	PSU

Findings & Conclusions	Recommendations	Responsible
logframe.		
The Embassy of Finland would benefit from a stronger involvement in the project, and knowledge of the issues.	Embassy staff should spend a few days in AgroBIG and visiting the field, in order to understand better the strengths, weaknesses and needs of the project	Embassy/MFA
Cross-cutting objectives, HRBA		
Gender has proved problematic (as in many projects). Mainstreaming gender is not achieving meaningful results. Youth has been supported via targeted activities, with some success.	While attempts should continue to be made to increase the participation of women (and other vulnerable groups) in programme activities, it is important to move to more specific targeted initiatives. Implement gender friendly women-only training, particularly held at the kebele level, as close to the women's homes as possible. Continued support to youth groups is recommended though strengthened business planning, further investigation of 'niche' opportunities and improved participant selection processes emphasising local level participatory processes. Review & implement relevant recommendations from the existing AgroBIG Gender Study	PSU
Impact		
Given that implementation of programme activities began in 2014 it is too early to see a clear link between value chain activities and poverty reduction. The MTE finds that it is questionable whether AgroBIG will make a significant contribution at the impact level in its current form.	The MTE recommends that the AgroBIG programme adapt. Three options are presented for consideration as presented above under Effectiveness.	Embassy of Finland and BoFED / GoE
Sustainability		
Current key features to ensure sustainability under the current design are (i) ownership by the Government and (ii) capacity building of government line offices, research institutes, government profit making enterprises, cooperatives, ACSI and income generating groups/individuals. It is questionable whether AgroBIG will achieve significant sustainable impact in its current form.	The MTE recommends that the AgroBIG programme adapt. Three options are presented for consideration as presented in above under Effectiveness.	Embassy of Finland and BoFED / GoE

1. BACKGROUND

1.1 INTRODUCTION

The Mid Term Evaluation (MTE) of the Programme for Agro-Business induced growth in the Amhara National Regional State (AgroBIG) program was performed in February – March 2015. The objectives of the evaluation are to assess AgroBIG progress, its potential to achieve targets and to make recommendations on corrective measures. Assessment of the programme follows the standard Development Assistance Committee (OECD/DAC) evaluation criteria. It is intended that the findings and recommendations of the MTE will be used to improve AgroBIG implementation and be used for wider lesson learning both for Ethiopia based stakeholders and for the MFA Finland.

1.2 THE CONTEXT

Ethiopia is a Federal Democratic Republic with nine regional states, of which Amhara region is one. It is the second most populous country in Sub Saharan Africa with a population of over 84 million (2012). Over 80% of the people live in the rural areas.

While Ethiopia is one of the poorest countries in the world it has a good record of achieving development results. The Government has increased its investments in education and health and the human development indicators have improved. The poverty level has declined from 38.8% in 2005 to 30.7% in 2011. Even so, critical gaps exist in investments and implementation of national development policies and plans. The Government of Ethiopia's (GoE) five-year plan (2011–2015), the Growth and Transformation Plan (GTP), aims to foster broad-based development in a sustainable manner to achieve the MDGs and targets. Ethiopia's Human Development Index has improved significantly over the past decade, rising from 0.250 in 2000 to 0.363 in 2011 (Human Development Report 2011).¹

Despite huge investments and significant agricultural potential, the humanitarian situation and food security will remain major challenges. Currently 25% of Ethiopia's total external assistance is humanitarian and food aid. A large proportion of the Ethiopian people have limited coping mechanisms at their disposal and there is an immediate need for transition from humanitarian aid to development. Without a range of dynamic and comprehensive activities to promote effective private sector development, particularly in agriculture, it will be very difficult to achieve the anticipated growth rates under GTP.²

Agriculture is vital for Ethiopia's development. Ethiopia's economic growth strategy is agriculture-based and the majority of Ethiopians earn their living from agriculture. Agriculture accounts for more than 80% of export revenue and around 85% of the Ethiopians work in the agricultural sector.³ The Agricultural Growth Programme (AGP) is a key multi donor support initiative implemented by the Government of Ethiopia. AGP is focused on relatively high potential areas addressing some of the key constraints to agricultural growth contributing to the overall economic growth and transformation efforts of the country. The development objective of the programme is to increase the agricultural productivity and market access of key crop and livestock products. Other relevant key programmes in Ethiopia are the USAID funded Agriculture Growth Program – Agribusiness and Market Development (AGP-AMDe) using a value chain approach, the DFID Private Enterprise Ethiopia Program (PEPE) using a 'Making Markets Work for the Poor' approach and the Agricultural Transformation Agency (ATA) that also performs significant value chain work.

Cooperatives are a pillar of government support to agriculture in Ethiopia. There are over 62,000 primary cooperative associations, 330 cooperative unions and four cooperative

¹ MFA Ethiopia Country Strategy 2014 to 2017

² Ibid.

³ Ibid.

federations in Ethiopia organized in different sectors; and they possess more than Birr 11.3 billion aggregate capital. The organizations provide agricultural mechanization services, supply and distribution of agricultural inputs, output marketing, agro-processing and saving and credit services, among the others⁴.

1.3 THE PROGRAMME

AgroBIG aims to reduce poverty through agriculture-based economic growth. This should lead to increased income of farmer households from sales of farm products in the Programme area. The purpose is to establish efficient and profitable value chains of selected crops/products. The programme benefits the stakeholders along the chain such as farming communities and their cooperatives and other farmer's organizations, transporters, processors, research organizations and consumers.

AgroBIG is a three-year Euro 10.4 million pilot programme running from December 2012 to December 2015. The programme is implemented in two woredas, Fogera and Mecha using a value chain approach. Potatoes and onions were the value chains initial selected and supported by the programme. During late 2014 selected value chains were expanded to include rice and maize.

AgroBIG was identified during a joint Finnish-Ethiopian mission. The Ethiopian Government stakeholders particularly emphasised the importance of designing an agribusiness programme, which could work with the irrigation schemes under planning and implementation. The draft AgroBIG Programme Document was prepared during a series of missions, between June 2010 and August 2011, and tendering for the implementation took place in 2012.

Seven Regional Bureaus supported by a Programme Support Unit housing a Technical Assistance component implement the programme. Funding is arranged using two systems. The first uses the Government of Ethiopia system managed by the Bureau of Finance and Economic Development (BoFED) (approx. 70% of funds). This funding system supports implementation costs, including running costs of the PSU. The second fund flow is managed by an international consulting company and supports the costs of the Technical Advisors.

The Programme has three main components:

Component 1: Value Chain Development. This component aims to bring actors together and establish formal and informal linkages. Value Chain Platforms should identify problems and solutions and develop action plans to increase efficiency and profitability along the value chain. AgroBIG will focus on forming (or activating existing) groups, cooperatives and networks along the value chain. It will encourage development of business plans and action plans and it will facilitate access to technical services as well as to business management advice and finance.

Component 2: Service Delivery Development. This component aims to develop the service provision, within both the private and public sectors, to the value chain actors to increase production, trading, processing, retailing or marketing (there are a wide range of services described in the project document).

Component 3: Access to Finance. This component aims to enhance saving and credit facilities for the value chain, and make funds available through an (i) Innovation, Development and Research Fund, (ii) Matching Grant Fund, and (iii) a Value Chain Fund to meet the financing needs in the selected value chains. In addition a loan fund (to support RUSACCOs and cooperatives) has been added to this component at the end of 2014, but not yet implemented; and various small scale activities to promote inclusive finance have been

⁴ The Ethiopian Herald, March 7 2015, *Cooperatives Improve Economy of the lower income society*. Vol LXXI No 153.

carried out, such as mobile banking, training of RUSACCO management, and training of members in financial literacy.

1.4 THE EVALUATION

1.4.1 Objectives

The objective of the evaluation is to assess the progress of the Programme, its potential to achieve its targets and to make recommendations on corrective measures to improve implementation. Assessment of the Programme's design and performance follows the standard Development Assistance Committee (DAC) evaluation criteria. Findings and recommendations of the Mid Term Evaluation (MTE) will be used to improve the implementation of the AgroBIG programme as well as for wider lessons learnt both for the Ethiopia stakeholders and for the MFA Finland.

This Mid-Term Evaluation is expected to provide:

- Analysis of the achievements of the Programme and what can be learnt
- Analysis of the current main operational and structural challenges of the programme and to provide recommendations how they can be addressed
- Assessment of how the funds established in the Programme for its beneficiaries have functioned so far. If needed, provide recommendations to improve the management of the funds
- Assessment of whether programme manuals include required information and are clear to the user groups. In case improvements are needed, provide recommendations
- Recommendations to the type and quantity of technical assistance needed for the remaining programme period
- Answers to the specific questions presented in the mission's Terms of Reference (see Annex 1)

1.4.2 Methodology

The MTE followed a participatory approach consistent with the MFA Evaluation Manual (2013). A mixed method approach was used, combining qualitative and quantitative data. The MTE collected primary qualitative data, supported by secondary quantitative data collected from the programme, as well as other data providers. The MTE was performed in a constructive manner in order to improve future implementation.

Qualitative data collection included:

Key Informant Interviews (KIIs) (semi-structured interviews with different stakeholders) were conducted at national, regional, woreda, kebele and community levels. They included interviews with representatives from Government, Development Partners (including UN organisations, bilateral and multilateral donors and their projects, and NGOs) and the Private Sector. In addition, key informants from the MFA Finland and the Embassy of Finland were interviewed.

KIIs were performed with participants along the Value Chain (direct beneficiaries, non-beneficiaries, farming households and traders, local formal and informal leaders, cooperatives and Private Sector businesses), NGO and government staff based in the kebele, cooperative promoters, research centres, and better informed and knowledgeable members of the target communities. In addition the MTE met with representatives of bilateral and multilateral projects operating in the region in relevant sectors. (see Annex 3 for the list of persons and groups met)

Focus Group Discussions (FGDs) FGDs were conducted with members of groups with similar interests or programme experience (i.e. similar beneficiaries of an intervention, leaders and/or members of committees/groups initiated/supported by the Programme such as cooperative members or agricultural service providing group members). Points that are pertinent to and shared by the group were discussed at this level.

Flexible checklists of questions were used in KIIs and FGDs (Annex 4). Questions were tailored around evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability. However, flexibility was used to be able to follow up interesting cases.

Case Studies - Case studies have been used to provide examples of findings and common themes arising from fieldwork. They include individual beneficiary, groups, and intervention stories that will be presented in the evaluation report to add detail to findings.

Physical Observation - Structures and facilities (successful and otherwise) developed by the Programme (for instance market centres, seed multiplication sites, Farmer Training Centres (FTCs), water harvesting structures, mini media centres) were visited and technically observed by the evaluation team. Informal but purposive discussions were held at these points. Photographs of such items were taken and can be included in the reports as evidence.

1.4.3 Analysis

Analysis has involved review of data to determine common themes. Triangulation and cross checking were used to develop a logical picture of programme progress, and to check data reliability and validity.

To verify data, and gather more ideas and comments, a workshop was held in Bahir Dar with key stakeholders. Information gained was fed back into the report. In addition, debriefings were held with the Embassy of Finland in Addis Ababa and with the MFA Finland in Helsinki.

1.4.4 Limitations

As with any evaluation of this type, there are time limitations, making it impossible to verify the situation of all activities at all Programme locations. The MTE is an illustrative 'snapshot' of progress sufficient to inform decision making processes.

Transparency is an issue. While the programme and consulting company staff were helpful, it also took time to understand what reports and plans had been prepared, and to get access to them. At times it was difficult to know whether the slow information flow was due to data not being available, or reluctance to provide it (eg. information on disbursement of grant funds, and TA budget plans). In addition, while some comparable projects did share information on their performance, this was not always the situation. This challenges comparison of AgroBIG performance with similar initiatives in Ethiopia.

While the Programme was planned for a three year 'pilot' phase, actual implementation has only occurred for approximately one year. The 'pilot' phase is intended to close in December 2015. At the time of the MTE Programme implementation was at an early stage. For example a baseline study was prepared in July 2014, seven months before the MTE, giving too little time to generate meaningful data on impact to analyse.

Due to the limited period of real implementation, the discussion in this report of impacts and effectiveness must often refer to potential rather than actual outcomes. At present, there is also a lack of results focus in planning, management and reporting by AgroBIG. One reason for this is that government staff are not generally required to report in this fashion. They, therefore have no experience in this approach. Consequently, it was often difficult for the MTE team to identify results or outcomes, rather than outputs of activities.

The AgroBIG logical framework contains few specific targets. This makes it difficult to make comparisons between planned and actual performance.

2. FINDINGS OF THE EVALUATION

2.1 PROGRAMME RELEVANCE AND APPROPRIATENESS

2.1.1 Programme consistency with Beneficiary and Stakeholder Needs and Priorities

The overall AgroBIG objective to 'contribute to poverty reduction through agriculture based economic growth in the programme area' remains relevant with the situation in Amhara region and the targeted woredas of Mecha and Fogera. Poverty in these areas remains high. Addressing this through agriculturally oriented economic growth is relevant to the natural resource base and agricultural potential seen in the two woredas. Fogera has 35,000 ha of high potential agricultural land and Mecha has a 7,000 ha irrigation area⁵ in the Ooga Dam command area with other irrigated and dry land potential. The programme is also appropriate to target beneficiaries' needs. These people are smallholder farmers (farming approximately 0.5 to 3 ha each) involved in rain fed and/or irrigated agriculture. Key implementing stakeholders are Government Bureaus. The priorities of the Bureaus remain in reducing poverty through developing the agricultural activities of target beneficiaries.

The programme purpose is 'to establish efficient and profitable value chains of selected crops/products benefitting the involved actors and stakeholders along the chain (farmers, processing industries, traders and buyers)'. The value chain approach remains relevant to supporting agriculture based economic growth. However the way AgroBIG has applied this approach has proved demanding, especially in relation to the programs' organisation and institutional setting. Using a Value Chain approach firmly within Government has created significant State ownership but has also challenged implementation. This is seen in the selection of value chains with potential for 'efficiency' and 'profitability' and the involvement of actors, especially 'processors, traders and buyers'.

The AgroBIG institutional setting is unique in Ethiopia, with seven Government Bureaus and their respective woreda level staff involved in implementation of the Value Chain approach. Other similar programs in Ethiopia (i.e. USAID AGP-AMDe Programme or the DFID PEPE M4P Programme) are either implemented in parallel to Government or are institutionally set largely outside of the Public sphere. Having government organisations implement AgroBIG with facilitation support from a Programme Support Unit (PSU) has presented a number of issues. Current experience points to key challenges in supporting the private sector other than cooperatives (i.e. processors, traders and buyers), taking decisions based on market or economic rationale, allowing sufficient flexibility, and co-ordinating the seven Bureaus effectively along a value chain.

The Cooperatives to Private Sector (i.e. processors, traders and buyers) Debate

AgroBIG implementation has shifted towards support for cooperatives and away from the processing industries, traders and buyers identified in the programme purpose statement⁶. This can partly be explained as the Government is more comfortable to work with cooperatives; as well as through the initial selection of potato and onion value chains that

⁵ The 5-pH soil in Koga Irrigation scheme questions the level of agricultural potential. However, private sector investors (Durabelis) were found to be investing in liming soils in this area, suggesting there is good potential.

⁶ During the MTE a lot of discussion was held with the AgroBIG team about the definition of a cooperative. However, if support were anticipated as being given to cooperatives this is expected to be more clearly described in Programme Documents.

are commonly recognised as having limited processing opportunities.⁷ The move to support the rice value chain is welcomed and anticipated as having greater processing potential. Initial selection of a wider range of value chains, as commonly done by other similar projects,⁸ may have allowed for greater processing opportunities. Working in a broader category of vegetables would have allowed this, if for example tomatoes presented processing opportunities.⁹ This is not presented as a criticism of AgroBIG, which has followed the programme strategy in selecting two initial products; but rather, a reflection that in practice the strategic approach has some limitations, and maybe it is better to adapt.

Traders and buyers were anticipated as being involved primarily through woreda level platform meetings. Specific targets were included in the AWP for 2014 and 2015 for the numbers of these meetings (2 platforms per woreda), however were not reached (during 2014 there was one platform held per woreda and one in Bahir Dar). More regular meetings were anticipated, at least in the early stages, if this forum were to be used successfully in 'efficient' and 'profitable' value chains.

In addition, grant based support has focused on cooperatives, and government institutions such as Agricultural research institutes, the Amhara Seed Enterprise and Universities¹⁰ (partly due to the lack of interest from the private sector). This gives the appearance of an initiative sharing support among state backed institutions. Programme experience suggests it has proved very difficult for the Government to give money to the Private Sector.¹¹ This has significantly tested the AgroBIG Purpose level assumption that 'GoE authorities are prepared to include private sector stakeholders'. It also challenges the purpose of developing 'efficient' and 'profitable' value chains.

Clearly supporting the commercial activities of cooperatives may be more relevant to government when compared to using a value chain approach. Cooperatives are a cornerstone of Government policy and a valid method of bringing target beneficiaries together to deliver economically oriented development support. While the institutional and management strength of cooperatives varies, most key informants interviewed as part of this study suggested that the cooperatives currently have weak capacity. AgroBIG has provided some training and assets to cooperatives. However, to successfully implement a value chain approach through cooperatives it is suggested that greater emphasis is needed to develop their business / enterprise oriented capacity to equitably manage assets for the mutual benefit of their members. World Bank / FAO key informants also suggested that a cooperative oriented value chain approach is most relevant where the underlying commodity market is strong (eg. coffee in Ethiopia) and where Private Sector actors are dominant (eg. the presence of monopsony buying power that a cooperative could counter balance). These conditions do not currently exist in the value chains where AgroBIG intervenes. This suggests AgroBIG needs to rethink its approach to the commercialisation of cooperatives (i.e. through use of territorial¹² or M4P approaches¹³) or review its use of the value chain approach with cooperatives in a way that increases potential for economic impact.

⁷ For example a PEPE Crop Analysis Matrix Sept 2014 gives potatoes mid agro processing potential and onions low agro processing potential.

⁸ For example the USAID AGP-made programme works in 'pulses' giving it the flexibility to work a wide range of bean / legume crops.

⁹ The PEPE Crop Analysis Matrix shows other vegetables like tomatoes and green beans as having high agro processing potential, though the MTE team notes that there is currently no processing plant available locally, this is the type of enterprise that could be assessed and supported.

¹⁰ Programme beneficiaries also include the Bureaus themselves and the government owned EtFruit.

¹¹ By way of comparison the AGRA programme had given a grant of US\$186,462 to the privately owned Yimam Seed Enterprise.

¹² For examples of the territorial approach see CIAT A Territorial based Approach to Agro-Enterprise Development or the FAO MA&D approach. This approach could be adapted from its use in forestry.

¹³ See the DFID / SDC A synthesis of the Making Markets Work for the Poor (M4P) Approach

Taking decisions based on a Market or Economic rationale

The choice of value chains has been controversial and has not always been most appropriate to achieving the programme purpose. Value chains need to be based on sound market opportunity. It appears that AgroBIG value chain selection has emphasised production over market potential.

The recent addition of rice to the AgroBIG value chain portfolio appears to be appropriately supported from a market perspective. The AgroBIG Rice Value Chain Analysis Report¹⁴ does identify market opportunities highlighting domestic opportunities for teff substitution in injera. While no estimate of market size (in volume or value terms) is made or potential margins calculated, the rice report recommendations are consistent with MTE field observations and Evaluation team experience. The Agricultural Transformation Agency (ATA) reports that the emerging rice cluster in Fogera holds high potential, due to the range of related value chain businesses, and potential for technology and seed improvements. While the current Rice Strategy is production-based, ATA is working on the new National Rice Strategy, which will have a more commercial VC focus. Other projects are also supporting rice production (eg. the Canadian MEDA project in Fogera). And Fogera woreda staff are keen to support rice production, noting that it will fit well with the future irrigation area, supported by the World Bank.

The recent selection of maize as opposed to wheat for support is questionable from a market perspective. The AgroBIG team proposed wheat as a commodity for support, as a result of a consultative process with stakeholders. However this recommendation was rejected at Supervisory Board level, due largely to production arguments (support to a maize production belt, and a potential future mill to be constructed in Bahir Dar)¹⁵. Markets for maize appear less attractive compared to wheat. Main maize markets are for WFP aid-related purchases, alcohol (beverage production) and animal feed. Wheat has considerable import substitution potential¹⁶, is used by millers in Bahir Dar, and has considerable value-adding potential. It was reported by farmers to be increasingly grown on irrigated fields in Mecha (as they perceive it to have good market potential). Currently wheat imports are subsidised by the government, driving the local price lower than it should be (policy incoherence), but it is still high enough to attract farmers. While Bureaus report a potentially enhanced market in the future from a planned maize processing plant, this is uncertain. It is also questionable whether it will offer better market opportunities compared to those currently offered by wheat. The implications of selecting maize are that it will be potentially more challenging for the programme to effectively achieve its purpose.

In the appraisal stage of AgroBIG (2011), two products were proposed - honey and onions. This was changed to onions and potatoes in the inception, at the recommendation of the local authorities. However, selection of potatoes and onions appears to have led to some difficulties, emphasizing existing production over market potential. The AgroBIG team Value Chain Analysis of Onions (October 2013) estimates an 80,065 Quintal (8,006 MT) production surplus for the Amhara region in the 2012/2013-production season. The existence of a production surplus is supported by subsequent experience as low prices are reported by key informants and Mecha farmers have moved out of onion production. Key informants pointed

¹⁴ Rice Value Chain Analysis Report Prepared by: Endalkachew Yaregal no date given

¹⁵ The AgroBIG Maize Study (31st Dec 2014) reports 'more than 11 flour factories in Bahir Dar, almost all focusing in wheat flour supply. Among which Guder Agro-Industry has the experience of processing maize (flour, Kiniche, and maize oil) in the past. Have been in operation in supplying the maize products for two years and stopped the processing before four years. The main reason they stopped was the limited market demand for maize flour and maize oil'.

¹⁶ The Ethiopian Government had imported 5.3million, 2.58million, 4.2 million, 5.6 million, 5 million and 6 million qt of wheat during 2009/10, 2010/11, 2011/12, 2012/13, 2013/14 and 2014/15, respectively. International tender has also been announced to purchase 4 million qt from importers. The wheat is distributed to 300 flour factors and 5,000 bakeries in the country. Source: Fortune Newspaper, Vol 15 No 778 March 29, 2015, Addis Ababa

out that Fogera farmers¹⁷ are better able to withstand lower onion prices compared to Mecha. This is suggested as being due to a competitive advantage derived from available soils, a tradition of onion farming and well established trade linkages. Selection of onions appears to be driven by a desire to address a production surplus as opposed to supplying a profitable market.

The AgroBIG Report on Value Chain Analysis of Potato (September 2013) reports a 4,860,000 Quintal (486,000 MT) production deficit for the Amhara region in the 2012/2013 production season. This report also highlights rising potato price trends over the 2009 to 2012 period. However, subsequent AgroBIG experience does not support the finding of a significant potato shortfall. Strong potato prices were not reported over 2013 and 2014. Farmers in Mecha report price disappointment and key informants report low prices resulting in farmers leaving tubers in the ground to rot. Again, this questions the presence of a potentially profitable market for the selected value chain.

The low prices experienced currently in onions and potato combined with the limited processing potential offered by both crops suggest these value chains are not the most appropriate for AgroBIG investment. It is challenging to support farmers in value chains where they are moving out of this crops production. A more flexible approach supporting a wider range of value chains is suggested as being more relevant.

Coordinating many Implementing Organisations in a Value Chain Approach

The relevance of the Value Chain method has also been challenging in terms of co-ordinating the actions of seven Bureaus. AgroBIG staff suggested working flexibly in a wider range of value chains would require too much time coordinating these partners. A practice or method suited to the coordination of many implementing institutions could be more appropriate if one exists. Alternatively, a Value Chain approach working with fewer Bureaus is suggested. Working with the Bureau of Agriculture (responsible for production) and Trade (responsible for the marketing) and Cooperatives, appears more straightforward and logical.

2.1.2 Alignment with National and Local Level Policies, Plans and Administrative Systems

Ethiopian Policy Relevance

AgroBIG is consistent with, and relevant to the Ethiopian national policy under the Growth and Transformation Plan (GTP) 2010/11 to 2014/15. The GTP has the vision of “building an economy which has a modern and productive agricultural sector” and “increasing the per capita income of the citizens”. “Maintaining agriculture as a major source of economic growth” (Strategic Pillar 2) and to “promote gender and youth empowerment and equity” (Strategic Pillar 7) also show AgroBIG as relevant to Ethiopian Policy. AgroBIG is also relevant to GTP policy of expanding irrigation development and addressing the participation of private investors. GTP Section 5.1.1 c states that “agricultural development policy explicitly states that private investors can participate in the nation’s agriculture development endeavours”.

AgroBIG is also consistent with, and relevant to the Agricultural Growth Project (AGP). AGP does not currently work in Fogera or Mecha. The AGP consists of two technical components covering: (i) Agricultural Production and Commercialization and (ii) Small-scale Rural Infrastructure Development and Management. The third component is AGP Management and Monitoring and Evaluation. AgroBIG is consistent with elements of both AGP Components 1 and 2.

¹⁷ Approximately 8,000 ha of onions are reported as being grown in this woreda

Component 1: Agricultural Production and Commercialization. The objective of this component is to strengthen the capacity of farmer organizations and their service providers to scale up best practices and adopt improved technologies in production and processing, and to strengthen marketing and processing of selected commodities through engagement with private sector stakeholders.

Component 2: Small-scale Rural Infrastructure Development and Management. The objective of this component is to support the construction, rehabilitation and/or improvement, and management of small-scale rural infrastructure to improve productivity, and to further develop and increase the efficiency of key value chains through improved access to markets.¹⁸ Further AgroBIG interaction with AGP is suggested to further compare approaches and results.

At a regional level, BoFED key informants report that AgroBIG is aligned with local level policies and plans. AgroBIG's planning and administrative system is parallel to that used by regional government. For example preparation of the 2015 AgroBIG annual work plan and budget followed the key steps¹⁹:

1. A validation workshop was organized at regional level where value chain analysis results and the annual preparation guide were presented and discussed by participants
2. The technical team drafted a framework of the work plan and budget
3. Woreda stakeholders (woreda steering and technical committees and platform members) discussed the frame work and further developed woreda specific action plans and budgets
4. Woreda technical committees consolidated the woreda annual work plan and budget and submitted them to the respective Woreda steering committees for approval
5. The approved work plan and budget by the woreda SC was submitted to the Agro BIG PSU
6. PSU consolidated and issued draft final Work plan and Budget to SVB meeting
7. A daylong familiarization workshop was conducted to insure mutual understanding of the overall content and implementation modalities of the work plan

While the above process does consult and participate with regional and woreda government staff it also develops a separate plan. AgroBIG has a separate Programme Support Unit (PSU) with a Technical Assistance team and uses separate decision-making bodies (Supervisory Board, Steering Committees and Technical Committees) that represent additional representational requirements for government staff. The programme also has its own administrative system with a separate bank account. Key informants consistently asked for additional staff to perform the duties involved in operating the separate AgroBIG administrative system. AgroBIG presented a plan for extra staff to be paid from the AgroBIG implementation budget to the Supervisory Board meeting held in February 2014. This was approved (although the MTE team questions whether more staff are needed?). The staff will be contracted to the end of 2015, and will consist of:

- a. 1 expert at Bureau of Agriculture to follow up on project activities at BoA and also the activities at ARARI, ASE & Plant Quarantine Service
- b. 1 expert at BOTT to coordinate project activities at BOTT & CPA

More positively, AgroBIG follows Government procedures in areas such as procurement and per diem rates. However, the programme is largely perceived as a donor project resulting in stakeholders asking for higher per diems. In addition, following GoE procurement procedures and standards has not always led to optimal outcomes (i.e. construction of Farmer Training Centres, structures for women's groups and storage units for youth chemical sprayer groups).

¹⁸ Source: World Bank Project Appraisal Document Report No: 53290-ET September 3, 2010

¹⁹ These steps are based on information provided in the AgroBIG 2015 Work plan Section 4

The Paris Declaration (2005) calls for the avoidance of parallel systems due to the duplication they represent. While government representatives feel they own AgroBIG, the programme has established its own planning and administrative systems. To align AgroBIG more with government systems would require AgroBIG's planning and administration to be more fully absorbed into government processes. This could involve absorbing the AgroBIG Technical Assistance team housed in the PSU more into government structures and better harmonizing AgroBIG planning and administrative systems into those of the government.

Finnish Development Policy Relevance

The idea for the Programme was developed during the Development Policy Programme of 2007 (with the Minister for Development Cooperation Paavo Väyrynen). However its implementation began during the new Development Policy Programme of 2012, under the subsequent Finnish Government, and will continue under the future (but as yet unknown) Policy likely to be approved by the end of 2015. An analysis of recent Finnish Development Policies is presented in **Error! Reference source not found..**

Table 1: Analysis of Development Policy Programmes governing AgroBIG

Development policy	Objectives/goals	Cross-cutting issues	Comments
Development Policy Programme 2007	Main goal: to eradicate poverty and to promote ecologically, economically and socially sustainable development in accordance the MDG, placing particular emphasis on climate and environment	-Promotion of the rights and the status of women and girls, and promotion of gender and social equality -Promotion of the rights of groups that are easily excluded, particularly children, people with disabilities, indigenous people and ethnic minorities, and the promotion of equal opportunities for participation -Combating of HIV/AIDS as a health and social problem.	In practice, development cooperation has been strongly concentrated on foreign policy objectives (including "Finnish value-added" as instrumental issue). Inclusion of Finnish TA and business linkages promoted. Greater relative weight to Finnish value-added and Finnish involvement in "policy guidance" of multilateral partner organisations. Land ownership is mentioned in the policy with regard to forestry support. Several agriculture and agribusiness projects in Africa were launched during this period.
Development Policy Programme 2012	Overarching goal is the eradication of extreme poverty & securing a life of human dignity for all people in accordance with the MDGs. Priority areas are 1) Democratic and accountable society that promotes human rights, 2) Inclusive green economy that promotes employment, 3) Sustainable	Cross-cutting objectives: gender equality reduction of inequality climate sustainability	Development is again separated from trade, foreign policy and European Affairs. While human rights were mentioned earlier, the Human Rights based Approach achieves prominence in this policy. Increasing focus on support to NGOs, multilateral organisations, and to institutional cooperation between Finnish and partner country government institutions (Institutional Cooperation Instrument). Decreasing emphasis

	management of natural resources and environmental protection, and 4) Human development.		on bilateral project instruments.
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Source: (Adapted from White, Pamela, Seppänen, Maarja and Ahonen, Päivi (2011b) Evaluation of the Junior Professional Officer Programme of Finland. Evaluation report 2011:5. Ministry for Foreign Affairs of Finland)

In addition, during the AgroBIG implementation period, the MFA Finland has begun a process of preparing and monitoring country strategies for each of its long-term partner countries (of which, Ethiopia is one). The Country Strategy for Development Cooperation with Ethiopia 2014–2017 outlines the assessment of the policy and economic framework, the ways in which Finland will operate, its objectives, and indicators for progress.

Finland concentrates on three sectors in Ethiopia: education, water and rural economic development. The objectives contribute to Ethiopia’s country development goals.

The specific goal related to agricultural growth and rural development is:

Establishment of efficient and profitable value chains of selected crops and/or products, which benefit the involved stakeholders along the chain (farmers, processing industries, traders and buyers)²⁰.

Through Finland’s support, a value chain approach will be used to address the above-mentioned constraints in the selected agricultural value chains. This support will focus on the Amhara Region, on the Tana and Beles Growth Corridor, in line with the geographical concentration of Finnish development cooperation in Ethiopia. It is expected that this support will strengthen the efforts of the GoE to pursue agriculture-based economic growth and thus reduce poverty. The lessons learnt are expected to be beneficial also at the federal level.

The indicators specifically to be fed in by AgroBIG include:

- Increase in the annual household income from supported value chains in targeted areas by social status and gender
- Reduced percentage of on-farm post-harvest losses among participating farmers
- Volume and value of agricultural production and processed products

To date, data on these indicators is not available from AgroBIG.

Source: The Finnish Country Strategy for Development Cooperation with Ethiopia 2014–2017

Relevance to Other Development Programs

AgroBIG is also relevant to other development projects and programs including the USAID AGP-AMDe Project, the DFID Private Enterprise Project Ethiopia (PEPE), an Amhara Region World Bank Irrigation and Drainage Project and the Agricultural Transformation Agency (ATA). All these initiatives have components similar to those used by AgroBIG. The PEPE Country Director expressed specific interest in learning more about AgroBIG and its experience using the Value Chain approach, and he had innovative ideas to share. Specific PEPE staff members working on finance were interested in AgroBIG’s grant approach. ATA staff are assisting with value chain activities. Representatives from a World Bank Irrigation and Drainage Project operating in Amhara Region have already visited AgroBIG to learn about its approach to grants (as a positive outcome, they are using the matching grant guidelines designed by AgroBIG – a good example of sharing experiences).

²⁰ This is also the purpose statement given in the AgroBIG logical Framework.

2.2 PROGRAMME PERFORMANCE AND EFFECTIVENESS

2.2.1 Overall

Programme purpose: To establish efficient and profitable value chains of selected crops/products benefitting the involved actors and stakeholders along the chain (farmers, processing industries, traders and buyers)

Following approximately one year of full implementation the AgroBIG intervention has not yet significantly contributed to the achievement of its overall objective or purpose. While the programme is beginning to achieve some results it is not yet making a significant contribution towards poverty reduction. While it is unrealistic to expect significant change at an objective level given AgroBIG's delayed start, the results seen during the MTE suggest that the programme is unlikely to achieve its purpose in its current form in the remaining months, and needs to adapt.

AgroBIG's logical framework indicators for the programme's purpose focus on volumes and values of agricultural production and processed products, yields, annual household income, average farm-gate price, on-farm post-harvest losses and gender. Some evidence was found to suggest positive results in production and post-harvest loss. However no evidence was found as part of this study to suggest significant and sustainable increases in incomes or prices yet. The MTE finds that the AgroBIG logical framework (Feb 2015) contains few specific quantitative targets, despite the claim in the Inception Report (March 2014) that the indicators had been thoroughly reformulated during the inception period to tie them more closely to measurement of results. The TA team have been discussing the indicators, but at the time of the MTE, the changes had not yet been approved.

AgroBIG has achieved strong government ownership. It has worked to establish onion seed market linkages within Amhara region, leading to a tripling or quadrupling of quantities sold (AgroBIG information), however volumes traded through these linkages are currently still low. Income generating groups have been established with mixed success. The MTE review shows youth group activities such as well digging and pump repair have greater potential of effective income generation compared to women's group kiosks selling onions and potatoes. The programme has distributed assets to some government institutions (i.e. agricultural research), woreda level bureaus (i.e. computers and motor bikes) and some cooperatives (scales, bags etc.), which seem justified. Current activities are focused on establishing onion market linkages (particularly via buyer cooperatives and EtFruit), and providing grants mainly to cooperatives. These results and activities are discussed further below. While some potential exists, current programme experience questions the likelihood of establishing the intended 'efficient' and 'profitable' value chains. Current results further question whether the targeted actors, (especially processing industries, traders and buyers) are benefiting. Results suggest the programme needs to both (i) learn from its successes and failures and (ii) adapt to increase the likelihood of achieving its purpose.

2.2.2 Review of Assumptions

At a purpose level the AgroBIG logical framework makes the following assumptions:

1. *No unusually serious natural disaster (drought, flood) during the programme period*
2. *No major plagues/ diseases during the programme period*
3. *GoE authorities prepared to include private sector²¹ stakeholders*

²¹ During the MTE teams interaction with the AgroBIG team the definition of the Private Sector was discussed at length. Many AgroBIG team members felt cooperatives were included in the definition of the private sector. Farmers themselves are private sector actors.

Assumptions 1 and 2 have held. However, MTE findings showing low private sector participation rates suggest it has been challenging for implementing GoE authorities to include these organisations.

AgroBIG Result Area 1 (Component 1) has the following assumptions:

1.1a: Value chain actors willing to open up to participate and organize themselves as groups/networks

1.1b: Socio-cultural acceptance of female and youth members

1.2: Private sector actors willing to work together to try out new avenues to business development

1.3: Facilitators from Service Delivery able to facilitate action planning and hand over the decision power to the private sector

At this Result level the MTE team find that assumptions based around the Private Sector are problematic given the low participation rates found by these organisations in programme activities. Value chain actor groups and networks also appear difficult to facilitate, leading to questions regarding their 'willingness' to participate. Section 2.2.2 of this report discusses the Value Chain Platform meetings.

In addition, socio-cultural acceptance of females also presents challenges. AgroBIG has focused its attention significantly on cooperatives. Women's participation in cooperatives is difficult, as membership is closely linked to control over land, where men still dominate. The management and decision-making within cooperatives is also strongly male dominated. This is discussed more in Section 2.6.

AgroBIG Result Area 2 (Component 2) has the following assumptions:

2.1a: Enterprises and consultants able to invest time in developing skills that are useful in servicing the Value Chain Development

2.1b: Sufficient numbers of female entrepreneurs available and willing to participate in training opportunities

The assumption that enterprises and consultants have had time to invest in developing skills to service value chain development appears to have held. Delays to implementation should have allowed PSU consultants time to develop their skill sets.

Participation of female entrepreneurs is seen as challenging. Nineteen women joined AgroBIG's income generating small shop / kiosk initiative; however they were 'selected', rather than volunteering in response to a perceived opportunity (and they have subsequently expressed limited interest). Low levels of female participation are a common theme evidenced throughout the programme – common to many similar programmes.

2.2a: Public sector service providers able and willing to participate in trainings and as facilitators

2.2b: Sufficient numbers of female staff available and willing to participate in training opportunities

Cooperatives are seen as organisations that can have successful business enterprises and perform valuable roles in value chains. However their mutually beneficial structure and potentially broader objectives mean they are seen as different from profit oriented privately owned businesses. Typical private sector businesses are viewed as privately financed processors, traders and buyers mentioned in the AgroBIG Programme Purpose. The MTE team recommends that AgroBIG reviews its intentions regarding support to cooperatives and the private sector and states this more clearly in its programme documents.

Public sector service providers have participated in trainings suggesting that this assumption has held. However, the AgroBIG Annual Report 2014 mentions a "lack of motivation by some government process owners, accountants and procurement officers" questioning willingness to act as facilitators. Government key informants also consistently raised low per diems as an issue compromising public sector participation.

Again female participation in training is low. Bureaus and woreda offices tend to employ few women in roles that would be relevant to AgroBIG training, therefore it is very difficult to increase the proportion of women trained.

AgroBIG Result Area 3 (Component 3) has the following assumptions:

3.1a: Woreda administration willing to allocate manpower to the Fund administration

3.1b: Government willing to provide funds for private sector initiatives

3.2: Microfinance and rural saving and credit institutions willing to cooperate in member and staff training

3.3a: BoFED and ACSI willing to develop the Matching Grant Fund – and allocate staff to set up the conditions of the Fund

3.3b: CDF mechanism of Value Chain Fund proves functional for private sector investments

3.4: BOFED and ACSI willing to develop a Loan Fund – and allocating staff to set up the conditions for the fund

The MTE finds that Woreda administrations have faced some challenges in allocating staff to AgroBIG activities. Woreda key informants interviewed as part of the MTE commonly requested extra staff to perform AgroBIG tasks. The assessment of the grant proposals is time consuming. The programme has also hired since September 2014 Business Development Service (BDS) consultants to support the grant process. MTE fieldwork suggests this BDS support is focused on the Value Chain fund (Result 3.3) as opposed to the Innovation Fund (Result 3.1).

At the time of the MTE no Component 3 grant support had been provided to private sector initiatives (other than cooperatives)²². This suggests the assumption 'Government willing to provide funds for private sector initiatives' has not held.

MTE findings suggest microfinance, rural saving and credit institutions are willing to cooperate in member and staff training. Specifically ACSI and RUSACCOs are benefitting from AgroBIG (and there are plans for more capacity building in the future).

MTE results find that BoFED and ACSI have been willing to develop the Matching Grant Fund and allocate staff to set up the conditions of the Fund.

The Value Chain fund is being used to mainly support cooperatives, questioning the strength of the assumption that the 'Community Development Fund (CDF) mechanism used in the Value Chain Fund is proving functional for private sector investments.'

MTE results find that ACSI has been willing to develop a Loan Fund and is allocating staff to manage the fund during 2015.

In conclusion, assumptions related to disasters at the objective level have held. Assumptions related to the private sector and gender have not held. A critical assumption for a programme using a value chain approach that is market and private sector-oriented is that

²² The Private Sector Organisation Jemma has received support for packaging material etc. under Component 1.

the private sector can access support. AgroBIG experience shows it has been very difficult for the private sector to access support. AgroBIG experience further shows a greater willingness to support the commercialisation of organisations including cooperatives, EtFruit, agricultural research organisations, the Amhara Seed Enterprise and universities. This suggests that if AgroBIG remains with its current institutional arrangements it should move away from a private sector oriented approach and focus on the commercialisation of public sector related organisations (i.e. cooperatives, FTCs, research organisations, etc.). Alternatively, if AgroBIG wishes to support the private sector it should consider adapting its institutional implementation structure.

2.2.3 Component 1: Value Chain Development

Result 1.1: Organizations along the value chains established/strengthened

The main organisations established and 'strengthened' along the value chain have been cooperatives, agricultural service providing groups (Partnership Business Organizations) and quasi-governmental institutions. This support is discussed under Result 1.2 and 2.1. Organisations 'established' along the value chain are cooperatives and youth and women's groups. This support is also discussed under Result 2.1

Under Result 1.1 AgroBIG has created Value Chain Platforms at woreda level. One meeting is reported in each of the two woredas (see Table 2). A further regional level meeting was also held in Bahir Dar. Targets were set of two meetings per woreda for the number of platform meetings in the annual work plans (although it is mentioned in the Grant Fund Guidelines that they would meet quarterly in each woreda). However, the MTE team anticipated that woreda level platform meetings would be a key forum for bringing value chain actors together (especially processors, traders and buyers) to work on value chain strengthening. The number of platform meetings held and levels of engagement with processors, traders and buyers suggests these events are not seen as central to programme implementation by implementing partners.

Table 2: Participants in VC Platform Meetings

Indicator	Fogera	Mecha	Total participants
Number of participants in multi stakeholder, public/private fora per woreda (disaggregated by gender & age) – 3 meetings so far	27 (6 female, 21 male)	26 (5 female, 21 male)	53

(data from AgroBIG, March 2015)

The AgroBIG Annual Report (2014) points out that the "major topic discussed in these (Value Chain) platforms has been the facilitation of potato and onion marketing linkages through facilitating a buying contract between EtFruit and the existing marketing cooperatives." Current programme experience shows local level agents (traders and brokers) have tried to disrupt and block trade between EtFruit and marketing cooperatives using a range of tactics²³. The AgroBIG logical framework (Feb 2015 Activity 1.1.2) reports that value chain platforms should "build trust, strengthen linkages and relationships between input suppliers, producers, cooperatives, processors and /or other buyers". There is a clear need for the programme and government staff to concentrate on building relationships and strengthening linkages, including the effective use of platforms. The introduction of EtFruit has brought competition to output markets and offered farmers choice – this is positive. However, this development needs to be managed to ensure sustainable price advantages through healthy and safe competition.

²³ Brokers were seen trying to disrupt onion collection by EtFruit during MTE fieldwork. They were also reported as offering increased prices to cooperative leaders and throwing stones at EtFruit trucks.

Key informants reported attending exposure visits within Ethiopia. Evidence of changes in activities and behaviour resulting from these visits was seen in the women's group's roadside shops. Some farmers also reported changing production techniques as a result of learning from the visits within the Amhara region. Study tours were also conducted for high level officials to Kenya and Thailand²⁴ A feedback session was held with woreda level stakeholders following the Kenya trip. Other evidence of change was difficult for the MTE team to detect (particularly regarding the trip to Thailand).

AgroBIG has supported establishment of seven mini-media centres (four in Fogera and three in Mecha). Two media centres were visited as part of the MTE. Media centres are multipurpose and can be used flexibly for distribution of a variety of information (including health, community information and more). They are small offices equipped with loudspeakers that can disseminate information in the nearby area. One media centre operative claimed to be reading information from onion and potato manuals developed by the programme, however the evaluation team were not able to verify this. There are still some limitations with broadcasts due to problems with electricity supply for the centres. The MTE did find that some farmers had access to manuals. Farmer's use of manuals and their behavioural change resulting from exposure to them was less clear.

AgroBIG logical framework (Feb 2015) indicators for Result 1.1 highlight (i) the percentage increase in total real value of marketed products (inputs, outputs) per smallholder farmer; (ii) the number (between 20-30 in each Woreda) of Agribusiness enterprises engaged in new agribusiness or agricultural production related business and (iii) communication materials regarding value chain issues available and in use. AgroBIG reports that during 2014 onions were sold in Fogera at Birr 2.50 /kg. During MTE fieldwork the market linkage established with EtFruit was seen to trade approximately 7 MT onions at Birr 8 / kg.²⁵ MTE fieldwork suggested this price was equal or slightly less than that received by other farmers (however it is possible that the other traders were being forced to increase their prices to match EtFruit – a positive outcome).²⁶ This is a positive start, but as the price had risen before the first truckloads were bought by EtFruit, it is difficult to conclusively make a causal link. More time will be needed to view the impact. Further work is required to increase total marketed values and specifically support agribusiness enterprises under this result. Communication material in the form of manuals was seen at the field level however their contribution to addressing farmer level value chain issues is limited.

Result 1.2: Production, agribusiness development and markets increased and enhanced along the value chain

Support under Result 1.2 has largely focused on support to government institutions and cooperatives. 21 cooperative agribusinesses or agricultural production related businesses have been supported in total – 8 in Fogera and 13 in Mecha (cooperatives and private). The exception to cooperative support is the work on certified onion seed production and marketing with Jemma Integrated Agriculture PLC.

MTE findings suggests that 'private sector agribusinesses' mentioned in the Programme Logical Framework Section 1.2 (Feb 2015) have been either interpreted as quasi government institutions such as the Adet Agricultural Research Centre (ARC), Amhara Regional Agricultural Research Institute (ARARI), the Amhara Seed Enterprise (ASE), or cooperatives. The MTE finds that organisations such as ARARI and ASE have received inputs including equipment and seeds. Provision of these inputs has allowed recipients to perform activities relevant to the value chains (i.e. tissue culture multiplication of mini tubers by ARARI and seed multiplication by ASE) that they otherwise could not fund.

²⁴ Annual Report 2014

²⁵ Subsequent EtFruit collections are reported that may bring the total to more than 20MT.

²⁶ Other farmers reported onion prices as between Birr 8 and Birr 8.2 / kg on the day EtFruit collected its first consignment.

Cooperatives have been supported through training and asset distributions. Interviewees report that training has included provision of information on onion production and irrigation (i.e. use of furrow irrigation and removing irrigation from fields fifteen days before harvest as a way of improving product quality and storage). Cooperatives visited during fieldwork have also received items such as scales and water pumps. The MTE team visited the new onion seed multiplication and marketing cooperative in Mecha. This cooperative reported receiving equipment from AgroBIG and was involved in onion seed multiplication. However, some members reported farmers in the area were moving out of onion production and into growing more wheat. Onion prices were reported as having been depressed due to oversupply. Irrigation cooperatives were visited in Fogera by the MTE team. Cooperative leaders and some members reported receiving training in onion seed production and the increased use of water harvesting through receiving pumps, wells, and increasingly using dams in rivers during the dry season. Table 3 provides an indication of training given.

Table 3: Number of men and women farmers participating in the clusters for training and support

Woreda	Cluster specification	Total number of farmers
Fogera	Onion bulb production (16 females, 277 males)	293
Mecha	Onion production (0 females, 95 males)	95
Mecha	Potato production (4 females, 156 males)	160
Total number of men and women farmers in both woredas participating in the clusters		548 (20 females, 528 males)

(data from AgroBIG, March 2015)

AgroBIG has supported a seed certification process including printing and procurement of seed packaging with Jemma Integrated Agriculture PLC. The AgroBIG Annual Report 2014 states that Jemma has “managed to pack 516 Kg’s of certified Bombay Red onion and the enterprise has distributed/sold its packed seeds within and out of the woreda. Koga union has also purchased 150 Kg of this seed and distributed (to be used for the next harvest) to farmers organized in onion production clusters”. While these results are encouraging current volumes are low. It is hoped onion seed market demand is strong and continues, but farmers reporting their movement out of onion production questions this. In addition, as an example of market sizes in its Grant Award application to AgroBIG, the Koga Irrigation Users Marketing Union report ‘in the 2014 cropping year, the Union distributed 150kg onion seed, 250 quintal (25 MT) potato seed, 72.5 (7.2 MT) quintal pioneer hybrid maize seed and 2,598 (259 MT) bread wheat seed.’ This gives an indication of levels of interest in the different crops and supports MTE field observations and farmers’ reports of a preference for wheat production.

AgroBIG logical framework indicators for Result 1.2 identify (i) the number of farmer and production groups established or strengthened in each Woreda (ii) the number of private sector agribusinesses established or strengthened (iii) the number of new market segments identified for each value chain and (iv) the percentage change in average household income. MTE results show that AgroBIG has worked with cooperatives in each woreda. One private sector agri-business has been supported to develop certified improved quality onion seed. Otherwise support has been channelled to organizations such as ARARI and ASE. AgroBIG has supported some commercial thinking within quasi government organisations (ARARI and ASE) and cooperatives as opposed to significantly engaging private sector agribusinesses (i.e. processors). Work with Jemma, Agricultural Research and ASE has addressed seed market segments in onions and potatoes and can be seen as a basis from which to build. However, further work is required to develop agri-business and market thinking to better ensure an impact on household income.

Result 1.3: Actors have action plans, business plans and applications that are financed

MTE findings suggest AgroBIG activities under this Result have focused on facilitating cooperatives and organisations (such as the University of Bahir Dar, ASE and ARARI) to submit business plans for financing under the grant component (Component 3). The Annual Report 2014 also identifies work with a potato processor to develop flour and starch products. A consultancy report has been recently produced exploring potato and onion processing potentials.²⁷ This study makes the following recommendations in its executive summary: (i) support for seed certification players (ii) the development and dissemination of improved harvesting implements (potato digger) and simple seed treatment technology (iii) simple storage technologies using locally available material (iv) packaging material for storage and transport - netting bags for onions and rigid plastic crates for seed potato and (v) enhanced capacity building of farmers through the use of simple pictorial training material and through a two tier programme targeting peer trainers. The feedback presentation from this study was attended by representatives of the MTE team. During this presentation processing options for onions and potatoes were presented. However, the report focuses more on farm level activities (certified seed, diggers, storage, packaging/handling and farmer capacity). As mentioned above, processing options for potatoes and onions are seen by many observers as low to moderate. AgroBIG needs to improve its market analysis of new products (i.e. analysing market segment size in volume and value terms, trends in consumption and deeper analysis of margins and profitability) of processing options before investment to increase the possibility of success.

The MTE team reviewed the content of Business Plans submitted for funding under the Matching Grant and IDRF mechanisms. Business plans are largely descriptive defining activities that will be performed under the proposed intervention. Matching grant submissions from cooperatives were found to be largely uniform (Grants are discussed more fully under Component 3). Innovation is considered low in many business plans submitted to the IDRF and Matching Grant fund. For example the IDRF grant to the ARARI (see Section 8. Project Innovation) talks of fungicides and improved varieties to demonstrate late blight management practices. In the IDRF grant to the Amhara Regional Transport Authority it is unclear how the carts it will produce and distribute are innovative. Matching Grant submissions focus largely on building structures such as sheds along with pumps and carts.

The MTE team expect business plans to include some form of monetary cost benefit analysis (straight forward margin analysis, payback period and /or cash flow forecasts) to provide an indication of return on investment. This cannot be clearly seen in the business plans reviewed. For example the Amhara Regional Transport Authority business plan for carts did not clearly show how these carts would increase margins to any business. Similarly the Bahir Dar University proposal gives no assessment of how the results of the testing proposed technologies (improved varieties and fertiliser applications) will improve farmers businesses through analysing potential farm level margins. The Grant Award application from the Koga Irrigation Users Marketing Union does not include any form of cost benefit analysis directly related to the proposed fertilizer and chemical store. Some price and cost data is given but this relates to the cost of inputs and overheads as opposed to an analysis of additional costs and benefits relative to the store and how this will sustainably benefit members. Cooperative business plans lack any form of investment analysis (margins, payback period, cash flow forecasts). It is considered probable that organisations submitting proposals do not currently have the capacity to produce investment oriented business plans. This area needs further attention from AgroBIG with additional need for capacity support seen particularly to cooperatives that are due to receive assets.

The AgroBIG logical framework (Feb 2015) for Result 1.3 includes indicators for the number of woreda and regional action plans funded for each value chain. These are suggested as being interpreted by AgroBIG as its annual programme plans at the two administrative

²⁷ Identification of the Key Bottlenecks and Appropriate Technologies for the Efficient Handling, Storage and Transport of Onions and Potatoes Francis Mwangi Wario, January 2015

levels. There is also an indicator for 'the number of business plans developed by farmers' groups, cooperatives or private firms that have been approved to receive funds from the Matching Grant Fund.' Requests for funding have been received from farmers groups and cooperatives. It is understood that no private firms have submitted acceptable proposals. Finally there is an indicator for the number of new technologies that have been funded and adopted for each value chain. Examples of new technologies are currently seen as wells, pumps, seed packaging, well digging, MBirr and the promotion of production methods (timing of irrigation, furrow irrigation and stagger production). With the exception of MBirr current innovation is focused at the farm level as opposed to along the value chain.

2.2.4 Component 2: Service Delivery Development

Result 2.1: Private sector service delivery capacity and technical assistance developed

AgroBIG has supported the establishment of youth and women's groups as private sector service providers (Table 4). For instance, the AgroBIG Annual Report 2014 reports "overall 95 landless youth ... have been trained to become service providers for farmers in the programme area". The AgroBIG Annual Report 2014 further reports, "of these 48 landless youth were selected (24 in each woreda, 5 female), trained and organized in clusters to mitigate environmental hazards of haphazard agrochemical spraying". In addition, under Component 3, future M-Birr service agents are being selected and training (though the numbers were unclear at the time of the MTE – ranging from 30 to 40?).

Table 4: Number of unemployed youth and number of groups that have been supported

Woreda	Group specification	Total number of unemployed youth
Fogera	Manual well drilling (4 females, 22 males)	26
Fogera	Spraying services (2 females, 22 males)	24
Mecha	Canal maintenance (3 females, 21 males)	24
Mecha	Spraying services (5 females, 19 males)	24
Total number of unemployed youth supported		98 (14 females, 84 males)

(data from AgroBIG, March 2015)

Results from youth groups seen during MTE fieldwork are mixed. Some sprayer groups report low demand for their services. These unemployed youth are thought to be from outside the farming communities they serve. Other spraying group members with a strong connection to agricultural communities looked more promising, reporting higher demand for their services. Well drilling, pump repair and canal maintenance groups visited during MTE fieldwork reported encouraging demand for their services and business success looked promising. Importantly, spray groups had been provided with lower quality protective material. Low cost dust masks and cotton overalls had been provided that give minimal protection and do not meet international standards. While this is better than no protection at all, a private sector horticultural business manager reported that this practice made it harder for him to get his staff to wear the international standard equipment necessary for premium international export markets. Also, women should not be involved in spraying agro-chemicals for health reasons (Ethiopian legal requirement).

Training was provided to onion and potato traders and processors in Mecha (10 men, 7 women) and Fogera (23 men, 10 women) during 2014, with a particular focus on financial management, business planning and marketing. Some traders were also invited to participate in an experience sharing visit along with coops members and government staff.

The AgroBIG Annual Report 2014 points out that "informal woman traders have been organized to strengthen local market outlets". Four sites have been supported through roadside market shelters including some equipment (scales and baskets). Target

beneficiaries are 19 women in Fogera and 8 women in Mecha. In principle it is positive that AgroBIG developed a targeted activity for women, with opportunities for income generation. MTE fieldwork to a market shelter in Mecha found programme-supported women selling potatoes and onions alongside existing vegetable retailers. Existing traders offered a wider range of vegetables and used cooler shelters made from local materials. A visit to another similar facility in Fogera left a similar impression that supported groups were competing with existing traders. Existing (non-supported) traders were also felt to have a more competitive business. Several informants commented that the women were not very motivated, as they would prefer an office job. Many projects find that entrepreneurialism is something that can't be taught.

The AGP has recorded lessons learned and recommendations for group formation²⁸:

- Group formation exercises should be participatory, group-led and guided by nomination criteria which stress similar socio-economic backgrounds
- Groups should choose their businesses themselves after receiving relevant information from the Implementation Agencies (IAs)
- Information provided by the IAs when choosing the business for the groups should account for the prior experience of the members in the chosen business activities
- Federal Cooperative Agencies (FCA) should focus on capacitating the groups on bylaws and organizing them into well-organized management committee
- Another potentially useful recommendation by AGP was to start groups as Savings and Credit societies, and then provide investment grants to groups that have saved the most.
- AGP also recommends starting all groups as common interest groups, but to not fund them initially. Instead competitive selection to provide them with material support is conducted after a year. Providing material support from the start was found to not be sustainable as the groups tended to disintegrate when the support ended.

It is noticeable that the AgroBIG youth and women's groups are not self-organising, but instead are selected (even though the criteria sound reasonable), and that material support is provided immediately.

The AgroBIG logical framework (Feb 2015) for Result 2.1 has indicators for the number of private sector service providers strengthened or capacitated; the percentage of female participants in each training course or study tour²⁹ and the number of private sector service providers participating in Value Chain Platforms³⁰. Using a group based approach AgroBIG claim to have supported 98 youth and 27 women to develop businesses. MTE findings suggest the strength of these businesses varies and that they have difference potentials for success and failure. To make the most of this experience AgroBIG should monitor and learn from both success and failure to and adapt its approach supporting private sector business.

Plans have been made to support the use of local radio for information dissemination; however, the activity has not progressed and the budget remained unspent during 2014.

Result 2.2: Public sector capacity developed to service, facilitate and advise on value chain development

Public sector capacity has been supported by AgroBIG through the distribution of assets and provision of training to government institutions. Woreda level Bureau representatives quickly recognized receiving assets such as computers and motorbikes during MTE fieldwork. The programme is also making significant investments in Bureau infrastructure where it is supporting the construction of a new office for the Woreda Office of Agriculture in Fogera.

²⁸ AGP, Common Innovation Groups - Key Findings and Recommendations September 2014

²⁹ AgroBIG commonly reports beneficiary numbers disaggregated by gender.

³⁰ This indicator appears misplaced. It is suggested that it is more relevant to Result 1.1

Training on value chain development and facilitation skills have also been organized and delivered by the PSU for woreda level SC and TC members and regional TC members. In addition a Training of Trainers event on potato and onion production and post-harvest handling has been organized and delivered to District Agricultural Officers and woreda experts. Farmers interviewed by the MTE team mentioned extension officers providing advice on onion production and post-harvest handling. Experience sharing visits within Ethiopia were also identified by key informants as helping to establish onion bulb and seed linkages and introduce ideas. While there is debate within the MTE team regarding the levels of existing knowledge and capacity in these areas, AgroBIG supported events appear to have stimulated public sector interest in forming linkages and learning from other farmers in Ethiopia.

AgroBIG is supporting the building and equipping of eight Farmer Training Centres (FTCs).³¹ One FTC was visited during MTE fieldwork that was being used for a UNICEF Nutritional Training Event. The programme reports delays in construction of FTCs due to weather and support from Woreda level Bureaus of Agriculture. The FTC visited by the MTE team was a made out of corrugated iron and cement. It appeared to be poorly constructed and hot for participants to sit in. Design followed the old Ministry of Agriculture guidelines. However, Woreda level Key informants felt future similar buildings could be adjusted to be more user-friendly.

The AgroBIG logical framework (Feb 2015) for Result 2.2 has indicators for the number of public service providers strengthened or capacitated, the percentage of female participants in each training course or study tour and the number of public sector service providers participating in Value Chain Platform.³² MTE fieldwork results suggest public service capacity has been strengthened. This has been primarily achieved through the provision of assets, such as computers, motorbikes and construction of offices and FTCs, but also provision of agricultural manuals, and via training of staff and developing systems.

2.2.5 Component 3: Access to Finance

Component 3 was designed to develop improved financial services and funding sources for a range of value chain actors. This includes the development of three separate grant funds (with associated guidelines and procedures) and one loan fund. In addition, there are plans for a range of innovative services (i.e. the new loan fund, MBirr and insurance products). As with the other components, there have been significant delays in the start-up.

Guidelines have been prepared and distributed, in Amharic and English. Development began in early 2013, but the guidelines were not approved until May 2014 (seemingly due to slow approvals by the SVB). The funds were launched in August 2014, due date for the first call was August 15, 2014. The final decision on selection of successful proposals were made on November 21, 2014 in Fogera and December 5 & 26, 2014 in Mecha. BoFED signed the contract to transfer the grant funds to ACSI on May 10th, 2014. BoFED/AgroBIG signed contracts with each grantee December 7-31, 2014. However, there is still limited progress in implementation.

The Programme will update the guidelines on the basis of experience and after receiving feedback from the MTE. MTE comments are given in section 2.9.4 below.

For all the funds, the guidelines set for a quota for women - "a minimum of 40% quota to participate as decision makers in the IDRf committees". However, given that the selection committees are drawn from the predominantly male woreda staff, it is very unlikely that this quota can be filled.

³¹ Source: AgroBIG Annual Report 2014 Section 1.2.2

³² This indicator appears more relevant to Result 1.1

Business Development Service (BDS) Advisers (four) have been recruited by the programme to support grant applicants to develop VCF concept notes into full proposals. BDS advisors also provide some training and advice to IDRF applicants. They have not attended any VC platform meetings, and only began work after receipt of the first call concept notes. Their contracts have been short term, and were extended once (with a gap). They will possibly be moved into employment by ACSI from the start of April (still funded by AgroBIG, but via implementation funds) and will continue to support the component activities from there. They have also supported awareness-raising within the 2nd call, including proactively approaching some disadvantaged groups.

In Component 1 there have been various infrastructure and equipment provided as a 100% grant (for instance, stores for roadside traders, equipment for youth groups, pumps and packing equipment for onion seed producers). These have been considered to serve as demonstrations, and therefore no contribution was asked from users. The Component 3 staff consider this is problematic as there is at least a 15% own contribution required under the grant funds, and therefore different treatment of groups exists within the same programme.

Table 5: Summary of Grant Fund Applications and Awards in the First Call

Type of Fund	Received Applications, number		Available Budget 2014 (million Birr)	Awarded Projects		
	Concept Notes	Business Plans		Numbers	Approved Amount (million Birr)	Budget Utilization %
IDRF	40	12	10.2	6	4.0	40
VCF	100	83	6.6	77	5.1	77
MGF	20	10	6.8	3	4.8	70
Total	160	105	23.6	86	14.0	59

Source: AgroBIG Annual Report 2014

The second call for proposals was completed during the visit of the evaluation team in March, and 170 concept notes were submitted (summary provided 19.3). The deadline was extended and in April AgroBIG sent an updated list of proposals. They have not yet been evaluated, but the updated summary is provided here in Table 6

Table 6: Summary of 2015 second call for proposals for AgroBIG grants (concept note stage – updated data sent by AgroBIG 4.2015)

Woreda	Fund	No. of Concept Notes	AgroBIG contribution (birr)	Own Contribution (birr)	Total investment (birr)
Mecha	VCF	53	5 686 945	1 335 075	7 022 020
	IDRF	31	24 599 515	8 788 063	33 387 577
	MGF	9	8 108 500	9 351 047	17 459 547
Sub-total		93	38 394 960	19 474 185	57 869 144
Fogera	VCF	125	11 922 454	2 112 663	14 035 117
	IDRF	15	10 206 321	2 207 586	12 413 907
	MGF	27	13 429 464	13 429 462	26 858 926
Sub-total		167	35 558 239	17 749 711	53 307 950
Grand total		260	73 953 199	37 223 895	111 177 094

Result 3.1: Fund established for Innovation, Demonstration and Research at Woreda and Regional level

During the first call for proposals, there were six IDRF grants awarded (3 by each woreda - Table 7) from a total of 40 concept notes and 12 full proposals. The total contribution of

AgroBIG was approximately 157 068 Euro (78 862 Euro in Fogera and 78 206 Euro in Mecha). The grant limits were between 2 000 and 50 000 Euro, and all complied. The proposals appear to be relevant to the value chains products (onions and potatoes), though it is unclear whether they stem from the problems identified by the value chain platform, or from the ideas of the implementing organisations. They are research and demonstration projects – not clearly showing the expected levels of innovation. All exceeded the minimum own contribution of 15%, and in all cases this included in kind contributions such as salaries. Some proposals were unsuccessful as they proposed an implementation period that was too long (beyond the current closing date of AgroBIG at the end of 2015). However, it is now agreed that BoFED has the experience to handle monitoring of grants even if the programme closes, so for call 2, the potential period of implementation has been extended.

Table 7: Summary of the IDRF Awarded Projects, Call 1

Organisation	Project	AgroBIG share	Applicant contribution	% of total	Total Birr)
Fogera					
ANRS Transport Authority	Production & Demonstration of Rural Intermediate Means of Transport	915 752	350 000	28 %	1 265 752
Bahir Dar University	Yield Responses of Onion (<i>Allium cepa</i> L.) in Ribb and Koga Irrigation Fields to the Application of Inorganic (N, P, S) and Organic (Farm Yard Manure) Fertilizers and Demonstration of Integrated Nutrient Management Practices	482 300	157 060	25 %	639 360
Amhara Agricultural Research Institute	Risk assessment of pesticide use on onion and potato in Fogera and Mecha districts of Amhara region, using value chain analysis approach	400 000	115 619	22 %	515 619
Mecha					
ANRS Transport Authority	Production & Demonstration of Rural Intermediate Means of Transport	1 065 752	350 000	25 %	1 415 752
Bahir Dar University	Responses of Improved Potato (<i>Solanum tuberosum</i> L) Varieties to Different Rates of NPS fertilizer in Mecha Woreda, Northwestern Ethiopia	212 600	110 020	34 %	322 620
Amhara Agricultural Research Institute	Demonstration of late blight management practices in potato production areas of Mecha and Fogera districts: Improving the livelihood of small-scale farmers	504 746	279 170	36 %	783 916

The ANRS has made the animal cart production agreement with Tana Transport and carts are in production. The other activities haven't yet started.

The guidelines state:

The IDRF will invite applications particularly from the private sector and a minimum of 50% of the IDRF grant funds are expected to be awarded to private sector actors. Access will, however, be based upon sound applications.

No private sector actors have received funding in the first call by the time of the evaluation³³. This is partly because there were very few private sector applicants in the first call (one informant claimed that the guidelines were unclear, and they were unsure why they had been rejected). Government entities are permitted to provide their 15% own contribution in kind, while private sector entities and cooperatives must provide it in cash, and some key informants have noted this to be a barrier to some applicants. The assumption in the logical framework for this result area, is 'Government willing to provide funds for private sector initiatives', however there is apparently a combination of lack of enthusiasm on the part of the Government, and lack of interest on the part of the private sector actors. Some mentioned that there was insufficient publicity regarding the first call for proposals (although stronger efforts have seemingly been made for the second call). Another private sector informant said that there was inadequate promotion to the private sector specifically. However, it is also likely that there are limited private sector actors interested in demonstration or innovation projects related to onions and potatoes.

Result 3.2: Promote and improve access to financial services and products

Activities under this result area are mainly supporting the Amhara Savings and Credit Institution (ACSI). During 2014 there have been only a few small training activities and an exposure visit to Kenya – most activities for this result are planned for 2015 (these include some very interesting ideas, such as warehouse financing, insurance for account holders, family financial literacy, etc. however, they have not yet begun). The loan fund has been added to the potential options during 2014.

ACSI management have not seemingly produced any reports regarding the Kenya study tour. However, interviews found that the exposure visit to Kenya allowed them to look at wholesale lending, value chain finance and MFIs. They felt it gave confidence in approving guidelines and would help in monitoring implementation.

The major new business idea under this result area is the piloting of M-birr mobile banking services in the two woredas. M-birr is owned by the five government-owned microfinance institutions (including ACSI). The role of AgroBIG has been to support the trialling in Amhara. The base work has begun, with recruitment of service agents, but the current hold ups are due to a lack of sim cards. M-birr only received the licence to begin work in March 2015, hence it is not possible to report on implementation. AgroBIG has a payment for results agreement, to only pay M-birr if they can sign up 5000 farmers to the service.

The concept of M-birr has a lot of potential – comparisons are made to the extremely successful M-Pesa in Kenya. However, the introduction is likely to still take time, and will still be difficult. A wristband has been designed in order to overcome issues regarding illiteracy, or farmers not owning a mobile phone or not having GSM coverage.

Result 3.3: Develop Matching Grant Fund and Value Chain Fund with micro-finance institutions

Value Chain Fund

During the first call for proposals, there were 77 Value Chain Fund (VCF) grants awarded (46 in Fogera and 31 in Mecha) from a total of 100 concept notes and 83 full proposals. All successful recipients were cooperatives or groups. While individuals are not permitted to benefit from the VCFs, 'micro and small enterprises dealing with VC services (such as agro-dealers, traders and groups of small processors)' are permitted. However, the only successful service providers have been some groups interested to provide spraying or water pump maintenance services in Fogera.

³³ However, the evaluation team was informed that one grant was still to be awarded to a private sector actor from the first call.

The VCF Guidelines are quite complicated (overly so if you consider the potential grant size of 1000-2000 Euro – though reasonable for the larger grants). Only a few cooperatives have professional manager, so most cooperatives and groups need the BDS Advisors to explain and help with proposal writing, once the concept note has been accepted. As a consequence, the proposals are very similar. They have been prepared at woreda level (rather than as a participatory process with the grant recipients, which could have involved business planning and would have developed the capacity of the cooperative staff). In addition, the MTE team were informed that finding the local contribution (15%) is challenging (which is also confirmed by the number of grants apparently struggling to secure their own contribution – 6 in Mecha and 16 in Fogera) (internal report from AgroBIG, March 2015). However, it is suggested that 15% is necessary in to support ownership (though consideration could be given to a slightly lower percentage in the case of targeted youth or women activities). Informal groups cannot apply until they are registered with the woreda.

Achieving gender targets of 30% female membership of grantee organisations is unlikely, given that most cooperative members are men. It is reasonable to consider that all households will benefit from the activities, and therefore women could represent 50% of beneficiaries. This has not been clearly defined in the proposals.

The majority of the AgroBIG VCF budget in the first call was awarded to 24 successful proposals for infrastructure – namely storage or collection sheds, shops and offices (12 in Mecha, 12 in Fogera), for a total of 73 948 Euro from AgroBIG in Fogera (from a total of 127 706 Euro from AgroBIG) and 65 520 Euro in Mecha (from a total of 95 751 Euro awarded from AgroBIG). This is problematic as there have been enormous difficulties with infrastructure tendering. There are also some questions among the evaluation team regarding the validity of choosing these stores.. On the positive side, farmers should benefit in the short term from storage of this kind. On the downside, we question whether a clear business plan has been prepared by the cooperative for the use and maintenance of this infrastructure.

The initial limits for the VCF were set at 1000 – 2000 Euro. However, the requested finance for sheds was well over this limit. Once an estimate was made of the likely cost, the limit was raised to 6200 Euro maximum. The woredas moved slowly to the point of advertising the tender for construction. The woredas decided to tender the construction of all the stores as a batch, and have encountered collusion among the potential contractors. As a consequence, the minimum tender price is approximately double the maximum. There has been no progress, while the woredas and AgroBIG attempt to find a solution. It appears that the only options are: that the grant recipients themselves find more funding (unlikely), the cooperatives source the materials themselves and use individual labourers, or the grants are cancelled.

Other types of approved grants were for animal carts, weighing scales, water pumps and spraying equipment. The only grants to have been fully implemented to date are the purchase of some of the water pumps. The contract for construction of the animal carts is under work, and the provision of the weighing scales has been tendered successfully, though not yet delivered. The outstanding grants are held up due to the need to still collect the grant recipients' contributions.

Of the approved VCF projects in Mecha in the first call, only 330 820 Birr (approx. 14 510 Euro), or about 15.2% of the funds have actually been paid out and the projects completed. Of the approved VCF projects in Fogera, only 390 150 Birr (approx. 17 112 Euro), or about 13.4% of the funds have been actually spent to date (as of AgroBIG data, March 2015).

Matching Grants

During the first call for proposals, there were 3 Matching Grants awarded (all nominally in Mecha, though in fact based in Bahir Dar) from a total of 20 concept notes and 10 full proposals (Table 8).

The investment analyses provided in the proposals was not very strong. Some applicants complained that the 50% applicant contribution was challenging to find (and this appears to have been the main disqualifying factor for unsuccessful proposals). However, the potential grant size is large (up to 100 000 Euro), therefore there would be considerable risks if the matching contribution was too low. In some cases, unsuccessful applicants have re-applied in the second call under the VCF window.

Table 8: Agreed Matching Grants

Name of Grantee	Name of Project	Project budget		
		AgroBIG	Own	Total
Bahir Dar University	Establishing Potato Flour Factory	2 200 000	5 212 800	7 412 800
Koga Irrigation Users Union	Fertilizer and Chemical Store Construction	394 075	394 075	788 150
Etfruit	Standardized warehouse and packing house construction	2 200 000	2 300 000	4 500 000

Implementation has begun recently – with a bank account opened by the University, bidding underway by Koga, and land acquisition under way by Etfruit. Consequently it is too early to comment on the effectiveness or impact of these grants. The MTE team does note that it is unusual for a university to invest in and manage a potato flour factory.

The World Bank-funded Ethiopian Nile Irrigation project, beginning in Fogera, is developing its own Matching Grant activity, based on the guidelines of AgroBIG. They plan to recruit their own BDS advisors also. The World Bank experts have held several meetings with AgroBIG. This is a good example of coordination, and avoiding confusion.

Result 3.4: Develop a Loan Fund with micro-finance institutions

A loan facility has been established with ACSI, which is destined to provide short term crop financing (up to 6 months) for cooperatives, and wholesale lending for RUSACCOs (up to 12 months) in order to be able to fund smaller clients who may not access loans elsewhere. The straight forward guidelines were developed during 2014, with the assistance of advisors from the MFA Finland. They were only approved in December 2014, and advertising for the loan fund began in early 2015. As a consequence, no loans have been made yet and it is not possible to evaluate the results or impact. It is hoped that on the basis of the experience with this fund, ACSI will be more confident to continue with loans of this type in the future. BoFED will be responsible for the fund (it will remain the asset of BoFED) for ten years, after which the balance of the fund is anticipated to become the property of ACSI. The agreement states that “if the Loan Fund is assessed as having successfully fulfilled its purpose and objectives as defined in the Agro-BIG project document and assessed through agreed reporting and possible additional evaluations, BoFED shall transfer the capital permanently to ACSI to be continued as a revolving Loan Fund”. However the option exists for the funds to be returned to BoFED if the fund has performed unsatisfactorily.³⁴

³⁴ Contract Amendment regarding fund flows and Annex 1: Terms and conditions of the loan fund, 10.2014, Embassy of Finland

2.3 PROGRAMME EFFICIENCY

Efficiency in general has been compromised by delays. Contributing factors to delays are related to capacity in the different implementing organizations, the institutional arrangements of the programme (i.e. many implementing partners and the combination of having separate implementation and technical assistance budgets) and the selection of commodity VCs (onion and potato) where processing and market potential is questioned.

Transforming the Available Resources into Intended Outputs

AgroBIG has not performed efficiently when transforming available resources into intended outputs or results, in terms of quantity, quality and time.

Under Result 1 the following sub results are listed in the AgroBIG logical framework (Feb 2015):

- 1.1 Organisations established or strengthened within the Value Chain
- 1.2 Production, agribusiness development and markets increased and enhanced along the value chain
- 1.3. Actors have action plans, business plans and applications that are financed

Result 1 has an implementation budget allocation of Euro 810,347³⁵ over three years. This figure does not include TA support.

Organisations strengthened with the value chain have focused on cooperatives, quasi-government and government organisations.

The programme has focused enhancement of production, some successful agribusiness support exists in youth groups with market development promised in onion seed markets (i.e. with Jemma) and onion bulb markets (with EtFruit).

Action plans, business plans and applications are generally of a low quality suggesting poor conversion of available resources.

Under Result 2 the following sub results are listed in the AgroBIG logical framework (Feb 2015):

- 2.1. Private Sector Service Delivery Capacity and Technical Assistance Developed
- 2.2. Public Sector Capacity developed to service facilitate and advise on value chain development

Result 2 has an implementation budget allocation of Euro 1 888,350³⁶ over three years. This figure does not include TA support.

Private sector service delivery and technical assistance has focused on establishment of youth and women's groups. Numbers of beneficiaries are low (98 youth and 19 women). As an indication of efficiency it cost approx. Euro 50,000³⁷ to support 98 youth as service providers (not counting the technical support). Assuming all youth are successful, this represents an average cost of approximately Euro 500 per individual. This figure is considered high. For this example cost and beneficiary numbers data is available. This is rare in AgroBIG documentation. To improve the assessment of efficiency (and effectiveness) it is recommended that the programme develop targeted indicators allowing clear budget allocation and cost per unit calculation.

³⁵ Source: AgroBIG Programme Director Files March 2015

³⁶ Ibid.

³⁷ Source: Budget lines 2.1.1.1 (Birr 582,260) and 2.1.1.3 (Birr 505,474) from AgroBIG Annual Report Section 6.1.5

Public sector capacity development has centred on provision of assets and training to regional bureaus and developing capacity of cooperatives and farmer groups (i.e. Budget line 2.1.2.2 Establish/strengthen farmers organizations engaged in seed and ware³⁸ and Budget line 2.1.2.3 Build the capacity of organized farmers groups (e.g. in areas of coops management, marketing, business).³⁹ Key informants report that cooperative capacity remains low and MTE fieldwork found little evidence of cooperatives having strong capacity in management, marketing and business. MTE key informant interviews also suggest little change in relevant bureaus capacity to 'facilitate and advise on value chain development'. This is a particular concern when considering the Bureau of Trade: responsible for marketing aspects of the value chain.

Under Result 3 the following sub results are listed in the AgroBIG logical framework (Feb 2015):

- 3.1. Fund established for Innovation, Demonstration and Research at Woreda and Regional level
- 3.2. Promote and improve access to financial services and products
- 3.3. Develop Matching Grant Fund and Value Chain Fund with micro-finance institutions
- 3.4. Develop a Loan Fund with micro-finance institutions

Result 3 has an implementation budget allocation of Euro 3,222,148⁴⁰ (approx. 52% of the implementation budget or 30% of the total budget) over three years. This figure does not include TA support.

By the end of 2014:

- The IDRf had been established and had identified projects to support an equivalent of 40%⁴¹ of its budget.
- Under Result 3.2 AgroBIG has developed training materials on family financial literacy training with pilot TOT training for 43 trainers and was beginning the introduction of MBirr
- The VCF had been established and identified projects to support equivalent to 77% of its budget.
- Established a Matching Grant Fund and identified projects to support equivalent to 70% of its budget.
- Established a Loan Fund expected to help cooperatives, (primary societies and unions) to become value chain actors and to initiate trading activities.

Grant mobilization has been slow. This has major implications for programme efficiency as approximately 30 % of the total budget is allocated to grant provision. The programme has established four funds. However, utilization of funds is seemingly low. The AgroBIG Annual Report 2014 'utilization rate' claims are not supported by detailed review of programme grant documentation. Actual utilization rates are suggested as being significantly lower (see section 2.4 on budget utilization). AgroBIG is now prioritizing grant provision during the remainder of its implementation cycle. This is understandable but rushed spending may not lead to optimal results, especially when assets are being given to organizations not yet ready to manage them.

³⁸ The word 'ware' used in the Programme documents refers to potatoes that are grown for market, rather than seed potato production

³⁹ Annual Report 2014 Section 6.1.5 Detail Budget Follow Up by Quarter. End December 31, 2014

⁴⁰ Source: AgroBIG Programme Director Files March 2015

⁴¹ The AgroBIG Annual Report claims 40% fund utilization. Review of detailed AgroBIG records shows many of these grants have not been utilized. For example the activities related to the IDRf grant to the Amhara Agricultural Research Institute was planned to start in 2015. This situation is the same for the VCF and MGF.

At a general level, the quantity of results is questioned (i.e. of constructions such as FTCs and women's kiosks, spraying safety equipment, business plans and consultancy reports that generally under emphasise market analysis).

As an example of result quality, given the design and physical condition of the FTCs provided by the Programme, it does not seem that the numerous materials provided with the physical structure like furniture, audio-visual materials (LCD, Video and photo cameras, TV set, etc.), generator, etc. will be utilized safely and efficiently. The quality of road side shops /kiosks has a negative impact on efficiency. For example:

- Kiosks are in the wrong location far from the irrigation command area and the farmers. In the town (Pikolo Abay) kiosks compete with other already existing vegetable retailers and where the by-passing passengers may not have confidence or interest to stop their cars and buy vegetables directly from farmers at reasonable prices.
- Quality and design of the sheds are not attractive, strong, complete or safe. The MTE team recognises that these sheds were constructed according to government standards. However, during the final workshop the government staff agreed that they will change the design for the future.

Efficiency of AGRO-BIG has been influenced by efficiency of the implementing stakeholder organizations. Delay in the finalization of studies conducted by Bahir Dar University and by ARARI that took a longer time than the planned contributing to the overall delay. In addition, the budget that was transferred to the Bureau of Trade and Transport in order to purchase IT equipment for the Market Information System was largely unspent in 2014 as the study by the MIS consultant (from the University) was so delayed (by September 2014, only 4.1% of the transferred budget had been spent, according to the Annual Report). Similarly, budget for radio programmes has been transferred but not yet spent, due to the lengthy service procurement process (and permissions) related to radio programmes.

Results are also not as expected with a general under representation of private sector actors in all programme components.

Efficiency of Resources (financial, human) Employed and the Justification of Recurrent Costs

AgroBIG has not efficiently employed its resources. Value chain selection has challenged efficiency as have institutional issues including (i) extended decision making processes; (ii) the coordination of many partners; (iii) management of different funding channels; and (iv) the relationship between the TA and government partners.

Initial selection of value chains with limited market and processing potential have negatively affected efficiency. It is difficult to work efficiently with farmers where they are moving out of supported crops. This observation was particularly strong in Mecha. MTE fieldwork found Mecha farmers moving out of onions and potatoes due to price disappointment. Youth groups and women's groups were also found to be generally weak in Mecha. AgroBIG invested Euro 405,183 in Mecha in 2014.⁴² It is unlikely that activities funded in Mecha will produce results that contribute to sustainably increasing target beneficiaries' income. AgroBIG interventions in Fogera in the onion value chain have better efficiency potential. Trade linkages with EtFruit have potential to increase prices to farmers over the longer term if relations are managed with all buyers. Support to youth groups was also more encouraging in Fogera where some target beneficiaries reported viable demand for their services.

Lengthy decision making procedures among many implementing partners have consistently challenged efficient implementation. The availability of key decision makers has caused delay. Previous MFA desk officers and embassy staff are reported to have contributed to

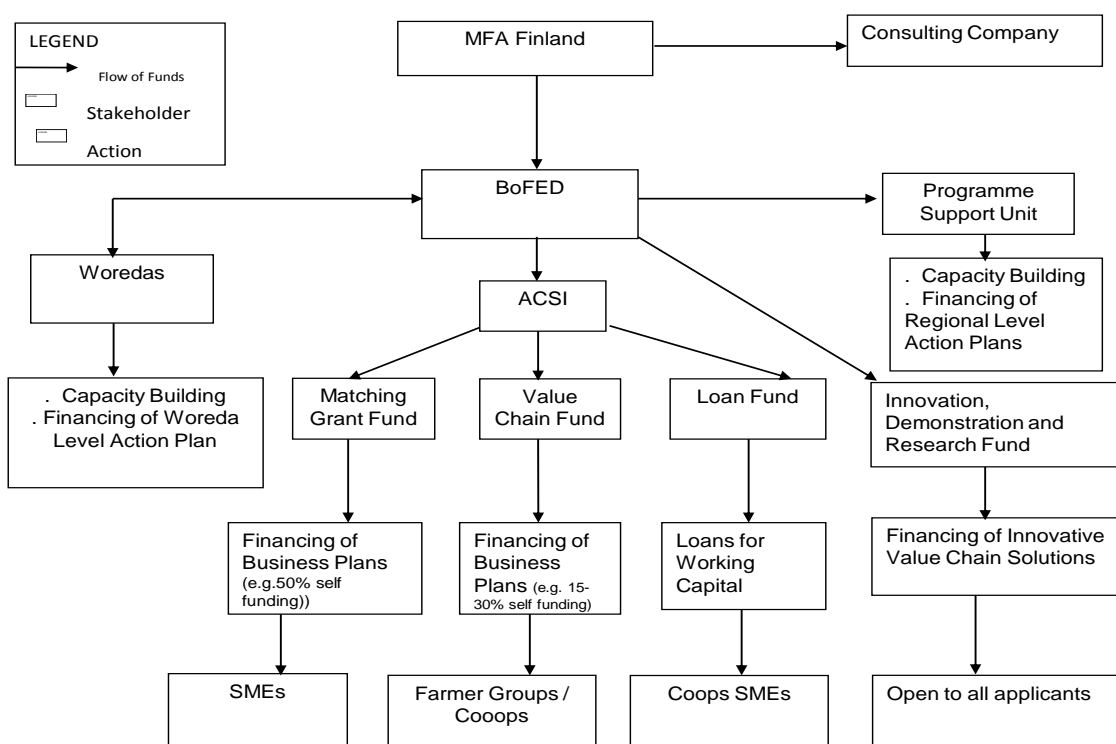
⁴² Source: AgroBIG Annual Report 2014 Table 12

delayed decisions preventing efficient implementation. AgroBIG staff also report continuous challenges coordinating the various implementing partners at woreda and kebele level.

AgroBIG efficiency has been compromised by its funding structure. AgroBIG is funded through two main pathways (

Figure 1). The first pathway is from MFA Finland to BoFED. The second pathway is from MFA Finland to a consulting company (Niras), providing Technical Assistance located in the Programme Support Unit (PSU). A total Programme Implementation budget of Euro 6,145,045 (or approximately 61% of the total budget) should flow through the BoFED led pathway, however this is currently significantly underspent. A total of Euro 3,154,955 is allocated to the consultancy company. During 2014, only 59% of the planned implementation budget was used/committed, while 98% of the annual TA budget was expended (this is to be expected as the TA team recurrent costs continue to accrue no matter what the progress of implementation is). The mismatch between spending levels suggests the 'recurrent costs' represented by the technical assistance are not being optimally used resulting in frustration in both partners (GoE and TA personnel). Activities funded under the programme implementation budget have been delayed while technical assistance has been available and paid.

Figure 1: AgroBIG Flow of Funds



Source: AgroBIG Presentation Prepared for "Mid Term Review Mission" March 03, 2015

Improving the harmonisation between spending pathways is a potential way of improving efficiency. This suggests a number of options to improve the current situation. These include (i) addressing spending delays within the BoFED led system (i.e. enhancing timely decision making processes, addressing staff workloads, their roles and responsibilities) and / or (ii) changing institutional arrangements that currently (i) separate funding for implementation with that for technical assistance and (ii) place the technical assistance team physically outside of implementing institutions.

Improving the use of recurrent cost will also require working relations to be improved between the Technical Assistance team and GoE representatives. Some Key Informants from

the Technical Assistance team felt they were not included, or their advice was not listened to, in AgroBIG service delivery. For example, it was reported that onion and potato manuals were produced without any TA input. Also, TA advice on recent Value Chain selection appears to have been largely ignored. The TA team recently recommended the selection of wheat as an additional value chain based on market potential. However, key Bureau decision makers rejected this advice. Key informants representing the GoE questioned the value of TA advice and felt it did not add value to their work. Review of documentation combined with MTE fieldwork observations and findings suggest the TA team has not employed high levels of Value Chain capacity seen in other similar interventions. To improve the use of recurrent costs the TA team needs to strengthen its capacity in the value chain approach and provide advice that is valued, used and applied by its partners.

The MTE team were asked to assess whether programme implementation had been innovative. Innovation has been touched upon within Chapter 2.2 Effectiveness. AgroBIG has been able to introduce some new ideas, such as M-Birr and the new loan fund (which will support harvest finance and also RUSACCOs). However, in general it is not operating in a highly innovative manner. It is questioned whether this is possible within the AgroBIG institutional setting.

Beneficiaries in the sense of woreda level government staff have certainly participated in the planning and monitoring process. However, there has been very little participation in planning and monitoring by the final beneficiaries – the farmers and traders. In general, the activities have been top-down.

Identification and Management of Risks and Assumptions

The AgroBIG logical framework identifies a number of key assumptions. MTE analysis (Section 2.2.1) shows key assumptions based on the private sector and gender have not held. Management response to the compromising of these assumptions appears low. For example, a review of assumptions is not included in the Annual Report 2014. Gender disaggregation is now commonly reported in programme documents. However, the recommendations from a valuable Gender Report⁴³ appear not to have been acted upon. As part of enhancing its gender related activities, AgroBIG needs to manage and address its gender-based assumptions.

Supporting the private sector is recognised by the MTE team as being challenging for AgroBIG. The previous and planned distribution of grants is a clear indication of this. AgroBIG experience for Result 3.1 'Government willing to provide funds for private sector initiatives' shows the assumption is not valid. As with gender, the management of assumptions based around the private sector appeared to have been largely neglected. If the programme wants to work in a more holistic way along value chains then assumptions related to the private sector require attention. For example, opportunities for working with the private sector that are acceptable to implementing partners need to be found. Alternatively, AgroBIG should change its assumptions and re-focus its activities towards commercialisation of cooperatives and public bodies.

Risks are identified in Section 5 of the AgroBIG Programme Document March 2014. An analysis of these risks is provided in Table 9. MTE analysis shows some of the risks remain relevant. For example 'Woreda/Kebele institutions focusing on vulnerable groups lacking capacity (staff shortage and under- skilled) to ensure mainstreaming' is supported by MTE fieldwork. Other risks appear to be less relevant. For example the risk of 'increased income from agriculture not being sustainable due to low saving rates' appears less relevant than the risks to agricultural income from variable and low margins. Similarly land-holding fragmentation due to rising populations is suggested as a greater risk compared to foreign

⁴³ Gender study on onion and potato value chains, Lenasil Asfaw Tekele B, Bahir Dar, November 2013 Edited by Agro-BIG team - June 2014

investors. The risk of conflict between brokers and buyers (EtFruit) also appears more appropriate compared to the identified risk of conflicts over land between grazing land vs. commercial farming. Mitigation measures also require strengthening. For example the mitigation measure to 'ensure inclusive and participatory value chain selection with special focus on vulnerable groups' appears compromised by recent AgroBIG experience. MTE review suggests the AgroBIG team needs to review its risks and mitigation measures in view of its experience. Mitigation measures should then be used in programme implementation.

Table 9: Assessment of Risks and Mitigation Measures⁴⁴

Anticipated social risks	Mitigation measures	MTE Observation
Selection of commodities excluding and thus marginalising already vulnerable groups (women, youth and disabled people)	Ensure inclusive and participatory value chain selection with special focus on vulnerable groups	Value Chain selection has been top down with little consideration of social risk
Increased mechanised farming reducing need for labour and possibilities for employment especially for youth without land	Ensure new employment opportunities to all in different phases of the value chains being developed	No significant evidence of increased mechanisation.
Creation of conflicts on land, e.g. grazing land vs. commercial farming	Work closely with local elders and involve communities in all stages of planning to ensure amicable and community-owned solutions are adopted	No land conflict observed. Conflicts between buyers more probable (i.e. EtFruit and Brokers)
Provision training, support, means for productions etc. excluding some groups in communities and causing marginalisation	Ensure all community groups are beneficiaries of programme's activities and strengthen inclusion by relevant strategies	Marginalisation is a risk. AgroBIG has attempted to target some support to youth and women.
Woreda/Kebele institutions focusing on vulnerable groups lacking capacity (staff shortage and under- skilled) to ensure mainstreaming	Enhance the capacity of the Women's Affairs and other relevant offices to ensure needed support and advocacy for women	Risk is relevant. Women's Affairs has been one of the last Bureaus to receive support.
Inclusion of women in additional agricultural activities, and especially production of high- yielding crops increasing their work load due to existing reproductive responsibilities	Provide means for freeing women from some of their traditional duties and consider women's role and timing of their input in agricultural activities	Risk is relevant. No obvious mitigation measure observed.
Irrigation/infrastructure schemes on which the project builds on causing resettlement of people and vulnerability	Ensure consultation with communities and ensure respecting of their rights even in case of resettlement.	No resettlement issues observed. No mitigation measures taken by the AgroBIG team observed.
Farmers losing their land to foreign investors due to scarcity of land	Facilitation of consultations between farmers and outside agricultural investors	No foreign investors observed to threaten land availability. Land fragmentation was more often mentioned through population growth.
Increased contacts between actors in value chains and infrastructure projects increasing risks for HIV/AIDS	Provide awareness raising on risks related to HIV/Aids conducted together with partner organisations	HIV / AIDs risk not detected or mitigation measures. FGM and female access to water are greater issues in Amhara region.
Increased income from agriculture not being sustainable due to low saving rates	Provision of Business Development Services and specific training packages for women and youth based on best practises	Low market growth and low margin potential appear to be greater risks to incomes compared to savings rates.
Diversification of income generating activities leading to increased use of child labour	Work together with appropriate Woreda level authorities to ensure children are not used as additional workforce	The risk is relevant. No mitigation measures were observed or raised during the MTE.

⁴⁴ Risk and Mitigation measures are taken from the AgroBIG Programme Document March 2014

2.4 BUDGET UTILIZATION

2.4.1 Finnish Budget Expenditure

There is no clear table of expenditure against budget combining both the implementation and TA budget lines provided in the programme reports. Consequently the following table was prepared by bringing in information from different reports and plans.

Table 10: Expenditure of AgroBIG Finnish funds vs budget

		Budget		Expenditure (or committed to an institution)	
		Eur	Birr	Eur	Birr
2013	Implementation budget	474 319 ^a	10 814 473	474 319 ^a	10 814 473
	TA budget	1 269 268 ^a	28 939 310	1 269 268 ^a	28 939 310
2014	Implementation budget	2 563 830 ^d	58 455 324	1 511 039 ^c	34 451 690 ^c
	TA budget	1 045 912 ^d	23 846 794	1 022 489 ^f	23 312 749 ^f
2015	Implementation budget	4 564 119 ^e	104 061 930 ^e		
	TA budget	839 975 ^b	19 151 430		

Total expenditure	4 277 115
Maximum budget	9 300 000

a from Inception Report 3.2014

b from Inception Report 3.2014 - unclear what it is now

c from Annual report 2014

d From AWP 2014

e from AWP 2015

f from TA report 2014

Notes:

- 1) Implementation budget includes PSU running costs
- 2) Exchange rate EUR-BIRR: 22,8

From the information above it is concluded that by the end of 2014, the total expenditure of the Finnish-funded implementation budget was 1 985 358 Euro (from a maximum budget of 6 145 045 Euro, or 32.3%), and the total expenditure of the TA budget was 2 291 757 Euro from a total maximum budget of 3 154 955 Euro, or 72.6%). From the total expenditure to the end of 2014, 46% went to the implementation and 54% to the TA costs.

There has been significant under spending in most budget lines (other than the TA contract). This suggests under-accomplishment of planned activities planned for the year; or over-budgeting of activities during the planning exercises.

There are considerable differences in the utilisation of transferred funds by different partner agencies, as can be seen in Table 13 in the AgroBIG Annual Report 2014⁴⁵. Almost all partners were underspent. The only partner reporting 100% expenditure of transferred funds is ACSI. However, this is because the funds are listed as committed once the grants are awarded, and the loan fund is transferred to ACSI. As no loan funds have been transferred to

⁴⁵ However, it is noted that the figures are from end September 2014 – even though the overall report is dated February 2015, it has apparently been impossible to get updated expenditure figures from the different partners.

RUSACCOs or cooperatives yet, and very few of the grant funds have completed implementation (or even begun in some cases), the expenditure is actually much lower.

There have been claims made about delays in the sending of the implementation funds by the MFA. However, there is a lack of clarity between the initial date of the request letters from BoFED, and the date of the final letter, which was accompanied by required financial data. The actual time taken between receipt of the acceptable request in the Embassy and the receipt of the funds from the MFA in the programme account is approximately one month. It is important to have the required financial expenditure data attached to the request letter from BoFED, as without this the transfer cannot be made.

2.4.2 Partner Contributions, Ownership and Commitment

There is undoubtedly a strong sense of ownership of AgroBIG by the Government of Ethiopia, particularly within BoFED and the Bureau of Agriculture.

In the initial programme document and country agreement, the expectation was that the GoE would fund the programme office, and the salary, support staff and vehicle for the National Programme Director. However, in practice this was found to not be possible. As a result (and following a delay for some months of negotiations at the start of the programme), the MFA agreed to cover all these costs within the TA budget.

In the Annual Report of 2014, a financial contribution Birr 1.8 million spent for custom duty of vehicle purchased. During the MTE mission a breakdown was provided, showing a combination of cash and in-kind totals. The table below gives a different spread of expenditure – 49 600 Birr during 2014, and 1 871 279 Birr since the start of the Programme. The additional expenditure budgeted for 2015 is largely planned for payment of vehicle duties on two new woreda level vehicles that will be bought by AgroBIG.

Table 11: Breakdown of the GoE contribution

Cash contribution (Birr)	Yr1 - 2013	Yr 2 -2014	Yr 3 -2015	Total
Vehicle taxes	1 772 079		1 500 000	3 272 079
Pensions of NPD & his staff	49 600	49 600	49 600	148 800
Total Birr	1 821 679	49 600	1 549 600	3 420 879
Euro equivalent	79 898	2 175	67 965	150 039

The calculated in-kind commitment increases this total (based on bureau and woreda level staff working time, allowances, travel costs, etc.). The calculated amount is 7 417 491 Birr per year or 22 252 472 Birr (approx. 975 986 Euro) in total. In practice, these calculations appear as general estimates, and considering that there was very little implementation work carried out during year 1, the actual total is likely to be lower (see the Section 2.2.5). A national audit team were visiting the field during the MTE visit, in order to audit the GoE contributions. It is anticipated that an audit of the Finnish contribution will be carried out during 2015.

Another issue arose during the MTE – the question as to whether AgroBIG is 'offset' or not. Offsetting (a national policy) signifies that whatever implementation funds are provided to a region via a programme or project, an equivalent amount is taken back from the normal budget allocated to the region by the GoE for redistribution among all regions as per an established formula. This would mean that rather than donor funds permitting 100% additionality (or increased focus on a region), there is some substitution of GoE funding. In this case, after disagreement among different informants, BoFED confirmed that there is no offsetting *at this time* (though there is no guarantee for the future).

There is a curious variation in treatment of the different Finnish-funded programmes. CoWASH receives more implementation funds from Ethiopia than from Finland – apparently

due to the particular interest of the GoE in WASH implementation, and perhaps their confidence in the process after many years of Finnish support. REILA staff stated that the two regions of main focus receive additional budget from the GoE to cover recurrent costs. While seemingly BoFED Amhara does not receive additional funding for AgroBIG⁴⁶.

2.5 COORDINATION, MANAGEMENT, MONITORING, REPORTING, ACCOUNTABILITY

2.5.1 Programme Documents

The Inception Report notes that the framework Programme Document available at tendering stage (April 2012) was developed to its final version during the Inception period, removing inconsistencies and making the indicators more results-based, and was approved in March 2014 (although another version was also presented in November 2013). The changes were not very profound. One amendment was signed on 2.10.2014, regarding the inclusion of the new revolving loan fund.

It is normal that a framework document is further developed together with all stakeholders during the Inception Period. It is noted that there was only limited involvement from the regional government during the finalisation of the document prior to tendering, and the appraisal took place a long time prior to the actual start of the programme (August 2011). Therefore the Inception Period was the logical time for finalisation of the document in a more participatory manner. The Inception Period was also the appropriate time for development of guidelines for programme implementation (such as M&E, grant management, etc.). The new Finnish Development Policy (2012) came into use by the Inception Period, therefore some new information was added on issues such as HRBA, as was more recent information on the different stakeholders. The Programme Director's Office was established within the PSU, as a separate unit and staff. The TORs of the technical assistance team were altered to focus on their role as advisors only. The role of the AGP within the supervision of AgroBIG was removed. Much of the background information was moved to the annexes, making the main document simpler to read. There are some inaccurate dates added regarding the preparation stages of the programme document, but these were not significant.

The Inception report noted that "a comprehensive Results Based M&E System has been identified that will be introduced and used during the life time of the Programme. Special attention has been given to arrive at a set of useful and measurable indicators to be able to determine programme results and success".

A Results-Based Monitoring and Evaluation Design Assignment was carried out in September 2013. The proposed changes to the indicators were included in the Inception Report. A baseline study was finalised in July 2014. A Programme Monitoring Database has been established in the PSU, and the AWP 2015 stated that it is planned that data will be collected from implementing partners and encoded to the database on a monthly basis. The Finnish Junior Expert and an Ethiopian M&E Expert (whose contract is due to end soon) have been collecting quantitative and qualitative data and feeding it to the PSU. This data should be fed into each quarterly and annual report, and into the annual work planning processes at woreda and PSU levels, in order to get indications of what is successful and where there are challenges. One advantage of the Finnish development cooperation system is that there is generally a level of flexibility – recognising that once there is evidence that an activity is not successful, it is more appropriate to change direction to fund more promising activities or partners.

The Baseline Survey provides useful data regarding the farming population in the two woredas. Approximately 50% are illiterate. Average farm size is 1.3 hectares, but there is

⁴⁶ There is a clear framework and financial agreement between parties.

considerable variation. Average household size was 5.6 household members. None of the surveyed households owned a car or motorbike. Overall average household income was Birr 17,535, but there was considerable variation, and average incomes in Fogera were almost double of those in Mecha. Data was collected regarding incomes from the onion and potato crops, and the application of various improved techniques. All of this should be valuable to testing the outcomes of programme activities. It is anticipated by the MTE team that further household surveys will be needed, to identify households who have participated in AgroBIG activities, in order to assess the household level impact.

However, despite these efforts, the MTE still finds that the reporting is not following a results-based approach. The Annual Report 2014 and the Annual Work Plan 2015 are still mainly consisting of lists of activities, with only very little indication of the progress the Programme is making towards its result areas and objective. There are insufficient milestones set. For instance, reference should be made to the situation in the woredas in early 2014, as measured by the Baseline Survey, and any progress made towards targets. For instance, numbers of farmers (men and women) applying improved techniques taught by AgroBIG; changes in production yields of the value chain products; changes in household incomes from specific crops, etc. At present it is very difficult to know how many farmers are actually reached by AgroBIG.

AgroBIG staff have reportedly proposed changes to the logical framework to the Embassy but these have been denied in the past. However, the MTE team considers that while the objective and result areas probably should not be changed with so little Programme time remaining (even if there is an extension), the indicators certainly should be adjusted to reflect the activities and the data available.

2.5.2 Programme Management

The AgroBIG Programme began in November 2012, though the work in Ethiopia began with the arrival of the Chief Technical Advisor (CTA) and International Finance Advisor in January 2013. The National Programme Director was only recruited in April 2013. Then other staff could begin work and/or be recruited⁴⁷. The National Finance and Procurement Advisor (included in the tender) was apparently no longer available, so the recruitment of the new finance expert, plus the two woreda level staff could only be done once the NPD was in post. The Finnish JPO began work in November 2013. Business Development Support (BDS) Advisors were only recruited in September 2014.

The MTE noted that there have been delays caused by difficulties with the functioning of decision-making structures and mechanisms – for instance, travel commitments of both Ethiopian and Finnish representatives of the Supervisory Board have led to delays in meetings. At woreda level, the government staff also report being overloaded with meetings. Although Focal Points have been nominated, they have their own tasks to attend to (this was also noted in the Inception Report). Having many partners (including seven Bureaus) makes it quite complicated to coordinate activities. In agricultural programmes in particular, timeliness of approvals is critical. In addition, delays in meetings and approvals have led to some technical advisors withdrawing, as well as frustration of the PSU staff. However, feedback from some Key informants also indicated that the advice provided by the SVB was appreciated. The Regional Technical Committees appear to be meeting, but it was reported that their role is somewhat limited.

The MTE also recognises that some of the delays are due to financial and technical reports not being available on time. This problem, which results from waiting for woreda and bureau staff to collect data and prepare the reports, could be alleviated somewhat if the TA team

⁴⁷ A national value chain finance adviser started working in November 2013.

worked more closely with the National Programme Director. At present, the TA team has prepared their own separate TA report within the Annual Report, with some overlaps. This is symptomatic of an unclear relationship between the National Programme Director and the TA team.

Different perspectives exist regarding the roles and responsibilities of the TA team. There is some contradiction within the Programme Document, even though this had supposedly been streamlined during the Inception. For instance, the Programme Document (3.2014) outlines the Role and Mandate of the PSU as:

The role of Programme Support Unit is merely coordination and support, while the implementation responsibility lies with the different implementing agencies mainly at Woreda level. The Programme Support Unit is a gap filling and coordination Unit that will be dissolved at the end of the programme. Therefore all its work will be facilitating, in order to develop a Value Chain Development mechanism that will stand both at Regional and at the Woreda level at the end of the programme period.

However, among the PSU tasks are many activities related to reporting and planning, including:

- Prepare the overall and annual budgets and plans of operation of the Programme
- Compile and submit semi-annual and annual progress reports

There is insufficient cross-fertilisation between teams, woredas, components, etc. For instance, the BDS advisors haven't been invited to the Value Chain Platform meetings in the woredas, as they were recruited in September after the last meetings were held, yet this means there is a lost opportunity to advertise the IDRF – particularly to private sector organisations. In some training events given by the project the Sprayer group members haven't been invited along in order to advertise their services. This would be a win-win – leading to better awareness of farmers and increased income for the sprayers, who could give training on the importance of safe use of pesticides, etc.

Per diems are a contentious issue. AgroBIG is paying a lower per diem than some other donors as it follows government procedures. This reduces the enthusiasm of some persons to participate in training events, etc. There have been some discussions by the embassies regarding standardisation of allowances but this still hasn't happened.

The PSU complained of some difficulties with support from the embassy and MFA earlier. The relevant Embassy staff members were both new at the time of the MTE. It is hoped they will visit the programme more often in the future, visiting the field and playing a more active role.

2.5.2 Coordination and Complementarity

As noted earlier, AgroBIG has some relationships with other programmes/processes (national /regional levels), however there is potential for enhancing networking and experience sharing. This is suggested as an efficient way of stimulating ideas and innovation.

The original plan was to link to the AGP. However, during the Inception period it was decided that as AgroBIG operates in different woredas to the Phase I of AGP and hence there was no value in closer linkage. Bureau heads participating in the AgroBIG SVB also participate in the AGP SVB. Therefore there should be some coordination. However, MTE observations suggest potential to improve cross fertilisation at a technical level.

AGP technical meetings at national level are not attended by Finnish representatives (earlier the embassy was attending as an observer). As a result, there is no national level technical information fed back to AgroBIG regarding AGP activities. There is also little AGP information fed upwards for the Embassy. One key informant stated "if you aren't in it [AGP] you don't exist and you aren't contributing to the national goals".

In addition, liaison with other donors and donor funded programmes could be strengthened. The MEDA Canada programme in Fogera, or the USAID AGP-AMDe Programme or the DFID PEPE M4P Programme (which both operate nationally, but with activities in Amhara) are key programmes which could provide win-win learning opportunities. In addition, the MTE team heard of a new Japanese development cooperation programme beginning to work with rice in Fogera. At the very least, there should be a regular technical meeting of TA and relevant woreda staff in Fogera with those working on rice.

There is a positive potential link with a World Bank Irrigation Project. They are keen to start a Matching Grant Programme in Fogera. Rather than reinvent the wheel, they would like to use the AgroBIG guidelines and link with ACSI. They will employ their own BDS advisors. Initial meetings have been held between AgroBIG and representatives of this program.

Production of a newsletter is a positive means to share information. The AgroBIG website is also clear and easy to read, however it is a stand-alone programme website. It would be more sustainable if the website was hosted by the BoFED website, or other more sustainable sites. When the programme ends the information will disappear. In addition, there are no links to any of the partners, and very little mention of sources of funding.

2.6 CROSSCUTTING OBJECTIVES AND HUMAN RIGHTS BASED APPROACH

Finland's development policy emphasises the application of a Human Rights Based Approach (HRBA) in all Finnish-supported development actions. This includes normative criteria (for instance, with regard to the right to food - availability, accessibility, quality/safety, affordability, acceptability) – and cross-cutting criteria (non-discrimination, participation, accountability, transparency, impact and sustainability). The Government of Ethiopia has also ratified many of the human rights conventions. However the concept of HRBA is sensitive in Ethiopia, and it is considered more appropriate to discuss equity and inclusion. Both governments promote the inclusion of women, and the GoE sets quotas for the participation of women, for instance in committees and training. The GTP includes specific strategies for inclusion of women, youth and the disabled in income generating activities.

One of the challenges in using gender approaches and HRBA in a value chain project is how to avoid over-representation of the elites (better-off households), which have already on average better situation among Programme beneficiaries, but who also have the greatest potential for value chain development, and how to increase inclusion of the most disadvantaged groups, whose skills and resources might be insufficient to fully take advantage of the opportunities (such as landless, disabled, minorities)?

Some have argued that the basic objective should be only to do no harm, and to focus on work with more commercially viable actors. It appears that AgroBIG is not infringing the rights of any group specifically. However, those who benefit most from training and demonstration equipment have been the cluster farmers – usually cooperative leaders and other better-off male farmers. Given the strong policy guidance of both governments, the MTE team feels that stronger efforts must be made to support more inclusion. It is true that taking additional actions to support, for instance, women-only activities may have budget implications, however, this is still considered worthwhile, as it will decrease inequality and improve activity implementation.

In the initial programme document the MFA had emphasised that one value chain product should be chosen that would serve the needs of the more vulnerable (such as landless, youth and women, persons living with disabilities), and for this reason honey was proposed, alongside onions. However, during the Inception period honey was changed to potatoes (at the request of the regional government). As this targeted opportunity has been lost, opportunities to reach women and vulnerable groups have diminished.

AgroBIG is making some effort to mainstream gender in trainings and other activities, and has set quotas (for instance 30% for training or fund recipients, 40% for fund selection committee), however these have been generally ineffective for cultural and institutional reasons. Cooperative membership is by household, with the household head as the member. When an invitation is issued, men will normally participate, especially if the training is at woreda level - women do not normally attend trainings unless they come from female headed households. Apart from the equity issue, this is problematic in a pragmatic sense, given that men receive the training while women do much of the labour in the fields; hence the conversion of theoretical knowledge into on-farm results is likely to be diluted. In addition, with very few women employed in government technical posts, it is unlikely that gender quotas can be fulfilled for training, selection teams or study tours of government staff.

There has been no specific training provided to staff on gender and other vulnerable groups - this would be an important step as it is impossible to change the situation on the ground if the staff themselves don't have a good understanding on the reasons and importance of change.

Some targeted activities have been conducted - for instance, the establishment of women's groups for roadside trading, and the establishment and training of groups of landless youth. The MTE team commends the Programme for these activities, however there is room for improvement. Rather than any grassroots discussions being used to develop ideas and then volunteers coming forwards to express interest, the participants have been selected in a top-down fashion. This led to a mismatch in interests, and specifically the poor performance of the women's trading group (some of the members state that they were interested in office jobs).

It is unclear why the decision has been taken to construct a store/shed for all the youth and women's groups? Other than having a place to store chemicals safely, for the sprayer groups, there is not an obvious need for a store. And in the case of the youth trained for canal repair and maintenance in the Koga Irrigation Scheme, there may be a timing problem. The group have received the training already, but as yet the canals are not complete and there is no idea how much maintenance will be needed in the future. Given the likely gap between training and employment, there will probably be an element of de-skilling, and potentially group members will drift away.

In the selection process for the new value chain products, 20% of the points were allocated for 'inclusion of socially deprived groups and environmental consideration (Gender inclusivity/women's income opportunities, environmental compatibility, low barriers to entry for the poor-capital, knowledge, etc.). However, in practice, of the total 8 crops considered in the workshops, all received the same score under this line, apart from snow peas. This suggests that it wasn't given serious consideration.

48 unemployed youth (41 men, 7 women) have been selected, trained and equipped within groups to provide advice on pesticide use and to provide spraying services to farmers. There is some potential risk regarding sustainability, given that there is limited willingness to pay by farmers as yet. It is unclear whether there was any study of willingness to pay prior to beginning the activity. However, in general this is a positive and innovative activity, specifically targeted to reduce environmental damage and to support income generation by landless youth; and it is likely that demand will slowly increase. There are some slight negatives - in this particular case, gender mainstreaming was perhaps unwise. Women are not legally permitted to carry out spraying services (due to the risk to any unborn child), therefore it was inappropriate to include women in the groups. In practice, those interviewed said that they would work in the store. This could be successful as long as the group works as a team and shares the profit equally. There are some questions regarding how long the sprayer groups will stay together. As they come from different kebeles and have their own

equipment, it is likely that the more entrepreneurial members will tend to work as individuals (this has already begun). In the case of the well digging groups they are more likely to stay together, as they need to use shared equipment and work on each job as a team.

Other donor funded projects also are struggling with gender quotas. The USAID project implemented by ACIDI/VOCA has changed from relatively unsuccessful mainstreaming to implement targeted activities – eg. women-only groups or trainings – and have had a lot of success. This has included activities such as women only business plan competitions, nutrition training, female membership drives to cooperatives, farmer field days for women only, and private equity training for women (how to get Ethiopian and foreign investment for your small business). IFAD described activities involving community land being given to women’s and youth groups, and giving preferential treatment to women in access to finance. However, they noted that it was difficult to achieve even 30% of women in trainings. The World Bank noted that they struggled to increase female participating in capacity building within AGP I. In AGP II they plan to tailor training for women specifically, provide child care, etc.

As yet there is no gender strategy – however, a good gender study (Gender study on onion and potato value chains) was conducted by a short term consultant, but the recommendations have not seemingly been applied. There has been some disaggregation of data by sex in reporting. Poverty status of beneficiaries is not recorded.

No particular attention has been given by AgroBIG to people with disabilities (PWD) or with HIV & AIDS, or ethnic minorities. HIV&AIDS rates are low locally, and are decreasing; therefore there is not a particular reason to address this within programme activities. Disadvantage due to ethnic group does not appear to be a problem within the programme areas (with more than 99% Amharic population). Therefore the only potential areas for improvement could be for people with disabilities, and children. However, unless an organised group of PWD exists and expresses interest in working with the programme, it is probably not the greatest priority area. Child labour in agriculture is a normal practice in Ethiopia, however there is now increasing encouragement from the government for all children to attend school. There are two shifts of school, and this permits children to still participate in herding and other activities outside of school. This is a human rights issue, and AgroBIG should be careful not to promote activities that overload children in the family. Female genital mutilation (FGM) is a significant problem in Amhara, however this falls outside of the sectoral work of AgroBIG.

AgroBIG has to some extent developed the capacities of government staff to address gender and youth. For instance, the Offices of Women, Children and Youth Affairs at woreda level have received a computer and motorbike, and have participated in woreda level committees (though they only have implementation budget in 2015).

There is unnecessary secrecy regarding the project reports and plans. It is important for the sake of good governance and HRBA to promote transparency and broad sharing of plans and results. Even the MTE team found it difficult to obtain some information.

Climate Sustainability

It can be assumed that likely implications of climate change in the programme area would be shorter and more intense rainy seasons, and longer drought periods, intensifying the already high hydrological variability and frequency of extreme events. The greatest impact on crops is likely to come from flood damage and water constraints (IFPRI 2011).

AgroBIG is not currently promoting specific climate sustainability or climate change adaptation activities. However, increasing access to irrigation systems will provide some buffering of risks, as long as there is sufficient water available. In addition, capacity building on water use efficiency is beneficial for dealing with the impacts of climate change. On the

dry lands the well digging groups can support access to water by farmers. Improved irrigation techniques (eg. furrow rather than flood irrigation) have been taught and should decrease water needs. Diversification of support from just onions and potatoes to a broader basket of options would permit farmers to grow a wider variety of crops (both commercial and those that are important for food security) – therefore spreading risks in the face of variable weather.

Environmental protection

Environmental protection aspects have been considered in the specific value chain reports (for instance, discussion of crop rotation, fertilizer application and impacts on nearby wetlands). In addition, training on issues such as water use, irrigation methods, and fertilizer application are likely to have a positive impact on the environment.

Environmental safety was a key consideration when the youth sprayer groups were established. By providing training in environmental health, and appropriate choice and handling of agricultural chemicals and disposal of their containers, as well as attempting to move the spraying activity to the hands of the trained sprayers, there is likely to be less environmental damage. Some sprayer groups still leave the chemical container disposal in the hands of farmers, while others are collecting the containers themselves. One group also noted that local farmers understood the safety advantage, as well as observing better results.

However, there is a small caveat – youth sprayers should understand that the masks they are using are for dust control, rather than totally excluding chemicals, and cotton overalls do not provide total protection. Therefore they must still exercise care when handling the chemicals (and as noted earlier, women should not handle the chemicals at all).

2.7 IMPACT

Overall objective: Contribute to poverty reduction through agriculture based economic growth in the programme area.

The development objective of the Programme is to contribute to poverty reduction through agriculture-based economic growth in the Programme area. This was expected to lead to increased income of farming HHs from sales of farm products, and establish economically viable agribusiness in the Programme area contributing to the Region's overall economic growth.

As discussed elsewhere in this report, the actual implementation of programme activities began in 2014. Due to this reason, in most cases, it is too early to see a clear link between value chain activities and poverty reduction. Some early effects and potential impacts of the different interventions of the Programme are discussed in this document. Factors that potentially undermine possible impacts are also discussed.

On households and individuals

Availability of certified/improved onion and potato seeds could potentially increase income of the farming HHs. Lack of access by the farming HHs to improved and certified onion and potato seeds was an important value chain bottleneck for these crops. AgroBIG has tried to support the regular availability of these seeds in the local market. Availability of these seeds at the right time and place at a reasonable price could potentially mean improvement in the quantity and quality of onion and potato produced by the target group. This could in turn result in increased income for farmers. This increased income would potentially contribute to poverty reduction.

Local production of improved/certified onion and potato seeds would potentially increase income of the HHs involved in this business either individually or organized in groups (i.e. cooperatives). For instance, establishment of market linkages between the onion bulb (seed bulb and consumer bulb) producers located both in and far out of the programme area and the onion seed producers located in the programme area could enhance marketing efficiency, ensure quality, make products available at affordable prices and at the right time; and ultimately result in increased income of the seed producers. The same could also apply for potato. The following case could provide evidence for potential impact.

Desalegn Tadele, a Botanist in Bahir Dar University, and other two other individuals own Jemma Integrated Agriculture Development PLC. The company is engaged in onion seed production on 5 ha of land obtained through lease from Government. Three years ago for the first time, the company produced 2.5qt local improved onion seed from 0.25 ha land. As access to market was a challenge, Jemma sold the seed at Birr 145/kg. A margin was taken by brokers/middlemen who provided linkage between the seed and the bulb onion producers. Of course the fact that the seed was not certified, packed and labelled was also another reason for the price.

Last year (2014), following introduction of the value chain approach and creation of linkages by AgroBIG, the Company (Jemma) produced the onion seed under close and regular supervision of the Quarantine Office (who eventually certified the seed) and also labelled and packed it. As the result, it sold the seed at Birr 600-700/kg and earned a reasonable income as it was directly linked to cooperatives/farmers in Fogera and Mecha, bulb producers in North Wollo and in North Shewa Zones in the Region and also to Efruit. The farmers had also enjoyed access to certified local seed that had a better germination rate and better quality. This year, assuming a 10qt per ha yield, the company expects a minimum of 50 qt onion seed from all of its holdings in two months' time. This amount is equal to a minimum of Birr 3 million.

33 of the 142 (10 female) members of the Kudmi Seed Multiplication and Marketing Coop in Mecha are growing onion seed on a total of 6 ha land. They bought 270qt onion seed bulbs from Kobo area in North Wollo Zone through the linkage facilitated by the Programme. They expect 50qt seed which they have planned to sell through the Koga Cooperative Union. This 50qt improved seed is estimated to fetch at least Birr 3 million considering a Birr 600 per kg selling price. This amount is an average of about Birr 90,000 per the producing members in a season.

Increased income of individuals trained and capacitated by the programme to provide agricultural services. AgroBIG has supported skill training and provided start-up material for mostly landless and unemployed youth to provide agricultural services like pesticide and herbicide spraying, retailing these chemicals, repair and maintenance of sprayers, irrigation canal repair and maintenance, shallow well digging, and repair and maintenance of water pumps. Most of these people have started earning incomes by rendering the service both individually and/or in groups. The following are examples of the achievements to date and the potentials that exist in this regard.

In Fogera Woreda, mostly landless and unemployed youth were trained in shallow well digging and water pump maintenance and they were in group provided with start-up materials required for providing the service. For their first assignment, they were paid a daily wage of Birr 80 per person. Then they were paid a total of Birr 15,000 per well. Lately they were offered Birr 20,000 per well for five wells by the Woreda Water Office and are still (at the time of the MTE) negotiating to increase the amount. They have also been providing a service and earning income both individually and within their group on repair and maintenance of pumps.

Likewise, the youth trained and capacitated in relation to crop protection have also started providing the service both individually and in their group. In Fogera Woreda,

one of the trainees has earned more than Birr 8,000 individually and about Birr 4,000 combined with the five members of his group since the intervention began (about three months ago).

On farmers' organizations

AgroBIG has supported establishment and strengthening of farmers' primary cooperatives and a union. These organizations were provided with capacity building trainings and material support. Strong cooperatives could potentially link their members to fair, safe and timely farm input-output markets; provide agricultural services, introduce improved farming practices and technologies; provide social services, etc. These arrangements could potentially increase income of the member, improve working and living condition of the members and the surrounding HHs and eventually contribute to reducing poverty.

On systems

The programme has facilitated and supported introduction of the following systems. It is believed that these systems would eventually contribute to increased income of the target groups and contribute to poverty reduction.

- A system that link farmers, through their primary coops and a union to bulk buyers like Etfruit and consumers' cooperatives was introduced. This system could increase income of the producers through: redistributing the margins of the middlemen and increasing competition among the buyers.
- Introduced farming systems and practices like furrow irrigation, timing of irrigating fields and postharvest handling that could increase yield, improve quality and elongate product shelf life – all of which could contribute to increased income of the producers.
- Working to introduce cluster production approach that could potentially stagger production and avoid oversupply, and enable regular and planned supply.

On government institutions

- The programme has supported strengthening technical (trainings and exposure visits) and physical (office equipment, office, logistics, FTCs,) capacities of the implementing government offices. Better capacitated government offices could potentially increase their interaction with farmers and farmers' organizations. Increased interaction could result in increased economic and social performances of the target groups.
- AgroBIG has also supported enhancing capacity of ARARI through providing laboratory and laboratory materials, which should enabled the institution to multiply and disseminate the improved potato varieties it already had, and which it did not do due to a lack of budget. Support of the programme has also enabled the institution to more effectively utilize facilities like screening house that were not utilized due to unfinished constructions and also due to lack of the required materials.
- AgroBIG has brought the value chain concept to the attention of the Regional Government and the implementing government offices as an alternative development approach.

On the regional seed sector

- The programme has practically contributed to improvement of the regional seed sector. As discussed in the preceding paragraphs of this section, it has supported production, processing, grading, packing and certification of onion seed by Jemma and by a cooperative in Fogera. In addition, ASE has for the first time embarked on production of improved and certified onion seed.

- It has also developed linkages among the different seed producers in the region (i.e. between the onion seed bulb and the onion seed producers); and between the improved potato seed producers and members of the target community.

On the environment

- In response to findings and recommendations of its environmental assessment study, AgroBIG has tried to improve agro-chemical handling and use as practiced in the project areas. Though further work is required to attain international standards, interventions of the programme (training and capacitating selected service providers) could potentially contribute to a reduction of the problem.

Potential positive contributing factors

The following are believed to constitute circumstances that favour realization of impact of the programme in the long run:

- Existence of high natural potential (like irrigable land, relatively good soils and conducive climate) for agricultural growth in the area and potential markets i.e. universities and growing urban centres.
- Pertinent government interventions in the area like the huge fruit and vegetable store (including cold store) constructed in the Koga irrigation Scheme; and the planned and also budgeted establishment of a Horticulture Terminal Market in Bahir Dar.
- Existence of Koga Veg, a private company that grows vegetables for export, and its intent to organize out grower farmers for its products.

Factors that determine potential impact

It is believed that at least the following factors would determine/limit realization of the potential impacts of AgroBIG:

- Extent and quality of implementation of the final year of the programme; and
- Sustainability concerns (see Section 2.8).

Negative Impacts

It appears that AgroBIG does not have clearly visible and significant negative impacts. However, we mention the following just for curiosity.

- The agro-chemical spraying groups trained and capacitated by the programme have introduced improved practice and safety package when compared to what is traditionally practiced by farmers in the area. However, still the protective materials used by the trained sprayers are not up to the international standards. This situation might result in three undesirable impacts: it could unnoticeably affect the health of the trained sprayers; it could introduce and institutionalize wrong standards in the area that may not be easily unlearned; and this wrong standard could negatively affect international competitiveness and the export sector.
- Still related to the chemical spraying, girls were also trained to provide this service and also worked on it. However, this is not in line with the existing regulation and would also have negative impact on the practicing girls.

- If farmers are pushed into production of the crops selected for the VC intervention and if the production increase as a result of the intervention (quantity and/or quality) is not matched with a reasonable price, this situation could negatively affect the producers.

Programme Extension

AgroBIG has been delayed and the delay has compromised impact. Delayed progress of projects/programmes is not uncommon in Ethiopia and delayed programs are often compensated by no-cost extensions. This was reported by two other donor-funded value chain oriented programmes during the MTE.

Regarding AgroBIG, the initial programme document was finalised in 2012. The programme inception period began in the end of 2012 and continued for more than a year with actual implementation beginning in 2014. This delay raises a number of concerns and practical issues. For example, there is big mismatch between the remaining time and the number and diversity of planned activities to be completed. Implementation of support to two value chains has just started.

The budget allocated for year 2015, which was not released by end of the first week of March 2015, as the AWP had only just been approved, is perceived to be too much for the remaining period of the Programme. This indicates the need for no cost extension of the programme with the hope that the remaining activities can be efficiently and effectively consolidated. This period could also be used for preparation of the second phase of the programme. However, the delayed start in implementation of the programme should not be compensated for by ineffective implementation that could potentially compromise long term impact. Recommendations for improving the potential for impact are made at the end of this report. Importantly, a decision for a no-cost extension and communicating of this to all concerned as early as possible could help, not only AgroBIG programme planning and more efficient resource use, but overall best use of MFA funds.

2.8 SUSTAINABILITY

Under this section, features that are believed to contribute to sustainability and its challenges are discussed.

2.8.1 Sustainability Enhancing Features

It is believed that the features discussed in the following paragraphs will contribute to the sustainability of achievements of the programme. They are put under two broader categories (i) ownership by the Government and the beneficiaries and (ii) the capacity building interventions of the Programme.

Sustainability through Government Structures and the other beneficiaries

- The AgroBIG Programme Document identifies implementation of the Programme through existing government structures as one of the features that will ensure sustainability. In line with this, the Programme is practically strongly owned by the Regional Government that initially requested its initiation. The different Programme activities have been implemented by the relevant government structures. These structures have been involved at all stages of the programme. They have assigned Focal Persons, and members of the Technical Committee and the Supervisory Board. While the people involved in AgroBIG activities (and their capacity) may remain within government structures, the actual committees and roles (i.e. focal person) may stop with AgroBIG funding.

- Given its mandate and its preceding experiences, the Amhara Seed Enterprise (ASE), a government owned large-scale seed producer, it is hoped to continue production of improved certified onion seed which it has just embarked on. Additional funding may be required in future to ensure actual delivery of the improved seed in the intended volumes.
- Etfruit, a government owned profit making enterprise, has so far established linkage with four primary cooperatives and a union. This enterprise is used by the Government for retail market stabilization (especially for basic consumer goods). Given this mandate, it seems that Etfruit will continuously enjoy government support in this regard, and its emerging direct linkage with farmers will expand and be sustained.
- The ongoing and upcoming government interventions in the area like the significant fruit and vegetable store under construction in the Koga Irrigation Scheme command area and the Bahir Dar Horticulture Terminal Market would contribute to ensuring and enhancing sustainability of achievements of the Programme.
- Farmers and their cooperatives have been involved in the programme activities, which largely supports and improves their regular practices. It is hoped that farmers will adopt and institutionalize AgroBIG supported developments like the onion seed to onion seed bulb producers' linkages; the improved agronomic and postharvest handling practices and certified seed production.
- It is hoped that the Jemma Integrated Agricultural Development PLC will continue and expand/upscale production of certified onion seed in particular and vegetable seeds in general.

Capacity building interventions undertaken by the Programme

As discussed under Sections 2.2.3 and 2.7, AgroBIG has been working on building technical and physical capacities of the implementing stakeholder government line offices, research institutes, government profit making enterprises, cooperatives, ACS and income generating groups/individuals. It is hoped that their enhanced capacities will contribute to ensuring sustainability of achievements of the Programme.

2.8.2 Risks to Sustainability

With regard to sustainability, the Programme Document provides that the result focus is on impact at the local level, and better-functioning value chains are expected to be the prime insurer of sustainable results. It also expects the value chain approach itself, addressing issues related to production, processing, trade and consumption based on a business approach to be a good path towards sustainability. Challenging these expectations and notwithstanding the favourable conditions discussed under Section 2.8.1, it appears that at least the following features appear to compromise potential sustainability.

- In line with understanding of the Programme Document, and in spite to the capacity building interventions of the Programme, it still appears that the implementation capacity in all government structures is limited. In the face of the other vast development interventions they undertake and the frequent and high staff turnover these offices face, it appears that they lack adequate and reliable capacity that could ensure programme sustainability.
- A considerable proportion of programme resources have been channelled to farmers' cooperatives. However, owing to their young institutional age, limitation in technical and

management capacities of their leaders, inadequate awareness and readiness of the members, etc., it appears that these coops lack adequate experience and capacity that ensure effective and continued use of the resources and the subsequent achievements. Their readiness to operate under competitive and challenging business environment after AgroBIG⁴⁸ is also questionable. All this points to the need for continuous and close capacity building intervention further supporting cooperatives.

- Parallel to the cooperatives, the Programme has channelled some (directly targeting less than 200 people) resources to the landless and unemployed youth through organizing them as groups with income / business oriented activities. The problem, however, is the top-down approach followed in this regard, hence the unlikely continuity of the supported groups. The approach was designed by civil servants responsible for recruiting group members. In most cases people selected and brought together from different rural kebeles⁴⁹, are supposed to provide services or make business together and share the benefits. However, given the individualistic nature of human beings and the vast preceding unsuccessful experiences, it does not seem that these groups will last once the benefit they get from the Programme is stopped. The fact members of the groups have already started providing services individually. It appears that building capacity of the members of the groups to enable them to provide the service individually is the best and sustainable option (i.e. deliver support via group structures and allow individual businesses / enterprises).
- Another feature that challenges sustainability of these groups, especially those organized to provide agro-chemical spraying service, is the fact that individual HHs undertake this activity using their own individual or shared sprayers. It takes time to convince farmers to hire in a contracted spraying service based on addressing environmental and personal safety issues.
- Due to the top-down approach followed to select the beneficiaries⁵⁰, accompanied by the inappropriate design of stalls, problems of group undertakings, the stiff competition from the private traders, and the unlikely feasibility of the arrangement, the road-side shops also do not seem to be sustainable.
- The platforms of the woreda level value chain participants, who during 2014 met only once per woreda and once together at region level, are only irregular and informal. Unless they are institutionalized and linked to other similar groups, their sustainability is questionable.
- High illiteracy rate within the target community; current limited use of mobile phones; absence or limited access to electricity for recharging batteries (though the programme is planning solar charging points) challenge the sustainability of MBirr by rural, remote farmers. Targeting urban / peri urban, younger, literate individuals appears a logical step to building a sustainable service.

⁴⁸ For instance, Lomi Dur (that has 245 members - 27 female) and seven other irrigation cooperative in Fogera were established in 2002 by a preceding government development project implemented in the area. However, following completion of the project, all of the coops were almost dissolved by the time of initiation of Agro-BIG that rehabilitated, capacitated and working with four of them including Lomi Dur.

⁴⁹ For instance, the seven members of one of the partnership (Habtamu and Friends) in Fogera were brought together from five kebeles

⁵⁰ For instance, it was planned to provide two commonly run roadside shops in Fogera (only one was provided by the time of the MTE field visit). The shops are expected to be commonly used/run by groups of nine and ten women who are selected and brought together by government officials, not by mutual interest and self-selection of the women.

2.8.3 Mitigating Sustainability Risks

A MTE analysis of risk is provided in Table 9. This analysis suggests AgroBIG has not been closely managing or mitigating risk. As discussed above the Programme Document targeted sustainability via the 'market' i.e. developing efficient and profitable value chains.

With the exception of the income generating groups, AgroBIG implementation has generally targeted cooperatives and public / semi-public institutions. While the MTE finds that some individuals within income generating groups have potential to sustainably generate income, more needs to be done to strengthen the capacity of cooperatives and semi-public bodies to ensure sustainability. Addressing their increased commercialisation is an option to do this.

2.8.4 Institutional Support to Bureaus

MTE findings support the observation that a large number of donor-funded programmes are supported by BoFED / BoA in particular, tying up many of their scarce resources. The majority of the AgroBIG budget passes through these two bureaus, and the project documents have referred to bottlenecks with staffing and funding in these organisations (eg. the reasons given for the AgroBIG office to be located separately, rather than within BoFED). The observation of a high staff turnover rate in the BoA is also supported by MTE observations.

BoFED and BoA require more resources to perform their role. To address this challenge the GTP points to supporting the commercialisation of some areas of public sector activity. Development initiatives have attempted to support this i.e. the AGP has supported introducing a commercial aspect to FTC services. Based on AgroBIG experience there is potential for it to further support this strategic direction. AgroBIG could look more at commercial aspects of the institutions it supports i.e. increased commercialisation of ASE and research. It could also look at increased commercialisation of cooperatives. These areas of support could also explore ways of increasing incentives to government officers to remain longer in their institutions i.e. the rewards and incentives to Development Agents by looking at potential payment for services. AGP with Development Partners has worked in this complex area. Further study and networking is required to determine lessons from this experience and potentially absorb them into AgroBIG.

2.9 GENERAL QUESTIONS

2.9.1 Analysis of Programme Achievements

The AgroBIG programme has developed strong government ownership within BoFED through the use of 'Channel 1' funding arrangements. Key informants within BoFED felt they implement AgroBIG. As a result Finnish Government support is highly valued among senior civil servants within the regional administration.

Programme achievements are primarily at the activity level. This is understandable as full implementation has only occurred for approximately one year.

The programme has achieved the distribution of assets (i.e. motor bikes and computers) to a number of government institutions including woreda level bureaus. Some assets have also been distributed to cooperatives (scales, bags etc.). The programme has supported the construction and purchase of equipment in four mini media centres and is supporting the building of FTCs and a new office for the Woreda Bureau of Agriculture in Fogera.

Market linkage facilitated by AgroBIG between EtFruit and consumer cooperatives and the producer cooperatives have started in March 2015. A first truckload of approximately 7 MT of

onions was consigned during a MTE field visit. Onion seed and bulb market linkages have also been facilitated within the Amhara region. Support has also been provided to improve the quality of onion through work in seed certification and packaging.

AgroBIG has supported approximately 98 youth in groups to establish businesses in activities such as chemical spraying and sprayer repair, canal maintenance (have received training only so far as the canals aren't completed yet), well digging and irrigation pump repair. It has also supported 19 women in groups to open small shops selling potatoes and onions. Youth trained in canal maintenance, well digging and irrigation pump repair reported promising demand for their services.

The programme has performed various training events and organised field visits within Ethiopia and to Kenya. It has also produced manuals for both of the onion and potato value chains and for each of its four grant mechanisms. AgroBIG has established four different grant funds and begun the disbursement of monies through these funds.

A number of studies have been commissioned by AgroBIG performed by local consultants and programme staff⁵¹. These include Value Chain Studies for maize, onions, potato and rice. Reports have also been produced that explore the onion seed market and the processing options for potato and onion.

2.9.2 Analysis of the Current Main Operational and Structural Challenges

Structural challenges exist in decision-making processes that emphasise production over markets. Initial value chain selection chose potatoes and onions. Processing options and market opportunities for these commodities are challenging compared to other commodities. Similarly, recent value chain selection has chosen maize instead of wheat. Wheat has clear market opportunities through import substitution and flour mills in Bahir Dar. Maize appears to have been selected largely for production reasons. Value chain support has the best chance of succeeding where markets are expanding and profit potentials are strong. AgroBIG needs to work more in areas where these conditions exist.

A key structural challenge facing AgroBIG is that it is a programme designed to be primarily implemented by public sector institutions with the aim of supporting the private sector. AgroBIG documents commonly refer to supporting the Private Sector within selected value chains. However, the MTE finds that the balance of support is towards government, quasi government and cooperatives. Government offices have received equipment and civil servants have been trained. Quasi-governmental organisations such as ARARI and ASE have received support. Cooperatives have been a focus of attention at field level. EtFruit also has connections with government (it is a government-owned profit-making enterprise, also used for retail market price stabilization). Woreda level value chain platform meetings that were intended to bring traders and buyers together have not been a focus of attention and alternative methods of engaging the Private Sector have not been pursued (for example a key representative of the private sector felt the organisations they represent were not well informed on AgroBIG services).

Having a value chain approach implemented by seven bureaus is a main structural challenge. Coordinating many partners is time consuming, especially where decision makers are not always available. In some instances this has led to meetings being missed, delayed or performed in the evening. MTE results further suggest some implementing partners are more engaged than others. MTE fieldwork suggests the Bureau of Agriculture is more involved in implementation and influential in decision making processes compared to the Bureau of Trade. Analysis of expenditures supports this observation where Bureau of Agriculture has

⁵¹ The TA team performed onion and potato value chain analyses. The two new value chains (rice and maize) were outsourced to a consultant and have been conducted in close cooperation with the TA team.

spent 35 % of its Birr 729,600 (Euro 32,000) 2014 budget, whereas the Bureau of Trade has only used 18.1% of its Birr 1,204,730 (Euro 53,000) 2014 budget. The Bureau of Trade is responsible for market aspects of AgroBIG where programme performance is more challenged and potentially more important.

The funding mechanism with its planning and approval processes has led to operational challenges that have delayed spending and created timeliness issues where activities have not been coordinated with agricultural seasonal calendars. Delays are commonly reported as being caused by the planning process and approval procedures for work plans.

An operational challenge for AgroBIG is that it is commonly perceived at woreda and kebele level as a traditional separate donor project, as opposed to being fully implemented by government using state systems and procedures. This means stakeholders expect levels of benefits to match those of other donor interventions in the area. AgroBIG uses government guidelines. Information collected during MTE fieldwork suggested a per diem of Birr 50 per day as permitted.⁵² Other donor projects commonly pay between Birr 100 to 200 per day. Government staff will therefore prioritise other activities when they have a choice and may forgo AgroBIG activities to make up for time spent on other donor projects. Civil servants also commonly felt additional staff were required to perform regional, woreda and kebele level AgroBIG tasks.⁵³ These roles and responsibilities were seen as above and beyond their normal day-to-day tasks. These Key Informants felt not enough time was available to complete their government and AgroBIG tasks.

2.9.3 Assessment of How the Funds Have Functioned

Covered in section 2.2

2.9.4 Assessment of Programme Manuals

The onion and potato production, handling and use manuals

Two manuals [A Manual for Exotic Onion Production, Handling and Use; and A manual for Potato Production, Handling and Use] were produced by ARARI, Amhara Region BoA and AgroBIG⁵⁴ in 2014. The potato manual was first produced in 2007 and reproduced in 2010 and then in 2014.

The objective of the onion manual is to introduce producers to improved production technologies generated by research and to enable them to increase productivity of the crop. It also aims to enable farmers to easily identify and protect from pests and diseases affecting this crop; and to enable them to know and properly use cultural and chemical protection measures. The producers of the potato manual believe that the manual is useful for governmental and non-governmental development organizations and investors that are deployed on potato production, trade and processing.

The manuals were prepared based on information gathered from different sources like books, scientific journals, peer reviewed proceedings, published and unpublished research reports, etc. They provide information regarding agro-ecology, production, protection, harvesting, handling and processing of the two crops in adequate details. The Potato manual has also included a number of potato recipes. The materials have used professional and high level presentations, technical concepts and expressions/jargons [including scientific names,

⁵² Subsequent information collected by the MTE questions this level with some reports suggesting that full day per diems are higher than these.

⁵³ Even though the MTE did not see the appropriate minutes, we understand that it was decided to add staff for some of the AgroBIG related offices i.e. BoA, CPA. It is questionable if the MFA would agree to adding these staff from AgroBIG funds.

⁵⁴ Some AgroBIG employees questioned the level of Programme input into these manuals feeling they were largely excluded.

symbols, foreign languages, units and symbols, complex tables, cut and pest maps and photos labelled in the English Language, nutrient and nutrient contents, engineering designs, etc.], and lengthy discussions. that could be understood only by mid- level professional and above.

In general, the manuals could serve as reference materials on the two crops for Development Agents and people with background in plant sciences (agronomy or horticulture). On the other hand, even though the language is in general Amharic, the materials are not simple, and were not prepared in a way that they would target, nor could be understood and used by smallholder farmers.

Fund manuals

As noted in Chapter 2.2.4 (where more detail regarding the findings on the implementation experience is given), in the discussion of the effectiveness of Component 3, guidelines have been produced in English and Amharic for each of the three grant funds and for the loan fund. The grant fund manual production began in early 2013, but they were not approved until May 2014. They have not yet been revised (despite a comment to this effect in the Annual Report 2014 and work plan for 2015).

The grant guidelines are all very similar. Given the big difference in potential grant sizes, this is considered a failing, as the VCF guidelines are excessively complex for a small grant. They should be better targeted to the purpose.

The guidelines describe the ideal state of AgroBIG's woreda level committees and bodies (page 12, all grant manuals)⁵⁵. For instance the Woreda Value Chain Stakeholder Platforms are said to meet quarterly. The original plan was that grant proposals would stem from the identification of problems or blockages identified in these meetings. However, in practice, during 2014 the platforms met only once in each woreda. The Guidelines also state that the woreda technical committee technical review panels would meet monthly to review the grant applications. However, this does not reflect the likely flow of proposals (concept notes need to be assessed after the concept note deadline, and proposals will also come in another batch. Hence there is no need to meet on other dates).

The guidelines (page 10 of all manuals) specify that 'gender perspectives are incorporated into the action plans for example regarding workloads, ownership of assets, negotiation power, leadership training, etc.', however, there is no evidence of this in the plans reviewed by the MTE. In addition, no point clearly indicated in the concept note format deals with gender or the environment. The Annex 4 checklist in the manuals is to be used by technical reviewers to assess the full project proposals regarding gender and environment. However, it is only a Yes/No format. Additional space should be added so that the applicants need to explain the answers to the technical reviewers. For instance:

3. Have measures been included to address women's constraints (eg. increased time requirements, childcare responsibilities and restrictions on mobility)?

Rather than simply a Yes/No answer there should be a further question of How?

or

8. Can the adverse effects of the project be mitigated or avoided by other alternatives or remedial measures?

This would greatly benefit from a follow-up question – If so, please describe?

⁵⁵ Comments on the MTE report point out that as only one call for funds has been processed, a limited number of approved grants is being implemented and the need to meet monthly (by woreda level committees) has not yet materialized. However, the woreda committees are expected to oversee the implementation of the grant projects also. When the number of grant projects reaches 300-400 with many of them at the implementation stage, there may be a need to meet monthly.

The methods described in the guidelines to collect stories from individuals and groups are good and hopefully will result in useful information for future calls.

Innovation, Demonstration and Research Fund (IDRF)

The guidelines state:

The IDRF will invite applications particularly from the private sector and a minimum of 50% of the IDRF grant funds are expected to be awarded to private sector actors.

The fund has been tied to the two VC products (onion and potatoes) in the first call. This is seen to have contributed to limited interest. In practice it appears unlikely that there are many private sector actors willing or interested to invest in research within the onion and potato value chains (though it is possible that there could be more interest from rice and wheat value chain actors). Therefore it is proposed that while AgroBIG should actively encourage private sector actors, setting a target should be realistic.

The fund is open to virtually all but individuals – including sole proprietorship businesses, research institutions, registered farmer groups or cooperatives, and companies. This is appropriate as making a grant to a non-registered individual would imply some risk.

The specific purpose of the IDRF is capacity development. As such the guidelines suggest several good ideas for the types of proposed use that the fund could be applied to, ranging from exposure visits, to on-farm demonstrations of new technology, etc. However, it may require more intensive awareness raising regarding the broad range of ideas to potential applicants. In addition, there should be closer ties to value chain opportunities or bottlenecks.

Once again, it is difficult to understand how gender will be assessed, when considering a research organisation. For instance on page 14 of the IDRF manual it states:

Gender perspectives are incorporated (mainstreamed) into the action plans for example regarding workloads, ownership of assets, negotiation power, leadership training, etc.

Yet for a research proposal, for instance on responses of potatoes to different rates of fertilizer application, it is unlikely that there will be any positive impact on women's workloads, etc. It is suggested that this statement should be removed from the manual. Alternatively, if this is only an indication that might earn extra selection points, the wording could be adjusted to make this clearer.

On page 24 of the IDRF manual it lists quantitative measurement for the awarded IDRF grants, including the percentage of female participation in the awarded grants. It is not clear how this is assessed.

It is unclear how the results in general should be measured for research organisations. The indicators listed on page 25, point 3 are perhaps relevant for a demonstration project but a research organisation is unlikely to be able to demonstrate results such as 'sales turnover of the organisation, sales turnover of various VC crops, or sales of inputs'. Some suitable indicators should be included for research proposals.

Grants can be between 2 000 and 50 000 Euro. In the case of very small projects, receiving one payment quarterly reports would be unnecessary.

Value Chain Fund (VCF)

The initial eligible grant was 1 000 – 2 000 Euro. This was increased to 6 200 Euro after the proposals were awarded, in order to permit the construction of sheds of various types. As noted above, this figure is still not adequate.

The guidelines are too detailed for the target group to understand (all grants to date have been awarded to cooperatives and service groups) unless they have professional staff. The level of complexity is also out of proportion to the size of the grant (although in practice, the proposals actually prepared for the applicants by the BDS advisers were simpler than implied by the guidelines). In addition, quarterly reports are excessive for small projects.

It is unclear how the gender target is assessed (applicant groups should have 'at least 30% female members'). The Concept Note Proposal format doesn't have anywhere to indicate this, yet it is expected that the reviewers will assess it. In practice there is not 30% female membership among any of the awarded proposals, although it is probable that the cooperative applications benefit both female and male household members. Therefore it would be more appropriate to change this to 'at least 30% anticipated female beneficiaries' – and a place should be indicated to include the number of female beneficiaries on the concept note format. The statement on p.22 that 'the participation of women is expected to be significantly improved' is unlikely and should be removed (how can the participation of women be effected by purchase of a pump or construction of a shed?).

Matching Grant Fund (MGF)

The purpose of this fund is to support larger investments in value-adding processing, post-harvest technologies, storage, packing, branding and marketing. It is also hoped that in the process micro, small and medium agro-businesses can develop bankable business plans – presumably via the review of the proposal by ACSI.

The complexity of the guidelines is at the correct level considering the potential grant size.

One innovative idea discussed during the evaluation was that matching grant fund applicants could be invited to pitch their proposals in person in a public event, perhaps even on regional television if this could be arranged. They would be subject to live questions regarding their business plans, links to the value chain, potential problems, etc. and the matching grants could be made available to the best proposals. This idea has been used internationally (eg. the TV show 'Dragon's Den'). This would increase awareness of the private sector in the value chain and publicise the grant funds.

Loan Fund

The loan fund guidelines are comparatively short and succinct. They were prepared together with the participation from the legal advisor and the economic advisor of the MFA Finland. The target group is predominantly ACSI staff, as well as potential recipients, such as RUSACCO or Cooperative managers, and as such there should be no particular problem in understanding and applying them (as ACSI staff can explain the requirements to the loan applicants).

3. CONCLUSIONS

Strong Government Ownership

AgroBIG has developed strong government ownership, particularly within BoFED. This has been achieved by using funding arrangements where the Programme implementation budget (approximately 61% of total funding) is managed by BoFED. It has also given Bureaus a lead role in decision-making processes (i.e. the selection of value chains, beneficiaries and activities).

Focus on Co-ops, Government and Quasi Government Organizations

Implementation has focused support to co-operatives, parastatal / quasi government organisations (i.e. ARARI, ASE and Universities) and government bureaus. One private sector organisation (Jemma Integrated Agriculture PLC) has been supported in certified onion seed production. Woreda level platforms designed to engage the Private Sector (processors, traders and buyers) along the value chain have not been prioritised. AgroBIG's 'pilot' experience shows it is difficult for government organisations to support the private sector.

It is recognised that cooperatives have varying levels of capacity, however it is generally observed that cooperatives have low leadership and management capacity.

Value Chain selection has under emphasised markets

Selection of onion and potato presented AgroBIG with value chains of low to moderate processing and market potential. Farmers in Mecha reported moving out of growing potatoes and onions and into wheat. It is difficult to work with farmers when they are interested in enterprises outside of the value chains you are supporting (i.e. eucalyptus or wheat). Recent selection of the maize value chain instead of wheat has again emphasised production over market potential.

AgroBIG has experienced significant delays contributing to low efficiency and a current urgency to spend

Significant delays occurred with issues related to financing the PSU (that in turn delayed staff recruitment) and slow decision-making processes leading to a one-year inception period and implementation starting in mid-2014. However, the MTE team also encountered start-up delays in several other donor-funded agribusiness programmes.

AgroBIG's pilot phase ends in December 2015. An Ethiopian General Election will happen in May 2015 probably absorbing partner's time compromising remaining AgroBIG implementation in terms of timeliness, quality and efficiency.

AgroBIG is now focused on distributing grants

Grants represent approximately 50% of the AgroBIG implementation budget. Cooperatives are major recipients of grants. Current leadership and management capacity issues challenge the effective distribution of grants to cooperatives. More time is required to build cooperatives institutional leadership and management capacity for optimum use of assets.

Institutional Arrangements and Relationships between the Technical Assistance team and implementing Bureaus is challenging

Technical assistance has not been fully valued or utilised by implementing partners. Technical assistance has not been used in developing some Programme activities (i.e. onion and potato manuals). Few examples exist of technical advice being used by implementers (i.e. the Technical Team recommended selection of wheat as an additional value chain given its strong market potential). Government representatives questioned the added value brought by the Technical team.

AgroBIG has created additional requirements for Government Offices

Government offices request additional staffing to be funded by AgroBIG in order to monitor and report on AgroBIG expenditure, and this has been approved by the Supervisory Board⁵⁶

Gender issues need better consideration

Mainstreaming gender is not achieving good results. While attempts should continue to be made to increase the participation of women (and other vulnerable groups, such as youth, disabled persons) in Programme activities, it is important to also move to more targeted activities.

⁵⁶ SVB Meeting minutes February 2015

4. RECOMMENDATIONS

AgroBIG needs to learn and adapt from its experience to better ensure achievement of its purpose

At a general level the performance of the TA team needs to improve to present clear added value compared to what implementing partners can achieve alone.

To do this the TA team needs to engage implementers more effectively bringing ideas and innovation along value chains with strong market potential that clearly contribute to the programs purpose. Implementing partners need to value the ideas and innovations introduced by the TA team and generally enhance efficient management and administrative performance.

The following specific recommendations are made in three groups. These are recommendations for (i) immediate implementation (ii) a one-year extension and (iii) a further Programme phase.

4.1 IMMEDIATE RECOMMENDATIONS

Increased Programme Support Unit Technical Assistance Capacity in the Value Chain Approach

The PSU TA team needs to increase its tertiary level capacity in the Value Chain Approach. This needs to be done as soon as possible to support on-going interventions in the rice and maize value chains. Full time expertise is preferred.

This technical assistance should be an expert in the value chain approach with the ability to support analysis and introduce initiative along the whole value chain. The technical assistance should have a proven track record of bringing ideas and innovation into market based development approaches. The person should also be able to engage public sector partners in an effective manner on potentially sensitive issues.

However, without having received up to data information on the remaining TA budget, it is difficult to estimate what is possible financially. Another priority includes extending the contract of the national M&E expert.

The MTE team does not, however, recommend recruitment of local experts (as recently approved by the SVB) to work with the BoTT and BoA⁵⁷.

Emphasise Markets and Business Thinking

The TA team needs to emphasise the analysis and understanding of markets and take this knowledge effectively into partner engagement. It should strengthen its up-to-date market analysis of the various market segments within its value chains and maintain this up-to-date knowledge and information within the PSU. External consultants should not be relied upon; institutional capacity should be in-house. Increasing TA value chain capacity should contribute do this knowledge base.

Challenges faced supporting low growth, low potential onion and potato value chains show the importance of working in areas with stronger market potential. Targeting growing, higher

⁵⁷ Increasing Bureau staffing paid for by AgroBIG raises sustainability issues. We would also like to see greater contribution from Bureaus towards AgroBIG. Paying for sufficient staff is an opportunity to do this.

potential and higher margin markets and market segments should increase the potential for the Programme to achieve its purpose.

Business thinking needs increased emphasis. Grant proposals should contain information giving an indication of business viability (i.e. margin analysis, payback periods and / or cash flow forecasts). Proposals to support business, such as potato flour processing, should present a valid argument for funding base on clear market and business potential.

The role of the Bureau of Trade needs further review and potential enhancement. This Bureau is responsible for market aspects of the value chain. The Bureau should be encouraged to be more active and influential in AgroBIG implementation.

Increase Networking with other Similar Initiatives within Ethiopia (PEPE, MEDA, SNV, ACDI VOCA, AGP)

As a way of rapidly stimulating ideas and innovations within the PSU and implementing partners, increased networking with similar initiatives is encouraged. Other initiatives should not be seen as competitors. They are a source of learning about what works in Ethiopia in value chain and private sector development. Experience sharing is encouraged particularly at senior levels within the PSU.

Enhanced liaison with AGP is also recommended. The Embassy should attend the AGP Technical Committee meeting at national level and PSU staff should attend at regional level.

Increased Engagement by the MFA / Embassy

The MFA and the Embassy in Ethiopia has experienced relatively high levels of staff turnover recently, though now the situation has stabilised. This has challenged engagement with AgroBIG, particularly at the regional level. The Embassy should become more actively involved in supporting the programme. To support a market-led value chain approach with increased private sector engagement will need support from the MFA in key decision-making events. The MFA will need to bring expertise and influence to these events to enhance AgroBIG implementation in line with its design and purpose.

It is further recommended that international and national staff of the Embassy visit the programme and go to the field, in order to get a better understanding of the issues. They could play a stronger role in helping to resolve problems.

Emphasise Adaptive Planning

Monitoring and evaluation require a stronger role within AgroBIG. The Programme needs to learn from its successes and failures. For example 'why are some youth groups more successful than others'? And 'what do we need to do differently as a result'? Lessons need to be absorbed and used by partners to enhance performance. There is a clear need to move from activity level planning to a results based approach. This approach should work with Bureaus to learn what has changed as a result of AgroBIG activities and outputs and how this contributing to the programs purpose.

Strengthen Cooperative Capacity to Manage Grant Assets

There is an urgent need to strengthen the capacity of cooperatives receiving grant funding. Areas of strengthening are suggested as:

- Cooperative leadership and management
- Members roles and responsibilities
- Business planning and management for the mutual long term benefit of members

- Accounting systems and materials (keeping a cash book using a safe cash box, use of bank account) - including developing accountants for groups of coops.
- Capacity to sustainably manage funds for the benefit of members

Providing TA that possesses hands on technical capacity and experience in cooperative management and administration is required to help ensure effectiveness. This could be done by increasing the planned training and providing further budget to the Cooperative Promotion Agency.

Clarify Roles and Responsibilities within the PSU

AgroBIG needs to review the roles and responsibilities of staff within the PSU. The roles of the Programme Director and the Chief Technical Advisor require review based on current implementation experience. The MFA and BoFED should facilitate this process. One role should lead the PSU and the other should bring and be responsible for appropriate technical advice and support. The TA team should also work to support planning and reporting of the overall programme, as this will have positive feedback – in this way it is likely that delays will be minimised, and the TA team will be seen by the GoE to have a more active role.

Increase Efficiency at all Levels

The following supplementary recommendations are made to increase efficiency:

- Improve/speed-up decision making process and reporting with the agreement, setting and enforcement of clear deadlines
- In the current system approvals have to be timelier. This may mean letters are circulated with no response equals agreement conditions. Alternatively the levels of approval require adjustment.
- Increased budget follow up with under-spending partners is required
- Coordinated implementation between component leaders is required (e.g. weekly management meetings are recommended)

Gender and youth

While realistic targets should still be set regarding the participation of women in trainings and meetings, in order to encourage female heads of household and others to attend, it is recognised that this will never achieve gender balance.

Plan and implement targeted activities for women – e.g. kebele level women-only clusters for training in production or processing, women-only SACCOs, or targeted women's VCF grants (perhaps with a slightly lower own contribution). Women's training must be gender friendly. AgroBIG should consider timing for already busy women (for instance, August-October are the quietest months, and trainers should identify the best time of the day for women), finding a location close to where the women live, ensuring there are facilities (such as toilets), providing the training in an easily understood format, and enabling women to bring babies and children. In a women-only group, women usually feel more confident to speak up, and then in turn are more confident to discuss farming innovations with their husband or neighbours. Per diems are not available when training is held locally, but the Programme could offer tea or coffee and snacks as an incentive for the very busy women to participate.

Woreda level agricultural staff (and Koga scheme extensionists) are already replicating the onion and potato cluster training within cooperatives, however it is still mainly men attending. Therefore it would be valuable to also carry out training also for women-only groups. Given the low literacy levels among women farmers, the training should be practical in nature.

An ideal scenario (tested in other countries) would be for the woreda to provide a block of land (eg. 1 ha) to the women's group to practice the techniques they learn, and also provide some additional income / incentive.

Increasing focus on cross cutting issues has some 'risks' – mainly the need for more funds to train women at kebele level. However, most activities are currently underspent, so this shouldn't be problematic.

Continue to provide support to youth groups, but emphasising training over physical infrastructure. They need further support with business planning, in order to set appropriate price structures and ensure profitability and sustainability.

Investigate whether there are any further niche opportunities for youth groups, or people with disabilities, to participate in training and income generation. Improve the selection of participants, moving to a process where an opportunity is advertised, explained and discussed locally first and then applicants are invited, rather than the current top-down selection process.

Review and implement the recommendations of the existing AgroBIG Gender Study. Ensure that the principles of the HRBA are well known and applied by the TA team and associated staff, including issues such as participation, empowerment, non-discrimination and inclusion. Maintain a transparent and accountable approach to all activities – sharing information with all parties.

Environmental protection and climate change adaptation

Consider supporting planting of shelter beds of nitrogen-fixing and fodder trees on the sides of fields in dry lands (or near roadsides and homesteads in irrigated farms), to improve soil fertility and provide cut and carry fodder for livestock, as well as windbreaks.

Increase awareness raising among farmers of the youth sprayer group services. Invite sprayers to training sessions (for both further learning and for advertising their services), and provide material for dissemination by mini-media centres.

Attention could also be given to improve the resilience and coping strategies of farmer households, via support to off-farm income generation (eg. more training opportunities in food processing, that could lead to waged opportunities in hotels, etc.).

Indicators

Logical framework indicators and assumptions require significant enhancement specifically through indicator prioritisation, clarification of definitions and targeting. It is recommended that AgroBIG prioritise and target the purpose level indicator 'Increase in annual household income in targeted areas by social status and gender'. Assumptions (and the AgroBIG risk schedule) also require review. In particular assumption covering the private sector and gender requires clarification and regular monitoring.

4.2 RECOMMENDATIONS FOR A ONE-YEAR PROGRAMME EXTENSION (IN ADDITION TO THE ABOVE)

Allow Greater Flexibility in Implementation

The value chain approach requires flexibility in its implementation to allow ideas and innovations to be tested. Working only in potatoes and onions has constrained innovation

and compromising effectiveness. AgroBIG should work in a wider 'basket' of value chains based on strong market potential. To allow greater flexibility it is recommended that AgroBIG work in vegetables as opposed to only potatoes and onions. For example, this would allow support to tomatoes where processing potential is considered higher and / or beans and peas with export potential. It is further recommended that the Programme work in wheat, maize and rice. This will be particularly important in Mecha where farmers are increasingly growing wheat due to market forces (i.e. better prices).

Promoting a wider selection of crops (both for commercial and home use) would also spread the risk in the face of variable weather in the future, and unpredictable crop prices.

Broaden Grant Clientele

In addition to strengthening the capacity of grant recipients a Programme extension should allow a broadening of the recipient base to include the private sector. This assumes all partners agree and support such an adaption.

Stimulating diversity in grant applications will require enhanced promotion to private sector organisations making them increasingly aware of what is on offer. It will also require making grant conditions suitable to private sector applicants⁵⁸.

TA Roles

If the programme finishes at the end of 2015 as originally planned, there is no point in making large changes in the TA team (other than already suggested). However, if the programme is extended for a year, some changes may be needed in order to have sufficient value chain support within the TA structure. This could include combining the CTA and VC Advisor roles, and providing a national cooperative business advisor.

4.3 RECOMMENDATIONS FOR A FURTHER PHASE OF AGROBIG

Extending AgroBIG into a further phase provides the opportunity for significant Programme adaption, both technically and institutionally.

Three main options are proposed based on MTE findings and 'pilot' phase learning:⁵⁹

Option 1: Focus the future programme on supporting the commercialisation of cooperatives and parastatal / quasi- governmental organisations.

Advantages

This option has the advantages of maintaining the high levels of Bureau ownership built during the AgroBIG 'pilot' phase. The approach would be consistent with government priorities and the GTP. It would also build on AgroBIG 'pilot' phase activities centred on cooperatives and parastatals. Cooperative development programmes have a positive history within the MFA Finland.

⁵⁸ Private Sector interviewees complained of the level of own contribution, over bureaucratic processes with criteria that change, that new criteria are introduced after presentation of documents, difficulties in getting the number of quotes required and the time taken to get a response from AgroBIG.

⁵⁹ During MTE team development of options the issue of which approach provided the best alternative to reach the poor or avoid having assets transferred to the relatively better off was discussed. Evidence of cooperative based approach performance in this area is not currently available. However, it is important to note that the other Options 2 and 3 do not claim to work directly with the poorest of the poor. If this is a priority criteria then 'safety net' oriented options could also be considered, such as the Productive Safety Net Programme (PSNP) in Ethiopia.

The approach would potentially allow a reduction in the number of implementing Bureaus with the BoA and Cooperatives Promotion Agency (under the BoA) taking a lead role.

Implications

The specific targeting of the private sector (as separate from cooperatives) would be reduced, making this an 'easier' activity for the GoE to support. However, supporting the private sector may become increasingly important for the MFA following the forthcoming Finnish elections.

Technical assistance capacity would be focused technically on the commercialisation of cooperatives. Reducing the number of implementing bureaus could allow Technical Assistance to be tailored and targeted to specific institutions. This institution/s could 'house' technical assistance using a traditional TA to 'counterpart' relationship at regional and woreda level.

Evidence of Success in Ethiopia as an Indication of Potential Effectiveness to Contribute to the MFA Purpose through Option 1⁶⁰

The following evidence was found related to this option as part of the MTE.⁶¹

An ATA 2012 report⁶² points out "results show that the effective use by farmers of such commercialization services (cooperatives) remains marginal". ATA further report 'such groups are perceived primarily as a means to channel resources, such as inputs, to farmers. Farmers themselves tend not to display a deep involvement in the functioning of these groups'.

Key informants interviewed as part of the MTE suggested that value chain oriented cooperative development works best where there is (i) a strong market for the selected commodity and (ii) a vibrant Private Sector where the cooperative can act to support members' interests against monopsony or monopoly market power. Support to the coffee sector is an example where these conditions exist.

Option 2: Completing AgroBIG and channelling support to the Agriculture Growth Program.

Advantages

This approach would allow MFA engagement at a Federal level reducing the need for Regional engagement. The approach would be potentially more efficient as technical support costs could be shared across development partners. The approach would maintain Government-to-Government support and also solve the issue of potential MoFED budget offset.

⁶⁰ During the Addis Ababa MTE Feedback session the MFA requested a review of the different options for a way forward giving the evidence supporting their contribution to the Finnish specific objective of 'Establishment of efficient and profitable value chains of selected crops and/or products, which benefit the involved stakeholders along the chain (farmers, processing industries, traders and buyers) (source MFA Ethiopia Country Strategy 2014 to 2017).

⁶¹ To collect further evidence for this option a relevant initiative is the USAID-funded Ethiopia Cooperative Development Programme (CDP). This Programme works with farm cooperative members to improve the productivity and competitiveness of key agricultural sectors focusing on five unions, including one located in Amhara. No evidence of progress was found for this initiative as part of the MTE.

⁶² Agricultural cooperatives in Ethiopia: Results of the 2012 ATA Baseline Survey, May 2013, Tanguy Bernard Gashaw T. Abate Solomon Lemma

Implications

MFA support to the AGP would dilute the 'clustered' Finnish support to the Amhara region. Finnish support would be less 'visible'. The MFA has recently shown decreasing interest in support for pooled fund programmes like this.

Government 'ownership' would be reduced at a regional level and move from BoFED to the Ministry of Agriculture.

Evidence of Success in Ethiopia as an Indication of Potential Effectiveness to Contribute to the MFA Purpose through Option 2

The World Bank reports⁶³ progress towards achieving AGP Programme Development Objectives as "Moderately Satisfactory" and gives an Overall Risk level to the initiative as "Substantial". More specific evidence of potential effectiveness based on AGP results can be found for a group of indicators at <http://www.worldbank.org/projects/P113032/agricultural-growth-program?lang=en>. A relevant indicator for AgroBIG is the increase in total real value of marketed agricultural products. Results for this indicator are encouraging and shown in the table below.

Table 12: Progress of AGP against indicators

Indicator		Baseline	Current	Target
Percentage increase in total real value of marketed agricultural products (including livestock) per household (in ETB).(Number)	Value (Birr)	5789.79	6523.00	8731.00 ⁶⁴
	Date	June 30, 2011	March 31, 2014	September 30, 2015
	Comment	This result is from the baseline survey conducted on June 2011	Note: refers to the 2012-13 production season	

Option 3: Re-emphasise a market led 'whole' value chain approach and commit support to the private sector

Advantages

This approach would clearly connect MFA support to private sector development.

The approach could be designed and institutionally positioned to clearly support value chains that more fully include private sector development. This could help avoid 'ideological' issues involved with support to the private sector by Government.

Institutional positioning could be arranged to absorb the risk of failure and dissociate this from public bodies. The 'risk taker' would clearly be the programme. This is important as some supported businesses fail, or misuse support⁶⁵. This implies a need to adapt institutional arrangements if a private sector oriented approach is taken.

Implications

⁶³ <http://www.worldbank.org/projects/P113032/agricultural-growth-program?lang=en>

⁶⁴ The MTE recognizes that the indicator asks for a percentage and reports a figure.

⁶⁵ The risk of misuse of funds is an issue for all support options

Loss of government ownership: Institutionally, AgroBIG experience suggests the Programme would have to move from using government systems (Channel 1) to an institutional arrangement parallel to government (Channel 3). This adaption would require delicate negotiation. The ownership demonstrated by the Government of Ethiopia has been strength of AgroBIG, and the loss of this would be a significant negative of option 3.

Evidence of Success in Ethiopia as an Indication of Potential Effectiveness to Contribute to the MFA Purpose through Option 3

As evidence of effectiveness for this option DFID Private Enterprise Programme Ethiopia (PEPE) experience shows mixed results based on recent reports. The PEPE Annual Review⁶⁶ regularly reports, "progress towards year 2 results is not as great as anticipated." However the 2014 also reports "there had been generally positive reports of the programme's effectiveness, with 96% of those exporting firms supported indicating that Ethiopia Competitiveness Facility⁶⁷ has had a positive impact on their total revenues. Support was thought to have increased revenues by over \$1m per company supported".

Further evidence of effectiveness for this option are supported by NGO and project claims of success in areas such as honey.⁶⁸

In addition, evidence for the effectiveness of this option is shown in the Ethiopian floriculture and horticulture sector targeting international export markets where there is government and private sector involvement. The Ethiopian Horticulture Producers Exporters Association has provided support to this sector⁶⁹.

⁶⁶ PEPE was approved in Sept 2012 with the annual review performed in Feb 2014

⁶⁷ The ECF provides a range of support for priority sectors (especially leather and textiles), particularly through matching grants for export oriented firms

⁶⁸ <http://acdivoca.org/our-programs/success-story/high-hopes-expectations-expand-ethiopia-s-honey-exports>

⁶⁹ see <http://www.ehpea.org> .

ANNEX 1. TERMS OF REFERENCE

PROGRAMME FOR AGRO-BUSINESS INDUCED GROWTH IN THE AMHARA NATIONAL REGIONAL STATE (AGRO-BIG)

TERMS OF REFERENCE FOR MID-TERM EVALUATION 12.12.2014

1. BACKGROUND

Ethiopia's economy is growing fast. The main contributor to the rapid growth has been the agricultural sector. Ethiopia's poverty reduction strategy, Growth and Transformation Plan (GTP), assumes that agriculture continues as a major source of economic growth. The diversification and commercialization of small scale agriculture is believed to sustain economic growth and reduce poverty.

Programme for Agro-Business induced growth in the Amhara National Regional State (Agro-BIG) aims to reduce poverty through agriculture-based economic growth. The purpose is to establish efficient and profitable value chains of selected crops/products. The programme benefits the stakeholders along the chain such as farming communities and their cooperatives and other farmer's organizations, transporters, processors, research organizations and consumers.

The current Agro-BIG Programme is planned to be a pilot that will be followed by a four year continuation period. The present programme's duration is 2013-2015. The programme is divided into three components. Component 1, "Value Chain Development" brings actors in value chains together and establishes linkages between them. Component 2, "Service Delivery Development", concentrates on developing the skills and resources of service providers. Component 3, "Access to Finance" makes funds available for the programme beneficiaries.

Agro-BIG started rather slowly in 2013, including a one year inception period. In 2014, the programme started to proceed. Finland supports Agro-BIG with bilateral technical assistance project, implemented by Niras Finland Oy. Moreover, Agro-BIG is supported by channeling funds directly to the programme. The lead implementing agency in Ethiopia is the Bureau of Finance and Economic Development (BOFED) of the Amhara National Regional State who receives the funds. BOFED in Amhara has a coordinating role directing the received funds to other implementing agencies of the programme.

2. OBJECTIVES OF THE MID-TERM EVALUATION (MTE)

The objective of this MTE is to assess the progress of the Agro-BIG programme, its potential to achieve its targets and to make recommendations on corrective measures to improve programme implementation.

This Mid-Term Evaluation is expected to provide:

- Analysis of the achievements of the project and what can be learnt;
- Analysis of the current main operational and structural challenges of the programme and to provide recommendations how they can be addressed;
- Assessment of how the funds established in the project for its beneficiaries have functioned so far. If needed, provide recommendations to improve the management of the funds;
- Assessment on whether the manuals produced in the programme include the required information and are clear to the user groups. In case improvements are needed, provide recommendations;
- Recommendations to the type and quantity of technical assistance needed for the remaining programme period;
- Answers to the specific questions presented in this terms of reference in chapter 3. (issues to be addressed in the evaluation).

The results of the MTE will be utilized by all parties who participate in the programme management. Such parties include the competent authorities of Ministry of Finance and Economic Development (MOFED) in Ethiopia, Ministry for Foreign Affairs of Finland (MFA), Bureau of Finance and Economic Development (BOFED) in Amhara region that has the responsibility of implementation of the Programme as well as all the members of the decision making and advisory bodies of the programme, such as Programme Support Unit, Supervisory Board, Regional Technical Committee, Woreda Steering Committees and Woreda Technical Committees.

3. ISSUES TO BE ADDRESSED IN THE EVALUATION

The evaluation should cover the programme design and its implementation since its beginning up to today. The Programme Document had to be reviewed and changed, which slowed down the start of the project. The programme is now up and running. Feasible recommendations for the remaining period of the programme are now needed with a view of possible programme continuation after the first phase has ended.

3.1. Human Rights Based Approach and Cross-cutting objectives

The main focus of Agro-BIG is on establishing profitable value chains. At the same time, the Human Rights Based approach (HRBA) and the cross-cutting objectives of gender, reduction of inequality and climate sustainability need to be included in Agro-BIG as well. The MTE should review following:

- How well are different right-holders represented in Agro-BIG? Who benefits first and foremost from Agro-BIG? Who is possibly left behind and why?
- What is the most feasible way to incorporate the HRBA and cross-cutting objectives in Agro-BIG? Should there be a particular emphasis on some of the cross-cutting objectives? Explain the reasons.
- To what extent Agro-BIG promotes climate sustainability? Should the programme promote climate sustainability more? How?

3.2. Relevance

Relevance concerns whether the results, purpose and overall objectives of a programme are in line with the needs and aspirations of the beneficiaries, and with the policy environment of the programme. The MTE should review particularly:

- Is the programme consistent with the needs and priorities of the final beneficiaries and other stakeholders?
- To what extent is Agro-BIG aligned to the Ethiopia's national and local level policies, plans and administrative systems. Should it be aligned more? If so, how?

3.3. Efficiency and value for money

The efficiency of a project is defined by how well the various activities transformed the available resources into the intended results in terms of quantity, quality and timeliness. Comparison should be made against what was planned. The MTE should review particularly:

- How effectively and efficiently are resources (financial, human) employed? Are the incurrent costs justified?
- Has the programme implementation been innovative enough? If not, how could it be improved?
- To what extent and in what ways have the beneficiaries participated in the planning, monitoring and evaluation process?

3.4. Effectiveness

Effectiveness describes if the results have furthered the achievement of the purpose of a programme, or are expected to do so in the future. Agro-BIG's purpose is to establish efficient and profitable value chains of selected crops/products. The MTE should review:

- Has progress made so far contributed to the achievement of the Programme objectives?
- Are the results and the programme purpose making a contribution towards reducing poverty- or will it perhaps do it in the future?

3.5. Impact

Impact describes how a programme has succeeded in the attainment of its overall objective. The overall objective of the Agro-BIG is to reduce poverty through agriculture-based economic growth in its programme area. Concretely, MTE is expected to review:

- Has programme created clearly new employment and extra income to its beneficiaries?

3.6. Sustainability

Sustainability can be described as the degree to which the benefits produced by the project continue after the external support has come to an end. MTE is asked to analyze:

- Are the benefits produced by the programme likely to be maintained after the termination of external support?

3.7. Programme Design, Management and Implementation

MTE is asked to analyze:

- The quality of the revised Programme Document and the process of conducting the revision of it.
- How well have the Agro-BIG reports and its planning (work plans, programme document) followed the Results Based Management Approach? Are improvements needed? If so, what kind?
- How well is the Agro-BIG programme designed to allow the involvement of the beneficiary communities in annual planning to address their development needs? What kinds of improvements of the design are needed?
- Are the institutional bodies such as Supervisory Board, Programme Support Unit, Niras's home office, Regional Technical Committee, Woreda Steering Committees and Woreda Technical Committees functioning well and are their roles and responsibilities clear to their members? If not, what should be improved? Are the decisions and recommendations of those committees followed accordingly? How to check?
- Has the coordination with other development programmes functioned well in Amhara? If not, what should be done to improve the coordination?

4. METHODOLOGY

The MTE should be implemented as a participatory, open and transparent process for all stakeholders including the final beneficiaries. The evaluation team should base their observations, analysis and recommendations on relevant documentation and interviews. The Consultant will define the work method in more detail in the technical tender.

5. TIMETABLE

Tentative timetable for the evaluation is as follows:

2014 December	Tender announcement
2015 January	Deadline for submission of tenders Tender evaluation
February	<ul style="list-style-type: none"> • Notification of award decision • Signing of contract • Preparatory phase (1 week): Desk review and preparations, including a tentative work plan with tentative meeting schedule; briefings at MFA in Helsinki and preparation of a short inception report. Submission of the inception report & fieldwork plan at the end of the preparatory phase. • Submission of comments to the inception report
February - March	<ul style="list-style-type: none"> • In country phase (minimum 2 weeks) • Briefings, interviews, consultations and meetings with key stakeholders and beneficiaries • A debriefing meeting including presentation of the First Draft Report with conclusions and suggested recommendations, will be arranged the end of the field mission
+ one week	Submission of Draft Report for comments
+ two weeks	Submission of comments by the relevant authorities
+ one week	Submission of final report in one week after receiving the comments in April 2014, <u>final deadline by 20st of April 2015</u>

6. REPORTING

The MTE must provide evidence-based information that is credible, reliable and useful to the implementers and decision-makers involved in the Programme. Its conclusions and recommendations shall be formulated so that they will be easily understood by all parties and applicable to the remaining period of Programme implementation.

Inception report

The desk study results are included in the inception report as a concise analysis of the policies, guidelines, and other documents studied for the evaluation. The inception report must include detailed work methodologies, a work plan and detailed division of labor within the evaluation team, list of major meetings and interviews, detailed evaluation questions linked to the

evaluation criteria in an evaluation matrix, reporting plans including proposals for tables of contents of the reports. The report is submitted before the field work.

Draft report

The draft report merges the desk study and the field findings. It presents findings, conclusions, recommendations and lessons separately. Report shall also include recommendations on the way forward for the remaining programme period.

The Consultant will make a presentation of the **first draft report** with preliminary findings, conclusion and recommendations at the end of the field visit. The aim is to agree on the main findings and recommendation with the participants. It will be presented in the Embassy of Finland in Addis Abeba with a video link to MFA Helsinki. The **final draft report** shall be then prepared and sent to MFA and other relevant stakeholders for comments.

Final report

The final report must be submitted 1 week after receiving the comments for final draft report.

The final report must follow the report outline agreed on during the inception phase.

7. REQUIRED EXPERTISE

The evaluation team can include maximum of three members. The team should have following expertise:

Team leader

- Experience as a team leader in development cooperation related assignments
- Experience in conducting evaluations of development cooperation programmes; experience in conducting evaluations against OECD assessment criteria is an asset.
- Experience in project planning, monitoring and evaluation.
- Experience in rural development programmes

Team as a whole

- Experience in value chain development and marketing; working with small-holder farmers and cooperatives is an asset
- Experience in micro-finance
- Experience of Ethiopia
- Experience in mainstreaming of gender, vulnerable groups and climate change in development project planning, implementation and monitoring
- Knowledge and experience of human rights based approach
- Knowledge and experience in result based management

8. BUDGET

The total available budget for this MTE is maximum of 100.000 euros, excluding the Finnish VAT.

9. MANDATE

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organizations. However, it is not authorized to make any commitments on the behalf of the Government of Ethiopia or Finland.

ANNEX 2. DOCUMENTS CONSULTED

Author(s)	Year of publication	Title	Organisation
Various	2014	AgroBIG Programme Document (various versions) – Draft document April 2012, Inception document November 2013, Final doc March 2014.	AgroBIG
M&E Unit	July 2014	AgroBIG Baseline Survey Report	AgroBIG
Yitbarek Semeane	Oct 2013	Program for Onion Seeds Assessment for Strengthening Onion Value Chain: Market Based Solutions for Improved Seed System in Fogera and Mecha Districts (Final Report)	AgroBIG
AgroBIG Team	September 2013	AgroBIG Potato Value Chain Study	AgroBIG
AgroBIG Team	October 2013	AgroBIG Value Chain Analysis of Onions	AgroBIG
Gizachew Sisay	Dec 2013	Environmental Assessment Report (Final) - The case on onion value chain development in Fogera Woreda	AgroBIG
Gizachew Sisay	Dec 2013	Environmental Assessment Report (Final) - The case on potato and onion value chain development in Mecha Woreda	AgroBIG
Agajie Tesfaye	December 2014	<i>Possibilities for Further Processing Practices of Onions and Potato, and the Potentials for Introducing Packaging and Labelling.</i>	AgroBIG
AgroBIG Team	Oct 2013	Inception Report	AgroBIG
AgroBIG Team	March 2014	Updated Inception Report	AgroBIG
Yitbarek Semeane & AgroBIG team	March 2014	Onion seeds assessment for strengthening onion seed value chain - Fogera and Mecha districts	AgroBIG
Endalkachew	November 2014	Maize Value Chain Analysis for Mecha District	AgroBIG
Paulos Desalegn	January 22, 2015	Rice Value Chain Analysis Report	AgroBIG
Francis Mwangi Wario,	January 2015	Identification of the Key Bottle-Necks and Appropriate Technologies for the Efficient Handling, Storage and Transport of Onions and Potatoes	AgroBIG
PSU	February 2014	Government of Ethiopia In-cash and In-kind Contribution Tracking System	AgroBIG
AgroBIG Team	Feb 2014	AgroBIG Quarterly Report – October - December 2013	AgroBIG
AgroBIG Team	April 2014	AgroBIG Quarterly Report – January - March 2014	AgroBIG
AgroBIG Team	July 2014	AgroBIG Quarterly Report – April - June 2014	AgroBIG
AgroBIG Team	Sept 2014	AgroBIG Quarterly Report – July – September 2014	AgroBIG
AgroBIG Team	February 20, 2015	AgroBIG Annual Report - January – December 2014	AgroBIG

Author(s)	Year of publication	Title	Organisation
TA team	2015	Annual Report 2014 from the Technical Advisory Service	AgroBIG
AgroBIG Team	February 28, 2014	AgroBIG Annual Work Plan and Budget - Jan, 2014 – Dec, 31, 2014 (Updated Version)	AgroBIG
AgroBIG Team	February 2015	AgroBIG Annual Work Plan and Budget - January – Dec 31, 2015	AgroBIG
AgroBIG Team	September 2014	A draft report on Value chain Selection – 22 August 2014	AgroBIG
AgroBIG Team		Value Chain selection Validation Workshop ToR	AgroBIG
Habtamu Tsegaye / AgroBIG	September 18, 2014	Value Chain Selection (2nd round) – powerpoint presentation	AgroBIG
Lenesil Asfaw Tekele B AgroBIG Team	November 2013 - June 2014	Gender study on onion and potato value chains	AgroBIG
AgroBIG Team	November 2013	1st Supervisory Board (SVB) Meeting Minutes No. 001/2013	AgroBIG
AgroBIG Team	September 2014	2nd Supervisory Board (SVB) Meeting Minutes No 2	AgroBIG
AgroBIG Team	May 2014	Updated Results Based Monitoring and Evaluation Framework	AgroBIG
AgroBIG Team	March 18, 2014	Guidelines for the Value Chain Fund	AgroBIG
AgroBIG Team	March 18, 2014	Guidelines for the Matching Grant Fund	AgroBIG
AgroBIG Team	March 18, 2014	Guidelines for Innovation, Demonstration and Research Fund (IDRF)	AgroBIG
AgroBIG Team & ACSI	December 18, 2014	Guidelines for the Loan Fund	ACSI
Pekka Jämsen / AgroBIG	February 14, 2015	AgroBIG Access to Funds and Financial Services 2014 – powerpoint presentation	AgroBIG
Pekka Jämsen / AgroBIG	February 22, 2015	AgroBIG Access to finance and inclusive financial services - plan for 2015 – powerpoint presentation	AgroBIG
Pekka Jämsen / AgroBIG	February 27, 2015	Work Plan 2015 - Access to Funds and Inclusive Financial Services	AgroBIG
AgroBIG Team	March 2015	Status Reports on Fogera (16.3) and Mecha (12.3) Woreda Approved Projects	AgroBIG
Berhanu Ayichew / AgroBIG	March 03, 2015	AgroBIG Presentation (powerpoint) Prepared for the Mid Term Review Mission	AgroBIG
AgroBIG team	December 16, 2013	Attachment 1: Work on Rationalising the AgroBIG Indicators - Project Logical Framework Matrix with Indicators Mapped from the M&E Framework	AgroBIG
AgroBIG team	December 2013	Attachment 2: Proposed Indicators to be dropped and to be kept	AgroBIG
Council of the Amhara National Regional State	July 05, 2011	Amhara National Regional State Procurement and Property Administration Proclamation No. 179 /2011. Zikre Hig Gazette No. 7 (Procurement rules in English and Amharic)	Amhara National Regional State

Author(s)	Year of publication	Title	Organisation
Embassy of Finland	October 02, 2014	Contract Amendment regarding fund flows and Annex 1: Terms and conditions of the loan fund	Embassy of Finland
BoFED, Amhara	December 2009	Donors' Profile - External Resource Mobilization & Management Process	BoFED, Amhara National Regional State
Edmund Blair	February 04, 2015	Ethiopia launches mobile money schemes to extend banking reach	Ethiomed.com
Abhinav Kumar Gupta and Kaleb Kelemu Ayele	July 2014	Successful Case Studies of Common Interest Groups and Innovation Groups – Critical Factors of Success and Recommendations	AGP
AGP	September 2014	Common Innovation Groups - Key Findings and Recommendations - powerpoint	AGP
AGP-AMDe	Not known	Agriculture Growth Program – Agribusiness and Market Development (AGP-AMDe) - USAID Quarterly Report – January 1 – March 31, 2014	USAID - AGP-AMDe
Ministry of Agriculture	June 2013	Agriculture Growth Program - Nine month Physical progress Report (2005/2013)	Ministry of Agriculture, Ethiopia
PEPE	September 2014	Fruits and Vegetables Crop Analysis Matrix	PEPE
DfID	February 2014	Annual Review - Private Enterprise Programme Ethiopia	DfID
Ministry of Agriculture and IFAD	April 2013	Participatory Small Holder Irrigation Development Project (PASIDP) - Joint Ministry of Agriculture and IFAD, Mid-Term Review Report	IFAD
AGP	January 2014	Women in Agribusiness Leadership Network (WALN) Celebrates Growth and Innovation - http://ethioagp.org/women-in-agribusiness-leadership-network-waln-celebrates-growth-and-innovation/	women-in-agribusiness-leadership-network
IRIN	December 2014	Press 4 for fertilizer - M-farming in Ethiopia - http://www.irinnews.org/printreport.aspx?reportid=100911	IRIN
Embassy of Finland	2013	Country Strategy for Development Cooperation with Ethiopia 2014–2017	MFA Finland
Embassy of Finland	2013	Annex III Results Monitoring Framework - Ethiopia	MFA Finland
MFA Finland	2013 and 2014	Various fund payment documentation for AgroBIG	MFA Finland
MFA Finland	2012	Finland's Development Policy Programme - Government Decision-in-Principle 16 February 2012	MFA Finland
MFA Finland	March 2012	Manual for Bilateral Programmes	MFA Finland
MFA Finland	January 2013	Evaluation Manual	MFA Finland
Kaisa Karttunen UM/Taivalmaa, Voipio, Ekholm, Laatu, Lassila, Lahtinen, László, Katajamäki	2013	Human rights-based approach in agriculture and food security-related development cooperation	MFA Finland

Author(s)	Year of publication	Title	Organisation
SL/Nairobi/Pekkola SL/Mosambik/Halinen FAO/Right to food team			
MFA Finland	February 2013	Guidelines - Implementing the human rights-based approach in Finland's development policy	MFA Finland
Gene J.-Y. You and Claudia Ringler	2011	How Can African Agriculture Adapt To Climate Change? Insights From Ethiopia and South Africa - Climate Change Impacts in Ethiopia - Hydro-Economic Modeling Projections. IFPRI Research Brief	International Food Policy Research Institute
Mark Lundy, Carlos Felipe Ostertag, María Verónica Gottret, Rupert Best and Shaun Ferris	2006	Strategy Paper: A Territorial Approach to Rural Agro-enterprise Development	Rural Agro-enterprise Development Project, CIAT
Leni Wild, David Booth, Clare Cummings, Marta Foresti, Joseph Wales	February 2015	Adapting development - Improving services to the poor	ODI
Tanguy Bernard Gashaw T. Abate Solomon Lemma	May 2013	Agricultural cooperatives in Ethiopia: Results of the 2012 ATA Baseline Survey,	ATA
UNEG	2011	Integrating Human Rights and Gender Equality in Evaluation - Towards UNEG Guidance	UNEG
UNIDO	2015	Guide on Gender Mainstreaming Agribusiness Development Projects	UNIDO
DFID Ethiopia	December 2014	Operational Plan 2011-2016, Updated December 2014	DFID Ethiopia
Dr. Zerfu Hailu & project staff	2010	Land Registration and Certification: Experiences from the Amhara National Regional State in Ethiopia	Sida-Amhara Rural Development Program (SARDP) & the Bureau of Environment Protection, Land Administration & Use (Bo-EPLAU)
BoFED	December 2009	Donor's Profile - External Resource Mobilization & Management Process	Amhara National Regional State Bureau of Finance and Economic Development
White, Pamela, Seppänen, Maaria and Ahonen, Päivi	2011	<i>Evaluation of the Junior Professional Officer Programme of Finland.</i> Evaluation report 2011:5.	Ministry for Foreign Affairs of Finland

ANNEX 3. PERSONS MET

Name	Position	Organisation	Place of meeting
Ms. Marjatta Selänniemi	Home Office Coordinator	Niras	Vantaa, Finland
Ms. Anu Eskonheimo	Desk Officer, Dept of Africa and the Middle East	MFA	Helsinki, Finland
Ms. Tiina Byring-Ilboudo Mr. Gezahegn Tadesse Ms. Anu Eskonheimo	Counsellor, Water, Land administration, Agricultural Growth. Advisor, Water and Agriculture Desk Officer, MFA	Embassy of Finland in Addis Ababa	Via Video link between MFA Helsinki & Embassy
Ms Sanna-Liisa Taivalmaa	previous Advisor for Agriculture in the MFA	MFA Finland earlier (now World Bank)	Skype interview
Ms. Tiina Byring-Ilboudo Mr. Gezahegn Tadesse	Counsellor, Water, Land administration, Agricultural Growth. Advisor, Water and Agriculture	Embassy of Finland in Addis Ababa	Addis Ababa
Ms Satu Pehu-Voima Ms Meseret Mengistu	Counsellor, Education LCF Program Coordinator	Embassy of Finland in Addis Ababa	Addis Ababa
Mr. Arto Suominen Ms. Oona Rautiainen	Chief Technical Advisor, CoWASH Junior Expert	Min. of Water, Irrigation & Energy	Addis Ababa
Mr. Heinz Loos	Component Manager	Supporting Sustainable Agricultural Productivity in Ethiopia (SSAP) Agricultural Training Centre (ATC) / GIZ	Addis Ababa
Mr Andrew Goodland	Program Leader, Ethiopia Country	World Bank	Addis Ababa

Name	Position	Organisation	Place of meeting
	Office		
Mr. Zewdu Tamrat	Div. Head, European Cooperation Directorate	MoFED	Addis Ababa
Mr. Robson Mutandi Mr. Dagmawi Habte-Selassie	Representative and Country Director Private Sector and Partnership Officer	IFAD	Addis Ababa
Ms. Monica Blagescu Ms. Etenesh Bekele Mr Christopher Demerse	Director, Ethiopia-Canada Cooperation Office (ECCO) Agricultural Growth Advisor, ECCO First Secretary (Development) Development Officer, Food Security & Agricultural Growth	Ethiopia-Canada Cooperation Office (ECCO) Embassy of Canada	Addis Ababa
Ms Vanessa Adams Ms. Catherine Hayes Mr. Ehpem Tesfaye	Chief of Party National Rural Finance Specialist	AGP-AMDe Project – ACDI/VOCA	Addis Ababa
Mr Francois Onimus Mr Shankar Narayanan Mr Ashok Seth	Senior Water Resources Specialist, Africa Region Senior Social Development Specialist, Social, Urban, Rural & Resilience Global Practice Consultant - Agriculture	World Bank	Addis Ababa
Ms. Melat Getahun	Project Management Specialist	Economic Growth and	Addis Ababa

Name	Position	Organisation	Place of meeting
Dr (Ms) Yirgalem Gebremeskel	Livestock & Dairy Program Management Specialist	Transformation Office, USAID	
Ms Genzeb Akele Mr Dereje Biruk Mr Ayele Gebreamlak Ayetenfisu Mr Seyoum Getachew	Senior Director, Value Chain Programs Director, Wheat & Barley Value Chain Programs Director, Tef& Rice Value Chain Programs Director, HouseholdIrrigationProgram	Agricultural Transformation Agency	Addis Ababa
Mr John Primrose	Private Sector Development Adviser	DfID, UK Embassy	Addis Ababa
Mr Nebil Kellow Mr Nayeem Kashem Mr. Maurice Koppes Ms. Helen Teshome	Team Leader Director, Knowledge Management & Communication Intervention Manager	DAI Component M4P – PEPE PEPE PEPE	Addis Ababa
Mr Mika Vehnamäki	Senior Economic Adviser	MFA Finland	telephone interview, Helsinki
Mr. Aycheb Kebede	Capacity Building Advisor	AgroBIG	Bahir Dar
Mr. Pekka Jämsen	VC Finance Advisor	"	"
Mr. Kassaw Woldie	Finance and Procurement Advisor	"	"
Mr. Asnakew Assefa	M&E Advisor	"	Bahir Dar
Mr. Habtamu Tsegaye	Value Chain Advisor	"	Bahir Dar
Mr. Berhanu Ayichew	National Programme Director	"	Bahir Dar
Ms. Laura Kihlström	Junior Expert	"	Bahir Dar
Mr. Håkan Sjöholm	Team Leader	"	Bahir Dar
Mr. Tilahun Tadesse	Senior Researcher	AARI, AgroBig Focal Person	Bahir Dar

Name	Position	Organisation	Place of meeting
Mr. Tekeba Tebabel	Deputy Manager	CPA	Bahir Dar
Mr. Amare Adane		CPA	Bahir Dar
Mr. Ashok Seth	Consultant, Agriculturalist	WB	Bahir Dar
Mr. Francois Onimus	TTL	WB	Bahir Dar
Ms. Catherine Tovey	TTL	WB	Bahir Dar
Mr. Niels Morel	Consultant	FAO	Bahir Dar
Mr. Teklu Tesfaye	Sr. Agri. Specialist	WB	Bahir Dar
Mr. Tenaw Ejigu	Comp. 2 coordinator	BOA	Bahir Dar
Mr. Zelalem Addis	Process Owner &TC Member	BOT	Bahir Dar
Mr. Mesfin G.Medhin	Deputy Bureau Head, TC chairman & SVB member	BOFED	Bahir Dar
Mr. Tilahun Ayalew	Manager	AWEA	Bahir Dar
Mr. Masresha Asnakew	ETFruit	Branch Manager	Bahir Dar
Mr. Teferi Wondale	Regional Manager	AGP-AMDe	Bahir Dar
Mr. Alemtsehai Ejigu	Area Development Manager	MEDA	Bahir Dar
Mr. Yelibie Aneley	Woreda Implementation & Capacity Building Advisor	Agro BIG	Merawi
Mr. Yigzaw Kelete	Accountant (including AGROBIG)	W FEDO	Merawi
Mr. Amsalu Yitbarek	TC Member	"	Merawi
Ms. Mulu Yitayew	Office Head, SC member, TC Chair	"	Merawi
Mr. Ashenafi Cherkos	Expert	District CPO	Merawi
Mr. Imru Dilnessa	Office Head, Member of SC	"	Merawi
Mr. Asmamawu Getinet	Expert, TC member	"	Merawi
Mr. Getnet Agumas	expert	District TVEDO	Merawi
Mr. Berhanu Yeshambel	Head	Trade and Transport Office	Merawi
Mr. Belay Zeleke	Manager	Koga Irrigation Development Office	Merawi
Mr. Tilahun Nibret	Head	Communication Office	Merawi
Mr. IndalewuTafere	Manager	Koga Irrigation Union	Koga
Members of the Executive Committee of the Kudmi Seed Multiplication and Marketing Cooperative (3 men +1 woman) and the local Irrigation Agronomist			Kudmi/ Mecha
Members of the Executive Committee of the Tagel Irrigation Water Users Cooperative (3 men)			Qoga

Name	Position	Organisation	Place of meeting
Members and leaders of the Wondale and His Friends Chemical Spraying and Dealing Partnership Enterprise (3 youth)			Mecha
Beneficiaries of the road-side shops (kiosks) built in Ambo Mesk – Mecha (three of the four beneficiaries)			Ambo Mesk
MS. Johanna Hoogervorst (Jose)	Previous VC and Capacity Building Advisor	AgroBIG	Bahir Dar
Mr. Kasahun Kebede	Advisor	Fogera	Woreta
Mr. Asemie Ferede	Administrator	Fogera Woreda	Woreta
Mr. Sete Abde	Team Leader and Agro BIG Focal Person	Agriculture Office	Woreta
Mr. Chalachew Molla	Head, SC Member	Agriculture Office	Woreta
Mr. Merkew Asnakew	Deputy Head	Agriculture Office	Woreta
Mr. Getnet Asfaw	Head	Coop. Promotion Office	Woreta
Mr. Kebede Asfaw	Marketing Expert	Coop Promotion Office	Woreta
Mr. Fentaw Alemayehu	Focal Person	TVED Office	Woreta
Mr. LakewMesele	Head	TVED Office	Woreta
Ms. Workenesh Melkamu	Marketing and D. Office Head	Trade and Transport Office	Woreta
Mr. Sisaynew Yalew	Market Expert	“	Woreta
Mr. Asfaw Demoz	District V. Admin and TTO Head	TTO	Woreta
Mr. Chalachew Kassie	Administrator	District	Woreta
Mr. Tegegne Abebaw	Communication Office	Head	Woreta
Dr. (Mr.) Teshome Walle	BOA	Head	Bahir Dar
Mr. Tewabe Aysheshim	ACSI	Deputy General Manager	Bahir Dar
Mr. Bitewu Mmelese	ASE	Deputy Manager	Bahir Dar
Mr. Imishaw Workneh	ASE	Seed Multiplication Head	Bahir Dar
Mr. Demelash Seifu	SNV, (C4C project)	Business Linkage Advisor	Bahir Dar
Mr. Alemseged G/Mariam	SNV, Dairy EDGET Project	Regional Manager	Bahir Dar
Mr. Alemu Jemberu	Trade Bureau	Deputy Head	Bahir Dar
Mr. Getachew Ayenew	ACCSA	President	Bahir Dar
Mr. Aderaw Genetu	ISSD	Knowledge Sharing Innovator	Bahir Dar

Name	Position	Organisation	Place of meeting
Mr. YimamTesema	Yimam Seed Enterprise	owner and manager	Bahir Dar
Mr. Desalegn Tadele	Jemma Integrated Agri PLC	Shareholder and Manager	Bahir Dar
Mr. Berhanu Argaw	Balemlay Argaw Flower Products	Owner and Manager	Bahir Dar
Mr. Jan Michielsen	Project Manager	FairFruit	Bahir Dar
Youth sprayer group (4 men, 1 woman)			Ingutikebele, Mecha
Mr GetanetAgumas	Expert	Technical & Vocational Enterprise Office	Ingutikebele, Mecha
Mr. YelbieAneley	Mecha Woreda CB & Implementation Advisor	AgroBIG	Mecha
Mr. BiazenAtnafu	BDS Advisor, Mecha	AgroBIG	Bahir Dar
Ms. Laura Kihlström	Junior Expert	AgroBIG	Bahir Dar
Mr. Tilahun Muluyeta	Process owner-Horticulture & Irrigation	Woreda Office of Agriculture, Mecha	Merawi, Mecha
Ms. Mare Ante	Head	Office of Women, Children's and Youth Affairs, Mecha	Merawi, Mecha
Mr. Solomon Getnet	Focal Person & Expert	Office of Women, Children's and Youth Affairs, Mecha	Merawi, Mecha
Mr. Shiferaw Ayalew	Agronomist	Koga Irrigation Project	Mecha
Mr. Wale Dagnaw	Agronomist	Koga Irrigation Project	Mecha
Youth group for canal maintenance and repairs (3 women, 8 men)		Koga Irrigation scheme	Mecha
Mr. Yenesew Chanie	Cooperative Leader	Onion Seed Multiplication Cooperative	Mecha
Ms. Iriste Bekele	Farmer (& wife of Yenesew)	Onion Seed Multiplication Cooperative	Mecha
Ms. Banchamlak Yenesew	school student (& daughter of Yenesew)		Mecha
Ms. DajituWoleela	farmer (& mother of Yenesew)		Mecha
Mr. Pekka Jämsen	International Financial Advisor	AgroBIG	Bahir Dar
Mr. Kassaw Woldie Mekonnen	National Financial and Procurement	AgroBIG	Bahir Dar

Name	Position	Organisation	Place of meeting
	Advisor		
Mr. SitotawAbay	BDS Advisor, Fogera	AgroBIG	Bahir Dar
Mr. Kassahun Kebede	Fogera CB & Implementation Advisor	AgroBIG	Fogera
Youth group for spraying (3 men)			Addis Betekristiyan, Fogera
Mr Niguse Allie	Cluster farmer, Coop head & water pump owner		Kunar, Fogera
Mr. Tadele Ezez	Head of Team (& dealt with well digging youth group)	Natural Resources Management Office, Fogera woreda	Kunar, Fogera
Mr. Kebede Asfaw	Expert - & participated in TC in VCF grant selection	Cooperatives Office, Fogera	Fogera
Mr FisehaTefera	Gender expert & member of TC. Focal person for AgroBIG	Women, Children's and Youth Affairs Office, Fogera	Fogera
Ms. Angnach Fasikaw	Head	Women, Children's and Youth Affairs Office, Fogera	Fogera
Mr. Asfaw Demoz	Deputy Woreda Administrator & Head of Office of Trade, & AgroBIG SC member	Office of Trade, Fogera	Fogera
Mr. Wondmhunegn Zeleke	Kebele Chairman(information on mini media centre in the kebele)		Quhar Michael Kebele, Fogera
Mr. Alan Kelly	Consultant	M-Birr & Moss ICT	Bahir Dar
Mr. Thomas Dubois	International Cadastral Mapping Advisor	Responsible & Innovative Land Administration Project (REILA)	Bahir Dar
Mr Jukka Janis	International Finance Expert	REILA	Bahir Dar

ANNEX 4. EVALUATION MATRIX FOR THE MTE OF AGROBIG

Criteria	Evaluation questions in the ToR & in more detail from the tender	Indicators for the questions & from the Project logframe	Source of data	Methodology
Relevance	Is the programme consistent with the needs and priorities of the final beneficiaries and other stakeholders?		Federal and regional gov't structures, Beneficiaries, PSU, documents	Comparison of results from FGD, KII, documents, internal M&E data to needs as externally defined
	To what extent is Agro-BIG aligned to the Ethiopia's national and local level policies, plans and administrative systems. Should it be aligned more? If so, how?		KIIs and secondary data	Comparison of AgroBIG policies to Ethiopian policy
	How relevant are the introduced best practices & methods (e.g. technology, methods, systems, networking) in relation to the beneficiary needs & possibilities of different groups/levels of households, administration, local business community & other partners?		Ditto + participants/actors of the value chains Other relevant donor funded projects	Comparison of AgroBIG practices and methods to target beneficiary needs
	Are the developed approaches relevant to the Ethiopian policies & to other development programmes, including the AGP?		KIIs, Other relevant donor funded projects	Comparison of AgroBIG approaches to other development programs
	Have value chains with high potential been identified & are the approaches relevant in regard to their bottlenecks?		KIIs, Reports and information on other value chains Process used in selecting VCs, information on AgroBIG approach	Determine meaning of 'high potential' (i.e. in terms of income, production, productivity or other criteria). Compare VCs based on these criteria. Are the highest ranking VCs being supported by AgroBIG?

Criteria	Evaluation questions in the ToR & in more detail from the tender	Indicators for the questions & from the Project logframe	Source of data	Methodology
Impact	The overall objective is to contribute to poverty reduction through agriculture based economic growth in the Programme area. Is there a clear link between the value chain activities and poverty reduction?	% of under 5s that are either stunted, wasted or underweight (disaggregated by gender) Household assets index (disaggregated by gender)	KIIs, FGDs, secondary data	Assess any change poverty. Assess if AgroBIG outputs have contributed or attributed to change. It may be too early in the programmes implementation to detect change. The mission could therefore consider potential for change.
	Is the Programme in the process of creating impacts for its targeted beneficiaries? Has AgroBIG clearly created new employment and extra income to its beneficiaries?		The intended beneficiaries (government structures, primary farming and non-farming beneficiaries), actors of the value chains documents, etc.	Review data to identify changes in employment and income.
	Who will benefit from the developments & how? Are other positive side-impacts created, especially for vulnerable groups?		Ditto	Disaggregate data according to social equity criteria (i.e. gender, age, income level)
	Are any negative impacts foreseen? Have appropriate actions been taken to mitigate possible negative impacts?		KIIs, FGDs, document review	Review of results to identify negative impacts and corrective measures
	Is an extension foreseen? How could replication impact be strengthened?		KIIs, internal document review	Review of key stakeholder perceptions and ideas
Effectiveness	Has progress made so far contributed to the achievement of the Programme objectives?	Volume and value of agricultural production and processed products	Beneficiaries, pertinent government structures, VC actors, PSU, GVB documents	Comparison of results from FGD, KII, documents review, direct observation, internal M&E data
	Are the results and the programme purpose making a contribution towards reducing poverty- or will it	Yield of the VC product	Poverty data, internal M&E data, KIIs and FGDs	Assessment of contribution / or likely

Criteria	Evaluation questions in the ToR & in more detail from the tender	Indicators for the questions & from the Project logframe	Source of data	Methodology
	perhaps do it in the future?	<p>Increase in annual household income in targeted areas by social status and gender</p> <p>Number and percentage of men and women participating (women at least 30 %) in decision making in community and value chain levels</p> <p>Average farm-gate price of VC product</p> <p>Percentage of on farm post-harvest losses among participating farmers</p>		contribution to changes in poverty.
	How well has the Programme succeeded (or is estimated) to produce the planned results & outputs, both in terms of quantitative targets & quality? In case of not achieving the results, what are the causes, what can be learnt from the experiences by now for future annual planning?		Baseline data, internal M&E data, KIIs, FGDs	Review of outputs with key stakeholders to explore learning
	How are the results/outputs used & by whom?		Beneficiaries, pertinent government structures, VC actors, PSU, documents, Development Partners	Review of output use – who uses what?
	What (explicit and implicit) assumptions are behind the effective use of the programme’s results, and have those assumptions held?		KIIs, FGDs, internal program documents	Review of assumptions and comparison to fieldwork results.
	In case of problems in their ¹ usage/usability, what are the reasons & what corrective measures are needed?			
Efficiency & value for money	How effectively and efficiently are resources (financial, human) employed? Are the incurrent costs justified?	Average costs per output	Programme accounts	Comparison of costs to other similar initiatives
	Has the programme implementation been innovative enough? If not, how could it be improved?			

¹ Requires clarification – the assumption is that the sentence refers to the programmes assumptions.

Criteria	Evaluation questions in the ToR & in more detail from the tender	Indicators for the questions & from the Project logframe	Source of data	Methodology
	To what extent and in what ways have the beneficiaries participated in the planning, monitoring and evaluation process?			
	Is the share of administrative & management costs justified in relation to the actual implementation costs?			
	Has value-for-money been achieved during implementation?		Programme accounts, KIIs, document reviews	Comparison of costs to other similar initiatives
	What have been the inputs from partner organisations, including BoFED; does it indicate ownership & commitment?			
Sustainability	Are the benefits produced by the programme likely to be maintained after the termination of external support?	Impact level indicators.		
	Has sustainability been addressed in implementation, are any risks (financial/ economic, institutional, technical, environmental, socio-cultural) foreseen?	Observations / examples of systemic change (copying, other organisations moving into Value Chain due to profit incentives)	Beneficiaries, pertinent government structures, VC actors, PSU, documents	FGD, KII, documents review, direct observation ---
	In case of risks, have sufficient mitigation measures been developed?			
	BoFED & BoA are already implementing a large number of donor-funded programmes, tying up many of their scarce resources. There is also a high staff turnover rate in the BoA. Is there some means to ensure institutional support and sustainability?		Pertinent government structures, VC actors, PSU, documents	FGD, KII, documents review, observation ---
Aid effectiveness, coordination & complementarity	How well are related other Programmes/processes known by the Programme?	Level of internal AgroBIG knowledge of other projects/programs	Pertinent government structures, VC actors, s documents	Review of internal programme knowledge
	How is AgroBIG cooperating & coordinating with relevant other projects/processes, have possibilities for networking & cooperation been actively applied?	Level of external organisation knowledge of AgroBIG	Other donors & donor-funded projects and programmes	Review of networks and examples of cooperation and coordination
	Has the coordination with other development	Level of external		

Criteria	Evaluation questions in the ToR & in more detail from the tender	Indicators for the questions & from the Project logframe	Source of data	Methodology
	programmes functioned well in Amhara? If not, what should be done to improve the coordination?	organisation knowledge of AgroBIG		
Programme design, management and implementation	What is the quality of the revised Programme Document and the process of conducting the revision of it.		Program Document, PSU, governance and government structures	Internal KII consultation, document review
	How well have the Agro-BIG reports and its planning (work plans, programme document) followed the Results Based Management Approach? Are improvements needed? If so, what kind?		SVB & RTC, MFA Finland and Embassy	Interviews, internal document review and comparison to RBMA
	How well is the Agro-BIG programme designed to allow the involvement of the beneficiary communities in annual planning to address their development needs? What kinds of improvements of the design are needed?		Internal interviews, program documents	Interviews, internal document review, comparison to context
	Are the institutional bodies such as Supervisory Board, Programme Support Unit, Niras's home office, Regional Technical Committee, Woreda Steering Committees and Woreda Technical Committees functioning well and are their roles and responsibilities clear to their members? If not, what should be improved? Are the decisions and recommendations of those committees followed accordingly?		KII interviews, program documents	Assess KII results to determine role clarity, document review. Determine examples of decisions and recommendations being implemented.
	Are the decision-making structures & mechanisms clear & efficient; do partners know their mandates & duties? Is management & decision-making transparent & appropriately integrated with the Ethiopian systems?		KII interviews, program documents	Review clarity of structures, review partners knowledge, transparency and integration
	Do the Programme's operational planning, monitoring & reporting mechanisms apply sufficiently RBM-approaches & do they satisfy both MFA's & Ethiopian administrations' needs? If not, how to improve the situation, taking into account both MFA's needs &		KII interviews, program documents	Review to determine consistency with BRM and degree of organisational needs satisfaction.

Criteria	Evaluation questions in the ToR & in more detail from the tender	Indicators for the questions & from the Project logframe	Source of data	Methodology
	partner institutions' capacities.			
	Are the TA inputs relevant & justified?		KII interviews, program documents	Interviews, document review, comparison to other interventions
	Progress was slow initially – is there a good pace of implementation now? If not, what are the reasons & how could implementation be speeded up?	Levels of Budget spend	KII interviews, program documents	Comparison of actual to planned implementation levels for activities and outputs
HRBA & Cross-cutting objectives	How well are different right-holders represented in Agro-BIG? Who benefits first and foremost from Agro-BIG? Who is possibly left behind and why?	Poverty and income indicators disaggregated by gender	KII interviews, FGDs, program documents and M&E data	Analysis of disaggregated data by social groups (i.e. gender, age, income level)
	What is the most feasible way to incorporate the HRBA and cross-cutting objectives in Agro-BIG? Should there be a particular emphasis on some of the cross-cutting objectives?		KII interviews, program documents	Analysis of options and comparison to context
	To what extent could the Programme apply stronger HRBA in its operational planning, implementation & monitoring?		KII interviews, program documents, internal M&E data	Analysis of progress and experience to date with options and comparison to context
	Does the intervention further the realization of human rights or is there a risk of adverse consequences?		KII interviews, program documents	Analysis of progress and experience to date with options and comparison to context
	How have duty bearers contributed to the protection and promotion of the human rights of women, the poor, disabled and the excluded impacted by the programme?		KII interviews, program documents	Review of progress / experience
	Whose human rights have been protected and promoted and whose have not? Who has been left behind and why?		KII interviews, program documents and M&E data	Review of program practices, analysis of gender disaggregated

Criteria	Evaluation questions in the ToR & in more detail from the tender	Indicators for the questions & from the Project logframe	Source of data	Methodology
				data
	Have specific activities of AgroBIG developed the capacities of state & non-state duty-bearers to meet their obligations (respect, protect & fulfil rights) & rights-holders, to claim their rights & hold government accountable?		KII interviews state & non-state duty-bearers & rights-holders, program documents	Review of program practices and results to date
	Is gender mainstreaming actively practised (both in staffing & activities)?		KII interviews, program documents	Review of program practices
	To what extent does Agro-BIG promote climate sustainability? Is there clarity on the climate change vulnerability of the beneficiaries? Has this been adequately addressed by the Programme & how? Should the programme promote climate sustainability more? How?		KII interviews, program documents	Review of internal documents, analysis of interview results
	Have specific objectives and disaggregated indicators been defined for cross-cutting objectives, are they reflected in practical implementation & monitoring?		Program documents, internal interviews	Review of program documents, practical implementation & monitoring