






## Oxfam GB Project Effectiveness Review Management Response

**Regional Director:** Francoise Vanni

**Country Director:**

**Name of Project reviewed:** Capacity building for rural enterprise development in Nicaragua (NICA71/NICB16)

Outcome/Impact	Rating	Short Commentary
<b>Outcome 1</b> – Higher prices realised for sales of value-chain products		No evidence that supported producers in either value chain are selling at prices significantly higher than comparison producers.
<b>Outcome 2</b> – Increased revenue from sales of value-chain products		Higher proportions of the supported households made sales of the value-chain products, and so generated higher revenue on average from these products than the comparison households.
<b>Outcome 2</b> – Increased household income		Evidence of increased overall household income among supported producers in the dairy value-chain area, but not in the cocoa value-chain area.
<b>Outcome 3</b> – Accumulation of asset wealth		Clear evidence of significant increases in asset wealth among supported households in the dairy-producing areas, but not in the cocoa-producing areas.
<b>Outcome 4</b> – Improved attitudes to gender roles		Evidence of more positive attitudes to gender roles among those who report having received gender training during the project's lifetime.

1. What follow-up to the review have you undertaken or planned (if any) e.g. discussion, analysis, workshop?

A three-hour meeting was held in Siuna with the partner of the action, in this case the National Union of Farmers and Ranchers (UNAG), to analyse the results of the effectiveness audit. Reynerio Solís, the UNAG project coordinator, Pedro Gutiérrez, the project technician and Máximo Blandón, Oxfam's project officer, participated. The Oxfam team made a presentation of the principal findings of the audit. It was no surprise to either Oxfam or UNAG what the results showed regarding the increases in household income and accumulation of assets. Regarding to higher prices for sales of value-chain products, we agreed that they had risen in recent years but that more impact was still needed.

It was agreed that this tool is novel and valuable for measuring the results of a project, as the impact on beneficiaries can be shared with other groups that in theory receive no kind of support. Nonetheless, some limitations were observed in the selection of the comparison groups on the ground, given that Siuna is a territory in which international cooperation is concentrated (high poverty), making it very hard to find communities with no outside support, especially for cacao producers. On the other hand, no comparison group was found in Siuna for the cooperative dedicated to producing chocolate. In addition, we agreed that it was not the best moment for doing this exercise, as, given the historical delays of the project, it was still in the phase of investing in productive infrastructure at the time of the audit.

The report was also analysed (teleconference) together with the country director, regional team and Oxfam House team, specially about the findings of the outcomes.

2. Overall, do the findings concur with your own expectations or assessment of the project/programme's effectiveness?

Considering the specific focus of the evaluation, we consider that our expectations were indeed fulfilled; in particular our interest in evaluating the part referring to the beneficiary families' livelihoods (the project impact on income and accumulation of assets).

The positive results surprised us with respect to the improved attitudes regarding gender roles. We knew we had given priority to this issue in our intervention, but believed that much more needed to be done.

Regarding the higher prices, we thought that January 2012 was not the ideal time to do the exercise, as in that period we were totally involved in constructing and equipping the dairy plant and cacao storage centre, so we still could not expect the price effect derived from improvement of the productive infrastructure. The results of the audit confirm our initial hypothesis, which we shared with Rob Fuller while planning the process.

With respect to household incomes, we expected satisfactory results in both the cacao and dairy chains, but we also knew the cacao income would be more evident once the new areas planted move into the production stage and the infrastructure (chocolate plant and cacao storage centre) was operating fully.

**3. Did the final results of the Effectiveness Review identify areas that were particularly strong in the project (ie large impact)?**

**If so, please comment briefly on why you think this was so.**

Yes, the project has been formulated and implemented under a value chains logic, promoting association to give small producers access in greater quantity (more producers) to better markets. Improvement actions have been promoted in basic areas such as production, productivity, quality and marketing; a strong investment has been made in areas of cultivation, technified plantation management, infrastructure, equipment, business formation, market formation, access to credit and marketing of the products; all this has permitted the beneficiaries to be more competitive in each of the value chains. Nonetheless, the project was burdened with a serious delay in implementation: 8 months after it was reformulated, incorporating new actions that were more challenging and ambitious in their proposal from the business viewpoint, but the end date was not extended. This situation has put pressure on the project cycle, such that the result related to income will be more evident and have more impact during 2013, when the infrastructure is fully operating, and the cacao areas will be more productive in this period, now that the young plantations are passing to a state of physiological maturity. Another consequences of this delay, was that additional funds were also considered during the project implementation that increased the level of co finance.

Our monitoring system has also indicated to us that the livelihoods of the families have improved significantly, expressed in the fact that the target groups today have more access to credit, more assets and are spending more on the household. We attribute this to the effort made in the past two years of the project; the management team has been enhanced and project coordination has been improved; the monitoring and follow-up system has gotten underway with more demanding levels; and the project focus in the recent years has been business-oriented. Proof of this is the satisfaction of the main project donor (European Union), which accepted the report of year 4 of the project without major difficulties and in the last field visit its feedback was very positive, contrary to the two previous visits made to the territory in 2009 and 2010.

The impact regarding gender is one of the strong areas that has to be underscored; we initially thought we were weak in addressing gender even though we have made efforts in that direction, but these have been in the past two years of the project, so we thought it would be too soon to observe positive results in this area of work.

**4. Did the final results of the Effectiveness Review identify areas that were weak or very weak (ie no or very little impact)?**

**If so, please comment on why you think this was so.**

The results show that we were weak in income for the cacao group. In this part we can mention two factors that had already been identified: 1) the storage centres were still under construction at the time of the audit, and ii) the chocolate plant was built but was waiting for the purchase and setting up of the equipment. iii) The cacao plantations have been replanted, so an increase in production can be expected for next year (2013). With respect to the issue of prices, which was another weak area identified, we considered as explained above that it was not the best time to

evaluate impact in that area given the stage in which the project was found.

5. a) Is the reviewed project continuing? If yes, what actions are being taken in response to the weak areas identified in question 4?

Yes the project is continuing. It is in the phase of culminating the infrastructure and equipping for the dairy plant, chocolate plant and cacao storage centre. In addition the new cacao plantations will enter into the production phase in the next season (2013). That is why it is expected that the household incomes will be impacted more than was indicated in the effectiveness audit. It is expected that there will be more production, with better quality, which will permit the product to be offered in the national markets, which will be achieved once the cacao storage centre enters into operation.

In the case of the dairy products, once the equipment is installed, the producers will be able to offer pasteurized products, which will give them a comparative advantage in the market, achieving better prices.

b) What actions are you planning in response to the Programme Learning Considerations?

Programme Learning Considerations:

- **Analyse why efforts to realise higher prices for value-chain products have apparently not so far been successful.**

As explained above, we consider that the project has not yet achieved impacts with respect to higher prices for the value chain of cacao and dairy products, since at the time of the evaluation the infrastructure works and equipping had not yet culminated and the new cacao plantations had not entered the production stage.

Currently more producers (both men and women) have access to the market. What we are looking for in these last months of 2012 is to gain access to more attractive and competitive markets, which we have already achieved in the case of chocolate and cacao; it will be done next for dairy products.

- **Further investigate what impact this project has had on women's position in the household, and learn what can be applied from this approach to gender in other projects.**

The project has now contracted a gender specialist, who is providing close accompaniment to the project. One of her tasks is to look into women's position in the home and the agricultural businesses that the project is promoting to help identify learning that can be applied in the economic justice program in Nicaragua as well as in other programs in the region.

6. If the project/humanitarian response is ending or has already ended, what learning from the review will you apply to relevant new projects in the future? How can the Regional Centre and Oxford support these plans?

It would be interesting to do exercises like this before, during and after the end of a determined project in order to more precisely measure the effectiveness of a given intervention. If three interventions are not possible, a mid-point evaluation could be prioritized to reorient the implementation of a given project.

As we mentioned before, it is hoped that learning will come out of the gender strategy/approach that has been implemented that could be replicated in other projects in the country, as well as in the region.

The reports will be published by Oxfam. If you have objections to this, please say so and explain why.

No objections.