

FINAL EVALUATION

VIE/035

Technical Assistance to the IFAD Tam Nong
Support Project in
Tuyen Quang Province

PROJECT SUMMARY DATA

Country	Vietnam
Long project title	Technical Assistance to the IFAD Tam Nong Support Project Tuyen Quang Province
Short project title	TA Support to TNSP TQ
LuxDev Code	VIE/035
Version of the Report	June 2017

RATING OF THE PROJECT BY THE EVALUATION MISSION

Global rating (Effectiveness)	2 On a scale of 1 (excellent results, significantly better than expected) to 6 (the project was unsuccessful, or the situation has deteriorated on balance)
Rating using other evaluation criteria	Relevance: 3 Efficiency: 2 Sustainability: 3

EXECUTIVE SUMMARY

Context

On 20 July 2012, the Ministry of Foreign and European Affairs mandated LuxDev to prepare the formulation of a technical assistance support project to the International Fund for Agricultural Development Tam Nong support project in Tuyen Quang province, Vietnam.

Tam Nong support project started in 2011 and is being implemented across three provinces in Vietnam including Tuyen Quang. The Tuyen Quang provincial government executes the project in Tuyen Quang on behalf of the government of Vietnam. The programme was funded by the International Fund for Agricultural Development, the government of Vietnam and through contributions by the Tam Nong support project - Tuyen Quang province beneficiaries.

The International Fund for Agricultural Development - Tam Nong support project covering the three provinces is a project of 56 800 000 USD of which 49 000 000 USD is an International Fund for Agricultural Development loan, 4 500 000 USD of government of Vietnam contribution and 3 300 000 USD from the beneficiaries. The total budget for the project in the Tuyen Quang province is 32 500 000 USD (56%). The government of Luxembourg's contribution with VIE/035 is 2 000 000 EUR in Tuyen Quang over three years. It became effective after Tam Nong support project passed mid-term in June 2014. Although Tuyen Quang is a new intervention zone for LuxDev, a similar project was carried out a little earlier (2010 – 2014) in Cao Bang province (VIE/029 project).

VIE/035 was designed in 2013 and started on 1 June 2014 with the mobilisation of the international project implementation advisor. It aims to support Tam Nong support project - Tuyen Quang province, mainly through technical assistance. VIE/035 focused on building implementation capacity of the Tam Nong support project - Tuyen Quang province executing partners to increase the likelihood that Tam Nong support project - Tuyen Quang province output and outcomes be achieved.

Brief description of specific objectives and results

The project's overarching goal is *"to raise the quality of life for rural people, especially those living in the most disadvantaged areas."* The Tam Nong support project - Tuyen Quang province seeks with its development objective to sustainably improve livelihoods among ethnic minority and rural poor households in 64 communes in six districts. It covers 57 000 households of which 20 400 households (or 35.8%) are poor and 42 908 households (or 73.21%) are ethnic minorities. Among the poor households, ethnic minorities account for 88%.

Thus the development objective of Tam Nong support project - Tuyen Quang province and VIE/035 is *"sustained and profitable economic participation of 44 000 ethnic minority and rural poor households living in 64 poor communes in six districts"*. Tam Nong support project in Tuyen Quang is comprised of three project components: (i) institutional strengthening for implementation of pro-poor initiatives in Tam Nong, (ii) promotion of pro-poor value chains (iii) commune market-oriented socio-economic development planning and implementation.

The specific objective of VIE/035 aims to support the Tam Nong support project – Tuyen Quang province's project coordination unit and counterparts to make implementation more effective and more efficient in order to achieve the planned results expressed as improvement of capability for private sector engagement and capability to increase the value of market-led agricultural products in Tuyen Quang province.

Two results were formulated:

- Result 1: Capability for private sector engagement in primary sectors in Tuyen Quang;
- Result 2: Capability to increase the value of market-led agricultural production.

Management support complemented these two results.

Scope of final evaluation

The final evaluation of VIE/035 has the key objectives to i) analyse the results and the specific objective(s) reached at the time of the evaluation, compared to what had been anticipated in the VIE/035 project document and/or its inception report; (ii) analyse the results achieved in terms of capacity strengthening; (iii) analyse the VIE/035 project management and monitoring and (iv) analyse the project according to the Development Aid Committee criteria and markers.

As VIE/035 was coming to an end by May 2017, the evaluation mission was organised from 12 to 27 April 2017, implemented by Mrs Barbara Massler, expert in monitoring and rural development / capacity building evaluation, and Mrs Phung Than Xuan, expert in rural development and business development.

Summary of evaluation scores

The overall evaluation score is 2 and is composed of the following elements:

Relevance (score 3): VIE/035 technical assistance support had two results areas that addressed capacity strengthening of Tam Nong support project - Tuyen Quang staff, and institutional and organisational capacities of its implementing partners. Based on documents studies, field observations of the evaluators and on feedback and acknowledgements from Tam Nong support project - Tuyen Quang implementing partners at provincial and district level, VIE/035 is considered relevant in having catalysing initial strengthening of public sector institutions to carry out effective and sustainable pro-poor market oriented value chain development support focused on poor, ethnic minority households and to encourage private sector engagement in the implementation of pro-poor initiatives.

Effectiveness result 1 (score 2): Institutional and organisational capability to support private sector engagement in Tuyen Quang shows substantial improvement. The Department of Planning and Investment is on the right track to comply with all requirements of national administrative reform processes. Private sector engagement with small farmers along the value chain of selected crops is still in early stages of development. The Investment Promotion Centre is strengthened by improved physical infrastructure and trained staff offering qualified investment and business support. The attribution of VIE/035 to the much-improved provincial competitive index from rank 63 to 45 could not be ascertained, but it is highly likely that the project has contributed to this jump.

Effectiveness result 2 (score 2): VIE/035 has contributed substantially to the development and implementation of seven value chains with focus on empowerment of collaborative groups and cooperatives to be part of future economic development growth. Capacity of implementing partners to link farmers to market have increased, but more efforts and activities are necessary towards market integration of farmers. The foreseen brokerage role of the Department of Agriculture and Rural Development bringing private sector to farmers did not yet materialise. It is too early to measure the effectiveness of the value chain implementation support. Department of Agriculture and Rural Development has not yet sufficiently addressed value chains development and implementation in a comprehensive way. It is noted however that the 40 collaborative groups have substantially improved their marketing access which led to appreciable income increases.

Efficiency (score 2): VIE/035 convinced Tam Nong support project - Tuyen Quang and line agencies to move from memorandum of understanding to operational partnership agreement to effective result oriented activity plans where results pathways need to be demonstrated *ex-ante* before funds are released for targeted activities. In 2016/2017, the result oriented activity plans contributed significantly to the collaborative groups' development and strengthened their market positions. The Department of Agriculture and Rural Development has started to use the result oriented activity plans as an institutionalised planning tool.

Sustainability (score 3): The institutional capacities of the Department of Agriculture and Rural Development, Department of Planning and Investment, Investment Promotion Centre as well as of collaborative groups and Farmers' Association have been strengthened. Staff has been trained and equipped with technical, soft skills and management tools. Value chains based on commodities and dependency on traders is considered limiting sustainability outlooks in spite of recent engagements to overcome these limitations. The evaluation scoring is 3.

Conclusions, lessons learned and recommendations

Since VIE/035 completion is agreed for summer 2017, there is no more room for application of these lessons learned and recommendations within VIE/035. Their value-add may thus lay in referring to the lessons learned and recommendations for use by implementing partners as they continue to render post-project development services.

Strategic lessons learned

The agreement on the use and reference to the same overarching development goal of the logical framework was on paper a solid base to engage on common 'ways and means' for an 'all of society inclusion' (agenda 2030). According to the 2016 International Fund for Agricultural Development supervision mission, the inclusion agenda of Tam Nong support project - Tuyen Quang was successfully addressed and its impact significant.

In spite of reaching most of its objectives, VIE/035 did not engage to its potential on other aspects such as harmonisation and alignment. Opportunities for Luxembourg to shape a joint development pathway of Tam Nong support project - Tuyen Quang and VIE/035 in strategic moments were not fully exploited. Joint design with International Fund for Agricultural Development and delivering direct inputs during International Fund for Agricultural Development supervision missions and mid-term evaluation would have represented key opportunities for operating in a more pronounced partnership.

The responsiveness of LuxDev to the government of Vietnam / International Fund for Agricultural Development partner requests in December 2011 is judged appropriate. However, timing and sequencing of planning and delivery of VIE/035 in the context of Tam Nong support project - Tuyen Quang were critical. VIE/035 started its engagement in Tam Nong support project when Tam Nong support project - Tuyen Quang had already strongly exhausted its training and technical assistance budgets (mid-2014). The focus of VIE/035 on technical assistance / capacity building for selected value chain development bringing farmers and traders together in a more level playing field (set by government agencies) has been, and still is, an appropriate strategic choice.

Lessons learning from the other LuxDev projects in the regions with and from International Fund for Agricultural Development co-funded projects could however have allowed for a better understanding of what could reasonably have been expected from a capacity building project with limited budget and time frame.

Recommendations:

- Start applying more of the lessons learned from the cooperation with International Fund for Agricultural Development;
- When in partnership mode, be a full partner of the International Fund for Agricultural Development right from the start when designing projects;
- Synchronise and participate in key strategic moments along the project management cycle;
- Clearly define the scope of cooperation, its modalities and delivery responsibilities.

Institutional lessons learned

The programme steering committee and the role of LuxDev therein were not sufficiently pro-active in giving strategic guidance to VIE/035 - Tam Nong support project – Tuyen Quang. Only one steering committee meeting was held which had not a strategic character. In spite of promising initiatives in the seven value chains the three-year time frame for VIE/035 is simply too short to attain substantial changes in behaviour and stakeholders' attitudes to market-led value chain development.

Clear understanding of roles and responsibilities between Tam Nong support project / International Fund for Agricultural Development and VIE/035, and hence also of the corresponding financial flows and administrative procedures governing audits and accountability, would have helped to better embed VIE/035 within Tam Nong support project - Tuyen Quang, avoid the sense of parallel structures, and achieve better learning and leverage opportunities towards a more pronounced prospect for lasting sustainability.

Recommendations:

- When engaging with a programme steering committee, focus on strategic guidance and oversight on an annual basis;
- Define clear prior agreements on mutual roles and responsibilities. Leave no room for ambiguity in operation manuals and similar documents;
- When focusing on attitudinal change and innovations in geographic areas new to LuxDev, design longer project durations, e.g. five to six years.

Operational lessons learned

The delivery modalities of VIE/035, particularly high level consultant support and training by reputable regional agencies, have contributed substantially to the development and implementation of seven value chains at provincial and district level. However, the Department of Agriculture and Rural Development has not yet addressed value chain development and implementation in a comprehensive way.

Effective and efficient registration of businesses, as practiced by the Department of Planning and Investment and supported by VIE/035 through training and utilities, has allowed “climbing up the Provincial Competitiveness Index ladder”. Similarly, the Investment Promotion Centre also strengthened by VIE/035 with improved physical infrastructure and trained staff, now offers qualified investment and business support.

VIE/035 has created a trustful and result oriented working relationship with all partners by applying rigorous planning and monitoring procedures and instruments. The technical assistance facilitated a pendulum swing to move from a simple memorandum of understanding via a complex operational partnership agreement to a measurable result oriented activity plan. The Department of Agriculture and Rural Development is expected to continue its use and thus mainstream the result oriented activity plan. The Department of Agriculture and Rural Development already incorporates reporting on results in its operational management.

A mix of different training approaches effectively addressed the specific needs of different target groups. Innovative knowledge, learning and sharing methods greatly contributed to ownership of and commitment to change at farmer/cooperative level.

Linking the provision of production technology and farm equipment to collaborative groups and cooperatives (e.g. multifunctional feed processor, sowing machine, fish cages, packaging material, labelling) was the right approach to complement capacity building activities. Early signs of effectiveness and impact on the increased income of 40 collaborative groups and cooperatives illustrate the point.

Recommendations:

- Documentation of the drivers, spaces and limitations of the implementation and transformation processes as practiced under VIE/035, including relevance, efficiency and effectiveness of the seven value chain to collaborative groups and farmers, as sketched in this evaluation report, merit to be reflected in the completion reporting by VIE/035;
- Revise the mandatory character of LuxDev framework for the operational partnership agreements and explore scope and space for inclusion of the result oriented activity plans.