



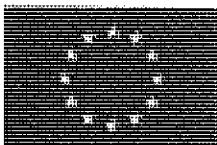
THE EUROPEAN UNION'S DCI PROGRAMME

MID-TERM EVALUATION OF THE ACCOMPANYING  
MEASURES 2011 FOR SUGAR PROTOCOL COUNTRIES  
(AMSP) - FIJI

Letter of Contract N°2014/351748  
FINAL REPORT

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## TABLE OF CONTENTS

Table of Contents.....	3
Abbreviations and Acronyms.....	5
1 Preamble.....	7
2 Executive Summary.....	9
Main achievements.....	10
Main weaknesses.....	11
Recommendations.....	13
3 Programme Environment and Background.....	15
4 Design / Concept.....	17
4.1 Component 1a (ITC).....	17
4.2 Component 1b (SPC).....	18
4.3 Component 2 (SRIF).....	19
4.4 Component 3 (SPC/FCU).....	20
5 Relevance.....	21
5.1 General.....	21
5.2 Component 1a (ITC).....	21
5.3 Component 1b (SPC).....	22
5.4 Component 2 (SRIF).....	22
5.5 Component 3 (SPC/FCU).....	23
6 Efficiency.....	24
6.1 Timing.....	24
6.2 Disbursement.....	25
6.3 Monitoring and Evaluation.....	26
7 Effectiveness.....	28
7.1 Overall Objective.....	28
7.2 Programme Purpose / Specific Objective.....	28
7.3 Envisaged results – Component 1a (ITC).....	29
7.4 Envisaged results – Component 1b (SPC).....	32
7.5 Envisaged results – Component 2 (SRIF).....	33
7.6 Envisaged results – Component 3 (SPC/FCU).....	37
8 Impact.....	39
8.1 General.....	39
8.2 Component 1a (ITC).....	39

8.3	Component 1b (SPC) .....	40
8.4	Component 2 (SRIF) .....	40
8.5	Component 3 (SPC/FCU).....	40
9	Sustainability.....	42
9.1	Component 1a (ITC).....	42
9.2	Component 1b (SPC).....	42
9.3	Component 2 (SRIF).....	43
9.4	Component 3 (SPC/FCU).....	44
10	Cross Cutting Issues.....	45
10.1	Gender.....	45
10.2	Environment .....	45
11	Recommendations .....	46
	<b>List of Persons Interviewed .....</b>	<b>56</b>

**Annexes**

Annex 1: Terms of Reference

Annex 2: CVs of Evaluation Team

Annex 3: Logical Frameworks

Annex 4: List of Documents Consulted / Received

Annex 5: List of Persons Interviewed

Annex 6: Inception Report

Annex 7: PowerPoint Presentation for Debriefing with PSC on 16/02/2015

Annex 8: Minutes of PSC Meeting on 16/02/2015

Annex 9: Comments on Draft Final Report

Annex 10: Evaluators' response to comments on Draft Final Report

## ABBREVIATIONS AND ACRONYMS

AAP	Annual Action Programme
ACP	Africa, Caribbean, Pacific
AMA	Agricultural Marketing Authority
AMSP	Accompanying Measures for the Sugar Protocol
DAC	Development Assistance Committee
EC	European Commission
EU	European Union
EUO	Delegation of the European Union
FA	Financing Agreement
FCFA	Fiji Cane Producers Association
FMC	Financial Management Counsellors
FSC	Fiji Sugar Corporation
FSCs	Food Safety Counselors
GoF	Government of Fiji
IA	Implementing Agency
IKSA	Improvement of Key Services for Agriculture
IKSL	Improvement of Key services for Livestock
ITC	International Trade Centre
LTE	Long-Term Expert
MAIP	Multi-annual Indicative Programme
MAA	Ministry of Agriculture
MOU	Memorandum of Understanding
MTR	Mid-Term Review
MTET	Mid-Term Evaluation Team
NAO	National Authorising Officer
NAS	National Adaptation Strategy
OVI	Objectively Verifiable Indicators
PCU	Programme Coordination Unit
PSC	Programme Steering Committee

SAP

Fiji Sugar Industry Strategic Action Plan

SPC

Secretariat of the Pacific Community

STE

Short-Term Expert

TA

Technical Assistance

TR

Terms of Reference

## 1 PREAMBLE

The EU Accompanying Measures for Sugar Programme (AMSP) is made of four different interventions; AMSP 2010, 2011, 2012 and 2013. The programme of relevance to this assignment is AMSP 2011 ("Improvement of Key Services for Agriculture Programme"). The Programme budget amounts to EUR 8,000,000.- (EU contribution) plus an in kind contribution worth approximately EUR 4,900,000.-, which shall be provided by the farmers, the Sugar Research Institute of Fiji (SRIF) and private stakeholders' own resources.

The implementation of the Programme was done through two contribution agreements with the Southern Pacific Community (SPC) and the International Trade Centre (ITC), and one Grant Contract with the Sugar Research Institute of Fiji (SRIF).

### **Objectives of the Programme**

Overall Objective: *"The overall objective of the Programme is to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market-driven agriculture".*

Programme Purpose: *"Key services for agriculture are improved and supply capacities are enhanced".*

### **Objectives of the Final Evaluation**

With respect to the aims/ToRs of the Mid Term Evaluation (see also Annex 1), that is to assess the performance of the programme in meeting its major objective, i.e 'to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market driven agriculture' and to draw key lessons and recommendations for follow up actions and review the programme with all partners, the evaluation will:

- review the original projects' designs and financing decisions with respect to achievements/failures to achieve expected objectives;
- assess the extent defined objectives, goals and targets have been attained;
- assess the sustainability of the achievements and if these are not sustainable, to recommend how to ensure sustainability;
- review constraints, lessons learnt and successes which could strengthen institutional capacity of those implementing the programme;
- gauge projects' management competencies and processes; and
- appraise if environmental and gender issues were adequately addressed during the implementation of the project.

The evaluation mission to Fiji was realized between 15 January and 16 February 2015. During this period, meetings with more than 70 stakeholders (see also the complete "List of

Persons Interviewed” in Annex 5) have been held on the two main islands, Viti Levu and Vanua Levu, including

- The Delegation of the European Union (EUD)
- The Programme Coordination Unit (PCU)
- The Implementing Agencies (SPC, ITC, SRIF)
- The Fairtrade Coordination Unit (FCU)
- More than 30 Beneficiaries of all 4 (sub)components of the Programme.

Main purpose of these interviews was to obtain first hand and unbiased comments from all categories of stakeholders concerning their perception of the AMSP 2011 Programme’s design, implementation and results, as well as to verify preliminary conclusions and recommendations formulated by the evaluation team. In order to facilitate an open and critical discussion, the evaluators have assured the interviewees that their comments (and especially the critical ones) would only be used in a “neutralized” form, without disclosing the individual source of the information.

A de-briefing presentation (see also Annex 7 and 8) and corresponding discussions was organized towards the end of the mission, with altogether 40 participants from

- EUD
- Programme Coordination Unit (PCU)
- Implementing Agencies (IAs)
- Secretariat of the Pacific Community (SPC)
- International Trade Centre (ITC)
- Sugar Research Institute of Fiji (SRIF)
- Members of the Programme Steering Committee (PSC)
- Other stakeholders

Comments made during this de-briefing were subsequently included in the Final Report. Further details as regards the methodology are outlined in the approved Inception Report (see Annex 6).

The mission was assigned to the consortium lead by TRANSTEC and executed by two consultants (see also CVs in Annex 2):

- Dr. Nico van Tienhoven, and
- Dr. Kessawa Payandipillay.



## 2 EXECUTIVE SUMMARY

The Accompanying Measures for the Sugar Protocol (AMSP) 2011 is financed from the Multiannual Indicative Programme (MIP) 2011-2013. The Programme budget amounts to EUR 8,000,000 and the implementation of the Programme was done through two contribution agreements with the Southern Pacific Community (SPC) and the International Trade Centre ITC), and one Grant Contract with the Sugar Research Institute of Fiji (SRIF).

The Programme comprises four main Result Areas, the implementation period lasting from June 2012 to end December 2015 for component 1 and 3 (SPC and ITC), and from August 2012 to August 2015 for component 2 (SRIF):

Component 1a (EUR 2.7 mio), implemented by the Southern Pacific Community (SPC):  
→ Improvement of key services for agriculture (IKSA) with focus on the production of vegetable and fruit crops through improved seed production.

Component 1b (EUR 2.6 mio), implemented by the International Trade centre (ITC):  
→ Improvement of key services for agriculture (IKSA) with focus on the improvement of the value chains for vegetable and fruit crops and institution building support to the Fiji Crop and Livestock Council (FCLC).

Component 2 (EUR 1 mio), implemented by SRIF:

→ Strengthening SRIF'S technical capacity (equipment and training) and management capacity (training).

Component 3 (EUR 1 mio), implemented by the Fairtrade Coordination Unit (FCU):  
→ Extension, strengthening and consolidation of Fairtrade in the Fiji sugar cane sector through institution building (Cane Producer Associations – CPAs) and technical advice on farm level.

The **objectives** for the AMSP 2011 have been defined as follows:

Overall Objective: *“The overall objective of the Programme is to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market-driven agriculture”.*

Programme Purpose: *“Key services for agriculture are improved and supply capacities are enhanced”.*

The Programme and each of its components are fully in line with the three main intervention areas outlined in the National Adaptation Strategy for the Sugar Industry (NAS):

- Support to the smallholder sugarcane growers aiming at continuous productivity and efficiency improvement resulting in production costs reduction.
- Support the introduction of a diversified agriculture for food import substitution and for increasing certain food exports in order to make the country less dependent on sugarcane in the medium long term prospects.
- Cushion the rural population in the sugar belt from the risk of deteriorating living standards due to the present high dependence and reliance on sugarcane and the sugar industry.

Consequently, the Programme has a very high relevance. Its design is appropriate, although some of the major design principles have not been consequently adhered to during

implementation, which later on has caused considerable deficiencies: Lack of cooperation / coordination between SPC and ITC (see also further below).

The different components cover different fields of intervention and are implemented by different Implementing Agencies (IAs). Therefore, the following overview concerning main achievements, main weaknesses, and major recommendation are given separately for the four result areas.

## Main achievements

The main achievements of the four Result Areas of the AMSP 2011 Programme are summarized here below:

### **Component 1a (ITC) - Project Purpose: Horticulture/Food crop value chain is supported and supply capacities enhanced**

Starting its "field activities" in the Ra province is reasonable, due to its low income level and its favourable climatic conditions for vegetable and fruit production. However, the consequential neglect of other provinces is a drawback.

ITC's demonstration value chain activities in Ra are introducing on-farm post-harvest activities to increase value added and prices. Hereby, appropriate "technologies" and measures are promoted, which are easily applicable (and replicable) on small farm level with low resources.

Stakeholders and potential beneficiaries have agreed that the various mobile applications, which are currently in development, respond to a demand, especially in remote areas.

### **Component 1b (SPC) - Project Purpose: Horticulture/Food crop value chain is supported and supply capacities enhanced**

Although with considerable delays, SPC has developed a coherent and realistic (although very ambitious) plan for seed production and subsequent boost of production of vegetables and fruit on farm level.

SPC is targeting both, increase of production for import substitution and for export, and the introduction (or expansion) of other crops, complementing sugar cane, is increasingly appreciated by sugar cane farmers as a suitable approach for risk reduction (through diversification) and generation of additional income.

SPC's field technicians are motivated and dispose of appropriate equipment (4x4 pick-ups) to successfully implement the Project on farm-level in all sugar belt districts.

### **Component 2 (SRIF) - Project Purpose: Cane variety research is strengthened and good quality seed cane is available to farmers**

SRIF has successfully launched two new varieties and is currently introducing them on farm level, in line with the targets set out in the grant agreement.

The upgrading of facilities and equipment is being completed, providing an appropriate infrastructure for SRIF'S future research activities. Also, training of junior research has been realized and is still on-going.

Set-up of nurseries is on track with two being operational and two more to be operational before end of the project.

### **Component 3 (SPC/FCU) - Project Purpose: Fairtrade associations are replicated and operations strengthened**

The successful pilot experience from Vanua Levu has been replicated on Viti Levu, where two new Cane Producer Associations have been established and Fairtrade certified. Altogether, the three CPAs have received a total of FJD 19.5 mio of Fairtrade premiums since 2012. The lion's share of the Fairtrade premiums have been successfully invested in community based project with high visibility.

For its on-farm trainings, the Programme has successfully brought together researchers (SRIF) and extension officers (FSC) and it will achieve its targets concerning number of farmers benefiting from trainings and actively participating in them.

### **Main weaknesses**

The main weaknesses of the four Result Areas of the AMSP 2011 Programme are summarized here below:

#### **Component 1a: (ITC) - Project Purpose: Key services for agriculture are improved and enhanced. This Component refers to the first part of Result 1 of the Log frame for the overall Programme, defined as "Horticulture/Food crop value chain is supported and supply capacities enhanced".**

Very low efficiency and effectiveness so far: Late start of the project and very late signing of the MoU with FCLC: Most other activities (FMCs, mobile applications, establishment / upgrading of food processors) are still in the planning / trial phase, but have not yet been rolled out. A sound concept for their institutional embedding and their economic sustainability is not yet finalised.

FCLC is still in a very weak position and the institution building / development support has not succeeded, but caused rather contrary effects: Very low financial management capacity, high degree of frustration, low and insufficient membership base, no technical services provided to members. The partnership between FCLC and ITC is on a very low level, which is counterproductive concerning smooth institutional development process. FCLC's survival is still not assured.

ITC's "remote management" is highly problematic especially concerning institution building and development, which requires close-by and hand-on coaching and support. Also, the deficient coordination of activities with SPC is hampered by this set-up.

Although the overall Programme aims at increasing agricultural production for import substitution and additional export, ITC's focus is biased towards export-related activities.

Most of ITCs activities are not sufficiently coordinated with SPC, which leads to considerable reduction of synergy effects between the two projects, which have been a key element in project design.

**Component 1b (SPC) - Project Purpose: Key services for agriculture are improved and enhanced. This Component refers to the second part of Result 1 of the Log frame for the overall Programme, defined as “Horticulture/Food crop value chain is supported and supply capacities enhanced”.**

Very low efficiency so far, still suffering from much delayed start of the project and further delays due to problems in managing the SPC-internal procurement process. Even now (30 months after start of the project) only a part of the nurseries is operational. An unusual drought (5 months) in 2014 contributed further to the considerable delays, which created a domino effect on the momentum of the project implementation and caused widespread calamity on all stakeholder.

Problems in managing the SPC-internal procurement process have caused further delays and endanger timely delivery of urgently needed supplies for the seeding / planting season.

Having started the seed production and multiplication, SPC is now trying to keep up with the very challenging objectives as regards targets production for additional fruit and vegetable production. Although corresponding planning has been prepared, its implementation requires a more stringent management as compared to the forgoing implementation phase.

Now, the seed production and multiplication is slowly gaining momentum, and an increase of production is in sight. However, as a consequence of deficient coordination with ITC the corresponding absorption capacity on the level of processors / exporters / markets is not always assured. This could entail price deterioration and demotivation of farmers.

**Component 2 (SRIF) - Project Purpose: Cane variety research is strengthened and good quality seed cane is available to farmers**

Although SRIF's facilities and equipment is by and large appropriate for successful research work, its sustainability is endangered by low motivation of its professional staff and resulting high turn-over rates and “brain drain”. Also, SRIF has not yet developed (and implemented) a sound medium- to long-term research concept, which could support its clear positioning as partner / beneficiary for future funding.

SRIF has not yet positioned itself with a clear focus, which can be used as a key argument to attract future funding.

SRIF research is not yet sufficiently linked with the farming community. This hampers research focus on needs and implementation of research results

The ‘unsettled’ management both at Board and CEO levels needs to be urgently addressed. Presently the Board lacks technical expertise and this is detrimental to SRIF activities. It is needed to guide the CEO for demand-driven research activities.

A clear strategy of incentives for motivation of young researchers is not yet in place and staff turn-over will endanger the benefits from financing training for its young scientists.

**Component 3 (SPC/FCU) - Project Purpose: Fairtrade associations are replicated and operations strengthened**

It is a generally observed phenomenon that not-for-profit organisations are facing leadership problems due to power games and ego positioning, which can endanger their viability.

This could entail a breakup of an organisation and subsequent splitting into several successor organisations. Such “atomization” would lower the weight of the CPA's advocacy of Fairtrade farmers' interest vis-à-vis policy makers as well as vis-à-vis their customers (i.e. the sugar industry and importers, such as FSC and Tate & Lyle).

Initiating and strengthening the cooperation of extension services (FSC) and researchers (SRIF) on the ground and on farm level is a major achievement of the Programme. However, this has to be further consolidated and institutionalized to be sustainable.

A drastic reduction of the Fairtrade quota for Fiji, as currently experienced in 2014, could demotivate the farmers and their willingness to actively participate in training activities and their (not remunerated) engagement in the CPAs.

## Recommendations

Major recommendations have been developed separately for the four Result Areas because these are independently managed and implemented by different Implementing Agencies with highly diverging technical and administrative challenges. It is accepted by all stakeholders that the remaining implementation period ending December 2015 for ITC and SPC respectively and August 2015 for SRIF would only allow partial implementation of these recommendations. However, in case of a (budget-neutral) extension of the Programme, all recommendations could be implemented.

### Component 1a – ITC

- ITC should intensify and accelerate capacity building activities to enable FCLC to develop into a functioning sector representative and capable of offering various services to its members, including paid-for services.
- ITC should provide close-by and hands-on and not remote support to facilitate smooth development of FCLC
- Food Safety Counsellors (FSCs) should become more autonomous and be able to offer paid (at least partially) to clients. Renaming of FSC should be considered to avoid confusion with the Fiji Sugar Corporation (FSC)
- Beyond AMSP funding, Financial Management Counsellors (FMCs) should be embedded in a Micro/Small/Medium Enterprise (MSME) supporting structure
- Mobile applications should be launched as soon as possible and the hosting of the different applications and their financing beyond AMSP has to be defined in priority.
- The set-up of a food processing unit in Rakiraki should preferably be conferred to private ownership instead of a youth club.
- ITC needs to strengthen partnership / liaison with SPC to identify marketing /post harvest support for the farmers.

### Component 1b – SPC

- A budget-neutral extension of the SPC-IKSA component is recommended to enable SPC to achieve its seed production programme
- SPC should set clear targets with milestones for its Field Technicians to enable them to achieve the targets set by end December 2016.
- SPC should revise its internal procedures by initiating procurements timely through a good 'planning process'. Procurements should be packaged and framework contracts be privileged.
- SPC should increase efforts to link farmers with buyers and assure that sufficient demand (absorption capacity of markets) is identified to guarantee good price and sustainability. Close cooperation with ITC is essential.

- To avoid that the handout mentality of farmers endangers the seed multiplication targets, SPC should increase training and sensitization activities to motivate farmers to buy seed (instead of waiting for seeds to be supplied for free).
- SPC should make sure that that seeds handed to farmers for free will be paid back to SPC in kind. It should insist on Field Technicians to enforce corresponding targets.
- The intervention / activity of SPC should aim at developing "show cases" and should check each individual case very carefully to avoid as much as possible financing "windfall profits" for already advanced farmers.

#### Component 2 – SRIF

- To attract future funding SRIF should position itself as renowned interlocutor between international research and the Fiji cane farmers. It should privilege applied and farmers focused research.
- It should intensify cooperation with FSC extension services and Farmer Associations to strengthen research – extension linkages.
- Also beyond AMSP, SRIF will depend on additional funding to complement its core budget. To be able to maintain or improve its standards, SRIF will need to strengthen credibility and fund raising capacity. With the experience acquired, it must be able to comply strictly with "donor" procedures (including reporting). The possibilities for training in Project Cycle Management (PCM) and Project Proposal writing need to be explored.
- A clear strategy of incentives for motivation of young researchers is not yet in place. To avoid that staff turn-over endangers the benefits from SRIF- financed training for its young scientists, it should urgently develop, approve and introduce an innovative human resource management strategy. Urgent decisions must also be taken with respect to working conditions and remunerations of both professional and support staff.
- Management both at Board and CEO levels need to be strengthened. Adequate specialist(s) with appropriate scientific background / reputation needs to be nominated at Board level to guide the CEO for demand-driven research activities.
- As the methodology adopted for seed cane development is labour intensive and costly, SRIF should resume the production of tissue-cultured plantlets and improve direct planting with HWT cane setts.
- SRIF should intensify studies on good farm management practices: planting, weed management and rational fertilization and train field extension staff / farmers on safe handling of pesticides and application techniques.
- SRIF should put more emphasis on maturity behaviour of commercial varieties and this is crucial with the coming into operation of the cane quality payment system.

#### Component 3 – SPC-FCU

- A budget-neutral extension is recommended to further consolidate the CPAs and training of Lead Farmer Groups. This will also improve sustainability.
- A clear mediation responsibility for the time beyond AMSP-funding has to be established to avoid endangering the viability of the CPAs through power games and ego positioning of some members.

- To avoid demotivation of farmers through reduction of Fairtrade premiums, FCU should assist CPAs to identify complementary funding to increase leverage effects through co-financing opportunities (like AMSP-2012 Micro Projects).
- To further consolidate research and extension interaction by encouraging more participation of SRIF field officers and FSC extension officers in Fairtrade field days and trainings.

### 3 PROGRAMME ENVIRONMENT AND BACKGROUND

Development cooperation between the European Union (EU) and the countries of the African, Caribbean and the Pacific Group of States (ACP) started since 1957 with the Treaty of Rome establishing a collective European development policy and the creation of the European Development Fund (EDF). The EDF was intended to grant technical and financial assistance to the countries which were still under European rule at that moment. Different partnership agreements (Yaounde, Lome and Cotonou) were put in place and an essential part of these agreements was the Sugar Protocol which granted a preferential price and quota access to the European market to 18 sugar producing ACP countries, including Fiji.

The reform of the EU Sugar Regime and the significant reduction of sugar price of 36% over a period of four years (2006-2009) have had and will have a considerable impact on the sugar exporting ACP countries which have been relying on the guaranteed price provided by the EU market under the Sugar Protocol. To assist these countries to adapt to this new sugar market environment, the European Commission (EC) established Accompanying Measures and requested them to devise their National Adaptation Strategies (NAS) for submission to the EC for financial assistance.

Three major intervention areas were enlisted in Fiji's NAS:

- Support to the smallholder sugarcane growers to achieve continuous productivity through improved efficiency (higher production levels at reduced costs);
- Support the introduction of a diversified agriculture for food import substitution and increasing food exports; and
- Cushion the rural population in the sugar cane belt from the risk of further impoverishment due to its high dependence and reliance on the sugar business.

The Multi-annual Indicative Programme (MIP) for Fiji, approved by Commission Decision (C/2011/7965) proposed to support all three dimensions of the NAS: productivity improvement and cost reduction in the sugar sector; services and supply capacities aimed at diversification in agriculture; and local development strategies for supplying socio-economic needs. In addition, resources were made available to coordinate and monitor the implementation of the NAS. It was designed to take appropriate measures to mitigate the adverse social effects of the EU sugar price reform and the overall decline of the sugar industry for the most disadvantaged groups.

The EU Accompanying Measures for Sugar Programme (AMSP) is made of four different interventions; AMSP 2010, 2011, 2012 and 2013. The programme of relevance to this assignment is AMSP 2011 ("Improvement of Key Services for Agriculture Programme"), financed from the Multiannual Indicative Programme (MIP) 2011-2013.

The Programme budget amounts to EUR 8,000,000.- (EU contribution) plus an in kind contribution worth approximately EUR 4,900,000.-, which shall be provided by the farmers, the Sugar Research Institute of Fiji (SRIF) and private stakeholders' own resources. The implementation of the Programme was done through two contribution agreements with the Southern Pacific Community (SPC) and the International Trade Centre ITC), and one Grant Contract with the Sugar Research Institute of Fiji (SRIF).

The main intervention area of AMSP 2011 is to 'cushion the rural population in the sugar belt from the risk of deteriorating living standards due to the present high dependence and reliance on sugar cane and the sugar industry'. It is expected that capacity building will enable poverty-stricken groups to take opportunities and other economic activities through the strengthening of community-based organizations and farmers associations, development of private sector partnerships and through better agricultural research and extension service delivery.

The main objective is therefore to alleviate poverty by increasing farm income and generating opportunities in agriculture, and to help to maintain stability and sustained growth in rural areas and the specific objective is to improve key services to agriculture and to enhance the supply capacities.

The expected results are that support will be provided directly to farmers through agricultural diversification in horticulture (Component 1 of AMSP 2011) and indirectly to sugar cane farmers in supporting research through Fiji Sugarcane Research Institute (Component 2) and extension support through Fair trade associations (Component 3).

The Programme comprises four main Result Areas, the implementation period lasting from June 2012 to end December 2015 for component 1 and 3 (SPC and ITC), and from August 2012 to August 2015 for component 2 (SRIF):

Component 1a (EUR 2.7 mio), implemented by the Southern Pacific Community (SPC):

→ Improvement of key services for agriculture (IKSA) with focus on the production of vegetable and fruit crops through improved seed production.

Component 1b (EUR 2.6 mio), implemented by the International Trade centre (ITC):

→ Improvement of key services for agriculture (IKSA) with focus on the improvement of the value chains for agri-foods crops and institution building support to the Fiji Crop and Livestock Council (FCLC).

Component 2 (EUR 1 mio), implemented by SRIF:

→ Strengthening SRIF'S technical capacity (equipment and training) and management capacity (training).

Component 3 (EUR 1 mio), implemented by the Fairtrade Coordination Unit (FCU):

→ Extension, strengthening and consolidation of Fairtrade in the Fiji sugar cane sector through institution building (Cane Producer Associations – CPAs) and technical advice on farm level.



## 4 DESIGN / CONCEPT

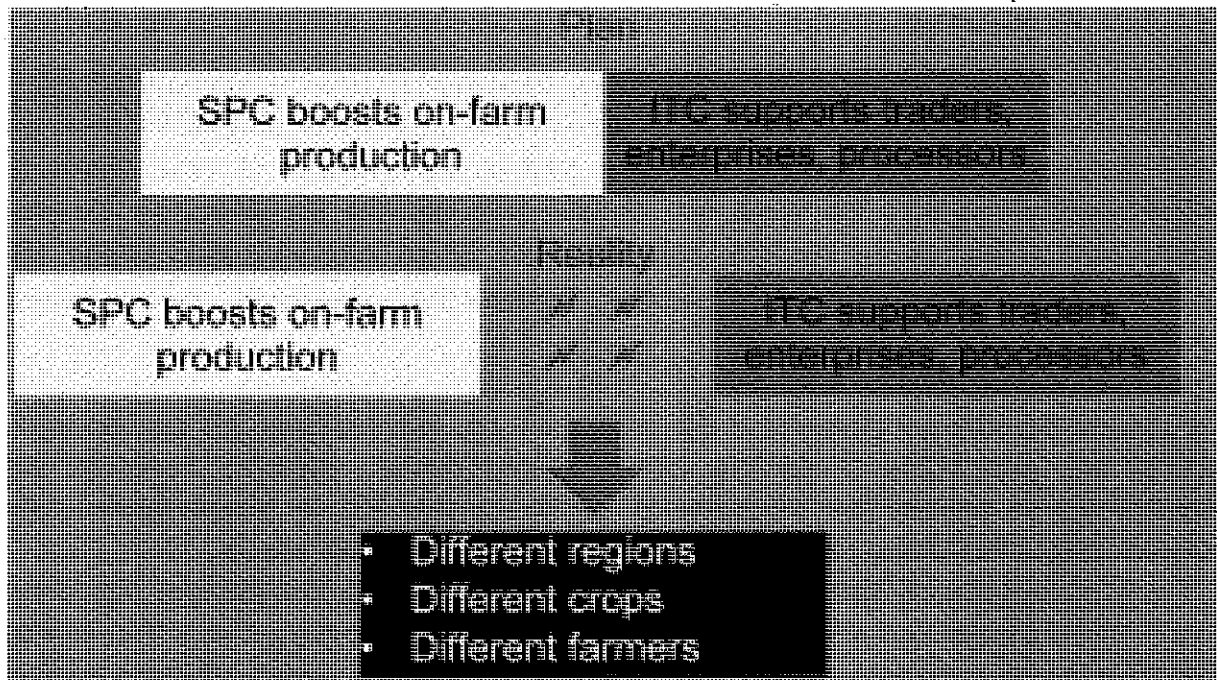
### 4.1 Component 1a (ITC)

The design is appropriate to strengthen the post-harvest elements of value chains for complementary crops in the sugar belt, but the interface with the production (farming) component is very poorly managed. Also, the lack of an in-country team leader with corresponding competences has caused considerable drawbacks during project implementation:

In general, the different elements of this component are well designed and the concept is sound and appropriate to achieve the envisaged results. However, especially two shortcomings as regards the "interpretation" of the concept and its implementation have caused major shortcoming concerning the achievement of envisaged results.

- The lack of a Fiji-based team leader with all corresponding competences has proven to be a major cause for the drawbacks, which this component is facing. The "remote management" of the project as practised by ITC (with the team leader and the sub-component managers being based in Geneva, Switzerland), and the almost exclusive dependence on short-term interventions has clearly proven to be inappropriate for this kind of projects. This is particularly obvious concerning institution building and strengthening activities for the FCLC, which require, at least during an initial phase, a close by full time available support.
- A crucial element of the design foresees a close cooperation with the on-farm production component of the IKSA activities, which is managed by a different Implementing Agency, SPC (see Figure 1). Unfortunately, such close collaboration has not been established during most of the planning and implementation period. However, the partnership is working much better now though there are some pertinent / minor issues still to be addressed. Especially, activities on the ground in the Rakiraki area are much better coordinated on working level. In general, both components (1a, managed by ITC and 1b, managed by SPC) are being implemented independently. They do have a different focus concerning regional coverage, selected crops and type of farmers (farmers with formalised lease agreements vs. Farmers without such titles). Consequently, envisaged synergy effects between these two components are only marginally realized.

**Figure 1: Plan vs. reality concerning SPC-ITC Cooperation**



## 4.2 Component 1b (SPC)

The design is appropriate to initiate a substantial cultivation of complementary crops in the sugar belt, but the interface with the post harvest component is very poorly managed.

According to the Project Purpose, SPC should support the development of Horticulture and Food crop value chain and enhance supply capacities in the sugar belt. For the production side, the project design is appropriate as it aims to identify other crops that could be exploited either in association with sugar cane, or in rotational lands or on lands which are no longer viable for sugar cane. These definitely will provide opportunities for the farmers in the sugar cane belt to improve their income, hence livelihood through the exploitation of a diversified agriculture and not to the detriment of sugar.

The design approach to provide initial seeds to selected farmers and subsequently multiply them on farm level (and in farmer-managed nurseries) is appropriate. It already assures farmers' participation at an early stage, thus allowing for a good level of acceptance of the proposed new crops and cropping patterns. However, farm level nurseries only work for crop varieties destined for low value-addition domestic markets. Replication in small scale nurseries may take two seasons at least to produce enough seeds to plant out. Hotel, catering chefs and export buyers require hybrid varieties (as shown in the joint ITC/SPC/PARDI market study). These seeds/seedlings cannot be grown from previous year's crops or domestic varieties and need to be imported. This point was not included in SPC's original project design.

However, the design does not sufficiently stipulate a close collaboration with the services (research and extension) of the Ministry of Agriculture, which is a drawback concerning the institutional embedding of the activities for the time beyond the project..

A crucial element of the design foresees a close cooperation with the post-harvest / value chain support component, which is managed by a different Implementing Agency, ITC. Unfortunately, such close collaboration has not been established during most of the planning and implementation period. Only recently, activities on the ground in the Rakiraki area are somewhat coordinated on working level. In general, both components (1a, managed by ITC and 1b, managed by SPC) are being implemented independently. They do have a different focus concerning regional coverage, selected crops and type of farmers (farmers with formalised lease agreements vs. Farmers without such titles). Consequently, envisaged synergy effects between these two components are one marginally realized.

#### 4.3 Component 2 (SRIF)

The design is appropriate to enable SRIF to achieve its project purpose of strengthening cane variety research to make good quality seed cane available to farmers:

The acquisition of more sophisticated equipments and state-of-the-art technology and the provision of facilities to its staff for in-service training and to share their research output and findings on the international scene are very appropriate to create an environment for farmer focused research.

It is felt that the design does not make enough space to engage the sugar cane farmers and the extension staff of FSC in the research activities being undertaken by SRIF as at the end of the day, additional efforts need to be devoted in convincing the farmers to accept and adopt new sugar cane varieties coming from research. Such cooperation would be the natural way forward led by the management of the two organizations. However, the management is weak and therefore a design that 'forced' them together would have been useful.

The project design does not clearly indicate how SRIF can promote its financial sustainability as an independent non state agency, driven as a non for profit making agency, even if this is highly relevant in an environment of constantly decreasing sugar price. But again it can be argued that giving SRIF the necessary pre-requisite like sophisticated equipments, state-of-the-art technology and qualified staff will enable it to reach international standards, to offer paid services and to bid for external funding with well elaborated project proposals, etc.

Lastly, even if it is known and accepted that the research staff lacks motivation and better working conditions, the design does not provide any clues as to how and the strategies to put in place to avoid a staff 'drain'.

#### 4.4 Component 3 (SPC/FCU)

The design has already proven to be appropriate and successfully tested during predecessor programme:

The design for the Fairtrade support component is very straight forward. It is mainly building on the task already achieved during the foregoing project, financed under AMSP-2009 with its pilot activities on Vanua Levu. Therefore, the Fairtrade component of AMSP-2011 is a logical continuation, focusing on:

- Replication of the Vanua Levu model on Viti Levu, and hence covering the entire Fiji sugar belt and sugar production as being Fairtrade certified and consequently eligible to benefit from fair-trade premiums.
- Consolidation of achievements of the foregoing project on Vanua Levu

## 5 RELEVANCE

The Programme and each of its components are fully in line with the three main intervention areas outlined in the National Adaptation Strategy for the Sugar Industry (NAS):

- Support to the smallholder sugarcane growers aiming at continuous productivity and efficiency improvement resulting in production costs reduction.
- Support the introduction of a diversified agriculture for food import substitution and for increasing certain food exports in order to make the country less dependent on sugarcane in the medium long term prospects.
- Cushion the rural population in the sugar belt from the risk of deteriorating living standards due to the present high dependence and reliance on sugarcane and the sugar industry.
- Contributing to import substitution. The value of imported food is about the same as the value of sugar sold. Fiji could grow most of the food it needs and this is one of the main intentions of this IKSA project.

Consequently, the Programme has a very high relevance. Its design is appropriate, although some of the major design principles have not been consequently adhered to during implementation, which later on has caused considerable deficiencies: Lack of cooperation / coordination between SPC and ITC (see also further below).

### 5.2 Component 1a (ITC)

High relevance on farm level and agri-food enterprise level.

This component targets to improve key services for agriculture through 3 major lines of activity:

- Improvement of through establishment, strengthening and consolidation of the Fiji Crop and Livestock Council (FCLC).
- Improvement of farmers' access to market information through mobile phone applications.
- Improvement of value chains in order to achieve a higher and homogeneous quality of agricultural products through
  - Improvement of on-farm post harvest activities.
  - Improvement of food processors and exporters' quality management through Food Security Counselling (FSC) system.
  - Improvement of agri-food enterprises' access to finance through Financial Management Counselling (FMC) system.
  - Facilitation of business contacts for exporting agri-food exporters.

All of these activities are highly relevant to develop the non-sugar agricultural sector in Fiji. Especially the establishment of an umbrella organization representing the entire non-sugar

agricultural sector is highly relevant in order to (a) advocate the interests of the sector on policy level and (b) provide the member association, which are representing different sub-sectors, with relevant information and services, (c) coordinate future support activities for the non-sugar farming sector. So far, such organization exists only for the sugar sector.

### 5.3 Component 1b (SPC)

High relevance on farm level and on national level:

Supporting the development of Horticulture and Food crop value chain and enhance supply capacities in the sugar belt are of high relevance to both the farm activities and the national economy. At the farm level, over and above the insecure land tenure system, the sugar cane farmers are also experiencing low and fluctuating revenue from their sugar business and are either abandoning their sugar cane fields or are no longer investing in them to improve their production levels. Over the period 2000-2010, sugar production had drastically declined from 341,000 t to 136,000 t and then reached a level of 226,000 t in 2014, implying that less land is being occupied by sugar cane and productivity is on the decrease. Also it is reported that in 2010, the price paid to the farmers has decreased from € 24.4 to € 18.4 per ton of cane during the 2010 crop season, and then reached a level of € 32 in 2013, followed by a new decline in 2014. Consequently farm revenue from sugar cane is highly volatile and the sugar cane farmers need to be offered other complementary crops to stabilize / boost up revenue and improve livelihood, hence the high relevance of the action. Additionally, the complementary crops are also often needed to enable the farmers to feed themselves in order to stay on the sugarcane farm. It can also be argued that at the national level, this action is of high relevance as any activities that are implemented to improve farm income will impact positively on the national economy and will improve foreign earnings by reducing food imports and increasing exports.

### 5.4 Component 2 (SRIF)

Highly relevant with respect to national strategy and on-farm needs:

It was reported that the sugar cane farmers had responded positively to the EU AMSP 2006 subsidized replanting programme, hence their will to continue the sugar cane business. Same can be said for the Government of Fiji which allocated FDJ 6 million annually to encourage the replanting effort, but the net result was below expectations due to the poor quality seed cane. Hence a consistent investment in SRIF to build its capacity both in terms of infrastructure (acquisition of new equipments, etc.) and qualified and highly trained research staff cannot be less than being highly relevant with respect to the national strategy of improving cane yields in the sugar belt and the improving farm income. Higher production levels with better performing and disease free varieties are believed to be the gateway for a more sustainable sugar industry, but it must also be stressed that the best performing variety

will not be a solution if it is not accompanied by good farm management practices, good timing of planting, appropriate weed management strategies and judicious use of fertilizers. Developing high quality and disease free seed cane is also relevant if SRIF is aiming at financial sustainability as it will be in a position to offer seed cane for sale both at the national and international levels.

### 5.5 Component 3 (SPC/FCU)

High economic and social relevance:

Through Fairtrade certification, the Fiji sugar growers are eligible to receive a corresponding price premium, according to the quantity of Fairtrade sugar, which the sugar exporter (Tate & Lyle) can sell in the target markets overseas.

Consequently, the Fairtrade certification facilitated by this project and the corresponding institution building as well as the advisory services on farm level is highly relevant.

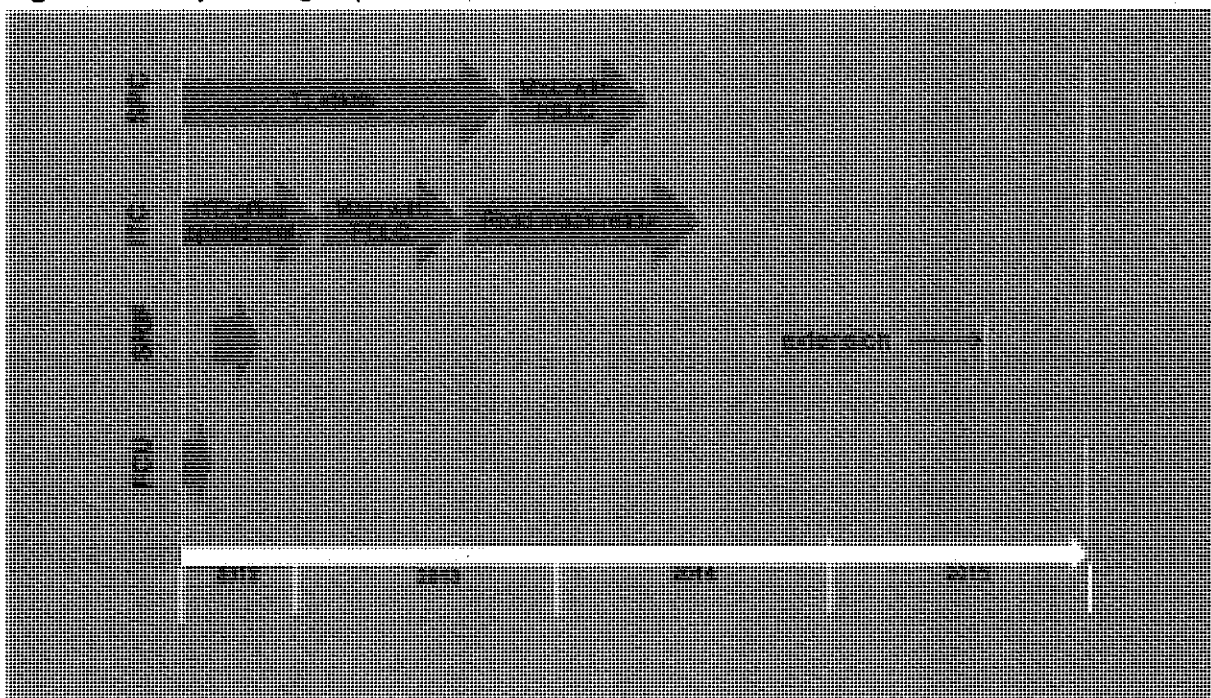
Due to the fact that the major part of the Fairtrade Premium is invested in improvement of social infrastructure in the sugar communities, it is of high relevance not only for the sugar cane farmers, but also to the entire rural community in the sugar belt.

## 6 EFFICIENCY

### 6.1 Timing

Overall, the efficiency of the Programme has been low and all components except for component 3 (SPC / FCU) had severe problems concerning the timely implementation of their projects (see Figure 2). These problems were caused by internal project management constraints.

**Figure 2:** Delays during Implementation of AMSP 2011



Especially concerning the IKSA activities (Component 1a and 1b), the very late start of the implementation and the resulting late take off of the projects has caused severe delays, and it will be impossible to regain the lost time within the implementation period until 31 December, 2015:

- In case of ITC (Component 1a), this will result, undoubtedly, in several planned activities not being finished and OVI's not being achieved under AMSP 2011 funding. Fortunately, ITC is also implementing the follow-up IKSL project, which will allow the financing - and hopefully finalizing - of the unfinished activities.

The remaining budget for this Component is of approximately EUR 600.000.- for the year 2015. Although this might allow for a budget neutral extension of the implementation period, such "parallel" activities of IKSA and IKSL (or activities originally foreseen for IKSA and then being transferred to IKSL) could cause difficulties in attributing achievements (or non-achievements) to one specific project. As a consequence, this would complicate the tasks for a future final evaluation of the IKSA project.

- In case of SPC (Component 1b), too, an achievement of the envisaged results and OVI's is impossible until December 2015. However, in this case the remaining budget allows for a budget neutral extension of the implementation period by one year (until



31 December, 2016), which is strongly recommended by the MTR team. Without such extension, the efforts and investments made so far would remain half way completed and would have to be written off to a large extent.

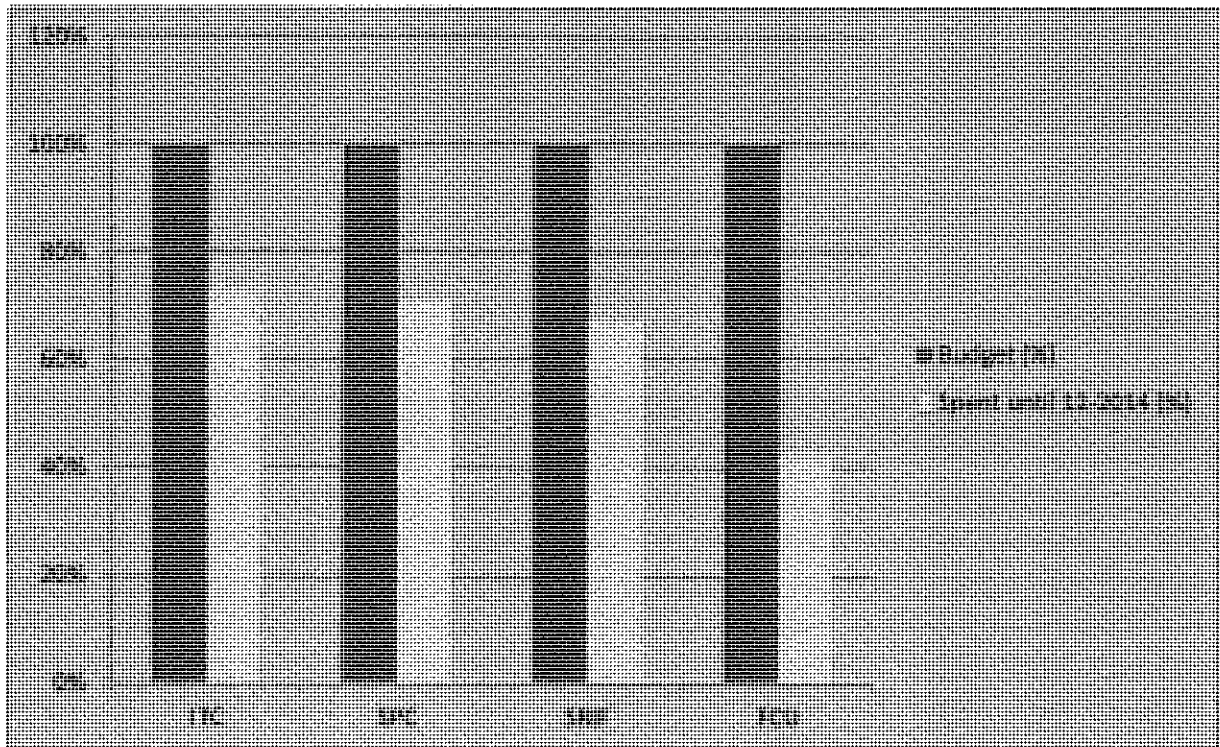
As regards Component 2 (SRIF), the already granted (budget neutral) extension of the implementation period by until 31 August 2015 is sufficient to make up for the lost time. Unless unforeseen further delays would occur during the next months, the envisaged results and OVIs could still be largely achieved.

As mentioned, Component 3 (SPC/FCU) did succeed in a timely implementation, which is widely in line with the original planning. Consequently, a timely finalization of the corresponding activities can be expected within the implementation period scheduled until 31 December, 2015. In spite of this, the MTR team recommends a budget for this component, too, a budget neutral extension of the implementation period by one year (until 31 December, 2016). This would facilitate a further consolidation of the achieved results and the sustainability.

## 6.2 Disbursement

As for the disbursement of funds, an overall of 67% of the budget had been spent and invested in the average of the different Components (see Figure 3 and Figure 4).

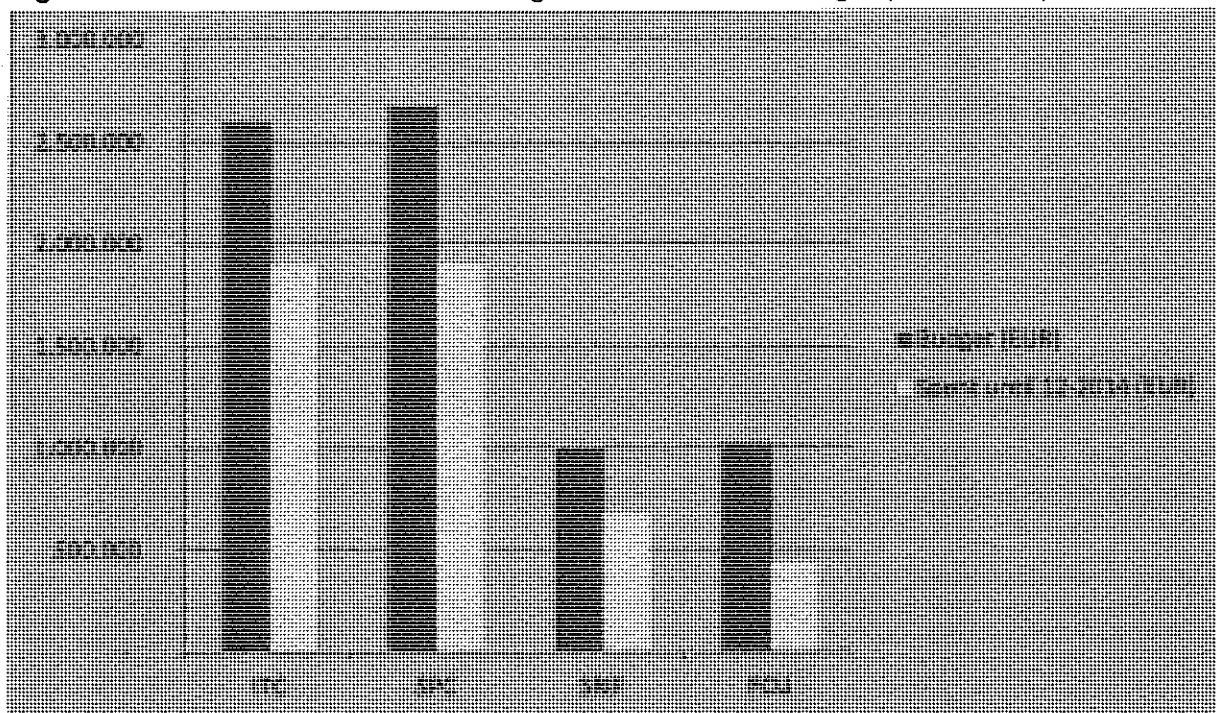
**Figure 3: Disbursement of Programme Funds in Percent of Budget**



The rate of disbursements according to components as shown in Figures 3 and 4 requires an additional comment. Component 1a (ITC) and 2 (SRIF) are likely to disburse the remaining funds within their planned schedule of activities and within their contractual implementation period (until 31 December and August, 2015, respectively). For Component 1b (SPC) and

Component 3 (SPC/FCU), a disbursement of the complete remaining funds until end of 2015 would be inappropriate. Such “rushed disbursement” would result in inefficient expenditures and furthermore, it would most likely be beyond the absorption capacity of the beneficiaries. Consequently, it is recommended to approve a budget neutral extension of the implementation period for these two components by one year (see also further above in the previous Chapter).

**Figure 4:** Absolute Disbursement of Programme Funds vs. Budget (in mio EUR)



Assuming the aforementioned budget neutral extension will be approved, it can be expected that the budgets for the different components will be fully disbursed by the end of the Programme.

### 6.3 Monitoring and Evaluation

A Steering Committee, comprising representatives of EUD, SPC, FCLC, ITC, FFA and SRIF, and as observers representatives from the Sugar Industry and Sugar Tribunal, NAO and AUSAID is in place to ‘oversee and validate the overall direction and policy of the project. The Steering Committee is expected to meet twice a year. The technical assistance team recruited under AMSP 2010 comprising of a Programme Coordinator and a Technical Manager, now known as the Project Coordination Unit (PCU) is overseeing the overall implementation of the programme.

On programme level, the PCU has developed and successfully implemented a Management Information Tool (MIT). This web-based tool is used by all three Implementing Agencies for the AMSP 2011 and subsequent AMSPs. Although criticized at beginning, this tool is now

being appreciated by all stakeholders. This high level of acceptance has been achieved through intensive "hands-on" coaching of the users by PMU staff, which has been greatly facilitated that all Implementing Agencies have their project offices in walking distance (less than 200 metres) from the PCU offices.

## 7 EFFECTIVENESS

This Chapter analyses the Programmes achievements, measured on the basis of the OVIs formulated in the LogFrames for the different Components (see Annex 3) of the Programme. Unfortunately, two of the three components have been characterized by major delays at the beginning and later on during the course of the implementation, and only component 3 (SPS/FCU) has been implemented without noteworthy delays. Consequently, especially component 1 (IKSA) suffers from severe deficiencies concerning the effectiveness, as will be shown more in detail further below.

### 7.1 Overall Objective

The **Overall Objective** has been originally defined in the Annual Action Programme (AAP) and has since remained unchanged as:

"To help cushion the economic and social impact of the sugar sector restructuring by supporting a diversified market-driven agriculture sector".

Summarizing, the Programme Purpose shows a medium level of achievement. More in detail, the achievement of the corresponding indicator (as defined in the LogFrame) is evaluated as follows:

**Indicator OO.1:** Increase of on-farm and off-farm income rose to FJD 15,000 pa (in 2015), as compared to FJD 10,500 pa in 2006.

→ AMSP 2011 is focussing on horticulture and sugar cane production, and it does not include any activities concerning livestock production or income generation through off-farm activities. Consequently, the AMSP 2011 can only marginally contribute to the OVI, which otherwise depends on factors beyond Programme influence.

However, it is undoubtful that the Programme positively contributes to the achievement of this indicator through all components. The related activities are definitely suitable to increase on-farm income and thus improve livelihood in the Fiji sugar belt.

### 7.2 Programme Purpose / Specific Objective

The **Programme Purpose** has been originally defined in the Annual Action Programme (AAP) and has since remained unchanged as:

"Key services for agriculture are improved and enhanced".

Summarizing, the Programme Purpose shows a medium level of (potential) achievement. More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator PP.1:** Total production of horticulture increased by 25% by 2015 as compared to 2010-2012 average.

→ A corresponding separate statistical baseline data for the sugar belt does not exist. However, taking an approximation derived from national statistics, an achievement of this

OVI is possible, if the implementation period for Component 1b (IKSA-SPC) is extended by one year.

**Indicator PP.2:** Sugar cane farmers' gross margin per hectare has increased to FJD 3,750 by 2015 as compared to FJD 1,181 in 2010.

→ No data available to date. However, this OVI is highly problematic, because sugar prices as well as yield are fluctuating considerably from year to year. It is therefore suggested for the final evaluation to rather measure the increase of yields as a three-years moving average.

**Indicator OO.3:** 5,000 out-going farmers have started alternative activities by 2015 as compared to no plan for exiting farmers.

→ The expected "exodus" of (sugar cane) farmers has not taken place in the assumed dimension. Furthermore, alternative off-farm activities have not been targeted by the AMSP 2011 Programme. However, if the number of 5,000 farmers is taken as a reference, it could be argued that the Programme is likely to support the overall number of approximately 5,000 farmers (cultivating sugar cane and / or other crops) through its different components and hence contribute to the improvement of their livelihood.

### 7.3 Envisaged results – Component 1a (ITC)

#### **Result 1:**

"Market orientation, problem-solving & decision-making capabilities of men & women and agri-food sector stakeholders improved".

This result area refers to activities related to the establishment of FCLC and the development of roadmaps for the development of selected value chains of vegetable and fruit products. Hereby, the development of FCLC is – so far - much below what has been targeted, whereas the development of roadmaps has achieved at least some initial results.

More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator 1.1:** FCLC is established and providing services to members by Q4 2013.

→ The FCLC has been formally established, but even by February 2015 it is still characterized by very poor management capacity and only rudimentary services to members. Furthermore, there is a strained relationship between FCLC and ITC. The establishment of a fully operational FCLC has been a key task for this component, because it has been foreseen to host numerous other services under this organization. It now seems to be almost impossible to develop the FCLC towards a fully functioning and operational entity within the scope of AMSP 2011.

**Indicator 1.2:** At least 4 new market & product opportunities, and/or opportunities to increase incomes are identified by Q2 2013 through participatory processes.

→ This has been done (Cocoa, Cassava, Taro, Kava), although much later than originally planned and not coordinated with SPC. A coordination between ITC and SPC has been

developed only in late 2014 on the ground in the Rakiraki area, whereas a systematic joint planning and coordination between the two Implementing Agencies, as foreseen in the design of the Programme, has not been done. Furthermore, ITC's corresponding activities show a clear bias towards export crops, as compared to SPC which has a stronger focus on import substitution and local consumption. Also, ITC is limiting its activities to Viti Levu, while SPC is covering the whole sugar belt, including Vanua Levu.

**Indicator 1.3:** At least 2 roadmaps for selected value chains are defined and validated by stakeholders by Q2 2013.

→ Four roadmaps have been proposed, albeit with a one year delay in June 2014. At the time of the mid-term review, the roadmaps have not yet been fully validated / implemented on the ground.

**Indicator 1.4:** Roadmaps are being implemented with leadership from the private sector by end of Q3 2013.

→ Implementation is still in an early phase and roadmaps are not yet fully validated in February 2015. Although pilot implementation has successfully started in the Rakiraki area, the successful roll out on a wider scale until December 2015 is still very challenging.

## **Result 2:**

"Horticulture & food sector services providers offer a range of services to support men & women in agri-food value chain growth".

Summarizing, this result area has been highly problematic. The envisaged institutional strengthening of the FCLC, which is regarded as a key objective by major stakeholders of the Programme, does hardly show any relevant results, taking into consideration a 2.5 years institution building and coaching support by ITC. It cannot be expected that the FCLC will be institutionally stabilized and operation within the scope of AMSP 2011.

More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator 2.1:** FCLC provides effective trade support and represents sector stakeholders concerns to policy makers by the end of the project.

→ Advocacy on policy level is continuously done by FCLC and it is its main achievement. However, there is only a very weak membership base supporting these activities and benefiting from them.

**Indicator 2.2:** FCLC effectively shares international market opportunity and trade information data with its members by the end of the project.

→ A systematic platform to share international market opportunities and trade information has not yet been established and the membership base benefitting from occasional information published in a newsletter is not yet sufficiently developed.

**Indicator 2.3** At least 50% of agri-food entrepreneurs that require HACCP/ISO certification under the Fiji Food Act have used food safety advisory services (assisted by the project) by the end of 2015.

→ According to the information received from ITC's project management, only those enterprises targeting specific markets require HACCP certification. Out of the ten enterprises in the sugar belt requiring certification, three already had it and seven applied to the ITC project, one dropped out due to bereavement. three passed in 2014. The remaining three have scheduled HACCP audit visits in April 2015. ITC's FSC's have thus focused their efforts on helping agri-food enterprises, municipal markets and their suppliers to attain Fiji Food Act compliance (legislated for all enterprises involved in the food chain by December 2015), and on advising enterprises on facilities investments so that they will be compliant with HACCP should they require it.

**Indicator 2.4:** At least 50% of agri-food enterprise financing proposals for upgrading are approved as eligible for funding by 2015.

→ Formally, the targeted percentage has been achieved. However, the low absolute number of enterprises supported by FMCs (twelve), of which altogether nine received funding until February 2014, puts this observation in a considerably critical light. And also the fact that since 2013, no new activities have been started and no major further activities are foreseen to be financed through AMSP 2011 funding has to be interpreted in a way that this indicator has not been (and will not be) achieved. An increase of activities is expected within the framework of the IKSL project, focussing on livestock-related activities.

**Indicator 2.5:** At least 70% of farmers and communities assisted by the project regularly use mobile applications to find out domestic market prices, get market and sector information, or organize produce collection logistics by the end of the project

→ To date, the systems are still in development and no roll out has been started. Consequently, it cannot be expected that a relevant number of farmers and communities will regularly use mobile applications by the end of the project.

### **Result 3:**

"Selected new products and market linkages are initiated: value chain performance to these markets improves and income and unit value along the supply chain increase".

Summarizing, this result area has been the problematic, because only very few pilot (food-processing) enterprises have so far benefitted from the project. Therefore, the envisaged qualitative and financial improvements on company level are limited to these cases. However, as AMA and MoA now expand the demonstration chain approaches across Fiji, more examples should come on stream.

More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator 3.1:** At least 50% of agri-food enterprises benefitting from the project have increased their incomes (or reduce their costs) by more than 10% from selling more volume or higher unit value produce compliant with applicable standards in existing or new markets by 2015.

→ To date, the systems are still in development and no roll out has been started and it is doubtful that a significant number of agri-food enterprises will benefit from the Programme within the foreseen implementation period. Also, it has to be mentioned that this indicator is

problematic: It refers only to a percentage of benefitting enterprises without requiring a minimum absolute number. Consequently, this OVI would be achieved if only two enterprises were benefitting from the project, and one of them with the envisaged positive result.

**Indicator 3.2:** At least 50% of enterprises or community organizations benefitting from the project are implementing improvement plans to meet food safety and quality compliance standards by the end of the project.

→ There is no date available as regards the status of achievement for this indicator. Similar as mentioned for the previous OVI, this indicator is problematic: It refers only to a percentage of benefitting enterprises without requiring a minimum absolute number. Consequently, this OVI would be achieved if only two enterprises were benefitting from the project, and one of them with the envisaged positive result. According to information received from ITC (and not verified by the evaluators) after the evaluators' mission to Fiji, "the indicator has been met, but ITC continues its efforts with the FSCs to increase the number of enterprises they work with to assure their sustainability".

## 7.4 Envisaged results – Component 1b (SPC)

### Result 1:

"Horticulture/food crops value chain is supported and supply capacities are enhanced".

To date, the level of achievement for this result is very low. However, lately SPC has developed a sound and coherent planting and multiplication scheme, which would allow for a good achievement of the indicators towards the end of the Programme, if two preconditions are being realized:

- A budget neutral extension of this component until 31.12.2015.
- A tight management of the various activities targeted to achieve the envisaged results.

More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator 1.1:** At least 200,000 papaya seedlings/year are produced by 2015, i.e., after the start-up period of 2012 at least 33,000 per semester between 2013 and 2015.

→ According to the LogFrame the achievement of this indicator should be measured against the number of papaya seedlings produced to date and if the target of least 200,000 papaya seedlings/year are achievable by 2015. Initially 15 to 18 nurseries were identified. No production of seedlings was recorded in 2013 and 1<sup>st</sup> semester 2014 due to reasons already mentioned earlier, late take-off and persisting dry conditions during 2014. Only four nurseries started operation and produced some 26,000 seedlings by November 2014. Three of these nurseries are equipped with fumigation plants and are expected to produce 50,000 seedlings during 2015. Achieving the target of 200,000 seedlings per year by 2016 is possible but challenging due to the fact that there are risks of market absorption capacity and farmers' willingness to put some 200 ha under papaya in the whole cane belt. Ideally this crop should be encouraged only in those lands where sugar cane is no longer feasible but in reality farmers may be tempted to put some sugar cane prime lands under this crop and this



may jeopardize all the efforts aiming at improving sugar production. Papaya can only be grown as a full stand crop and not in association with cane.

The level of achievement is considered to be average.

**Indicator 1.2:** 500 people from the target group are trained by end of the project.

→ This indicator is likely to be achieved as it was reported that by end 2014, some 391 farmers received training. Those farmers who were interviewed indicated that the training received in terms of crop husbandry, new production techniques (including irrigation) and new crops will enable them to improve their income while at the same time keeping their sugar cane business.

The level of achievement is considered to be good.

**Indicator 1.3:** Doubling the pulse production compared with 2012 and recapture 15% of 2012 imports for fruits and vegetables at the end of the project as compared to the starting of the project.

→ This indicator clear is not very clear in terms of target to be achieved. The 2012 figures for pulses production are not specified. From information gathered from the IA, it was made to understand that three crops referred to are cowpea, bean and pigeon peas. The local production in 2002 was reported to be 120 tonnes, with some 48 tonnes coming from the sugar belt. One tonne of seed produced at Legalega Station was distributed to farmers on the condition (agreement) that they pay back the same amount of seeds for distribution to other farmers. Field Technicians of SPC are in contact with some 30 farmers in the cane belt for that activity and the prospect for achieving the target of doubling the 2012 production will only be possible by end 2016 and not 2015.

As to the Indicator aiming at recapturing 15% of 2012 imports for fruits and vegetables by end 2015, a clear target was not set and again from figures provided by SPC, it was calculated that production some 243 tonnes of fruits and vegetable was targeted.

There is a real chance that with the activities planned by SPC; this target can be achieved by end 2016.

**Indicator 1.4:** Export of fruits and vegetables reach 3000t/year at the end of the project.

→ This target will not be achieved by end 2015, but may probably be met by 2016. It is appropriate to report here that papaya exports alone may represent more than 50% of the 3000 tonnes targeted yearly. However it is likely that the papaya exports are to an important extent due to Nature's Way activities.

**Indicator 1.5:** At least 25t on mixed seeds are produced by the end of the project.

→ Achievement of the target for this Indicator may be possible by end 2015 but with a higher probability by end 2016. Cassava alone may account for this but this is not the objective set.

## 7.5 Envisaged results – Component 2 (SRIF)

### **Specific Objective / Programme Purpose:**

“Cane variety research is strengthened and good quality seed cane is available to farmers “.

This Specific Objective refers to activities related to the improvement of SRIF capacity as an institution responsible to conduct demand-driven research in sugar cane for the sugar cane farmers in Fiji to enable them to improve their productivity and continue their business in the cane belt. The alarming decrease in the sugar price and the continued increase in production costs make this Specific Objective very challenging for SRIF. With the acquisition of new equipments and training in specific areas, there is scope for making good quality seed cane available to farmers. The real challenge is in convincing the farmers to use the seed cane given the poor research-extension linkage presently observed. Furthermore the performance of any variety is highly dependent on the adoption of good farm management practices which is not very evident presently.

More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator SO 1:** A consistent investment in research to ensure a constant flow of improved cane varieties to farmers.

→ Capacity building / equipment upgrade / facilities partially completed. TNA missing  
More emphasis required on management

The achievement of this indicator was measured against the number / amount of equipment purchased. There were delays in working out the main specifications, receiving bids/ tenders / quotations and finally concluding their acquisitions. In some cases, for example in the setting up of an Eco-friendly system for the hot water system plant, only one expression of interest was received from China and without any guarantee for an after sale service. It was rightly proposed by SRIF and agreed by EUN to construct with the same budget a conventional electric system in each of research stations in Labasa and Drasa.

Two greenhouses constructed at Drasa and Rarawai are fully operational and two more greenhouses are scheduled to be completed in Labasa and Rakiraki by end July 2015. The acquisition of a back-hoe digger, a laser leveller and installation of GPS will certainly enable the uplifting of the station in terms of access roads, drains and land preparation works for planting. Necessary tools/equipments to upgrade the biotechnology section, the soil analysis facilities and rapid procedures for determining sucrose content and disease resistance in sugar cane varieties under test are now available.

Achievement of this indicator was also evaluated against the provision and implementation of formal and informal studies and the facilities made available to the staff to attend international workshops, conferences and short-term training courses. Most of the courses earmarked for formal studies have either been completed or are still on-going. The same applies for short/informal training and attendance in conferences and international workshops.

It is to be highlighted that a proper Training Needs Assessment is missing and that the current management of research and development activities needs improvement.

**Indicator SO 2:** Promote its financial sustainability as an independent non state agency, driven as a non for profit making entity.

→ Building more credibility required to attract local and international funding. Sale of new varieties to be explored

The activity to achieve this OVI is not defined and the targets set not spelt out. It is assumed that providing SRIF with necessary infrastructure and trained staff is an essential prerequisite to enable it to aim at financial sustainability and to be capable to tap external funding. The sale of pure and disease-free seed cane will eventually help in raising funds. It can also be assumed that this programme may improve SRIF credibility and enable it to provide expert advice and state-of-the-art technology to its immediate clientele that is the sugar cane farmers and the FSC. It can be expected that they will be less reluctant to provide funds for research. Same is expected from GoF.

**Indicator SO 3:** By 2016 sufficient quantities of improved and certified varieties can be replanted with a target of 4000 Ha/year.

→ Three activities have been well identified to achieve this indicator, namely import germplasm; establishment of flowering beds; and construction of greenhouses.

For the first activity, a number of sugar cane varieties from Australia (8) and Mauritius (10) and fuzzi from West Indies were imported under AAP 2011 to add to the 15 varieties already imported from Australia under AAP 2010. Under the ACP-SRP1 Project, Erianthus species were imported from Vietnam. The biotechnology section is currently involved in the mobilization of the Erianthus spp. for using them later as male parents.

Concerning the second activity, around 52 imported varieties and more than 900 local hybrid varieties are currently in the flowering beds and are being used as parents at Dobeilevu Station in Rakiraki, where an average of 500 – 800 crosses is performed annually. It is important to note that 'Farmer Feel' (FF) trials (during year 6 to 7) have been introduced during the Stage 4 cycle, which completes the preliminary stage of selection. For the FF trials, a few promising varieties are planted in some farmers' fields. At the end of Stage 4, where the most promising varieties selected on the basis of cane and sucrose content mainly are established in a Large Mill trial (around 1 – 2 ha) on SRIF estate to assess the performance of these varieties on a semi-industrial scale. This trial is also followed as nursery for the provision of seed cane for other nurseries. Around one to two varieties may be released for commercial cultivation after 10 – 12 years.

For the third activity, and as reported earlier, two greenhouses have been constructed (with some delays) at Rarawai and Drasa and the two new ones are to be completed at Lambasa and Rakiraki. SRIF will need around 4 ha under M0 nurseries annually to be able to provide FSC with pure and disease-free material for establishment of M1 (40 ha) and M2 (400 ha) nurseries. The greenhouses will enable SRIF to achieve the target of providing sufficient quantities of improved and certified varieties to be able to replant a targeted area of 4000 ha/year in 2017 and not in 2016 as targeted. Furthermore, it should be stressed that achieving this target will depend heavily on an unfailing collaboration between SRIF and FSC, the latter being responsible for the establishment of the M1 and M2 nurseries.

**Indicator SO 4:** 2 new sugar cane varieties are introduced by 2015.

→ It is to be pointed out that it is unrealistic to expect two new varieties to be bred and selected during the implementation of AMSP 2011. Breeding and selection of sugar cane varieties normally takes 12 to 15 years, but it is firmly believed that this programme, with the

new expertise and logistics/equipments acquired will accelerate the multiplication of seed cane of the two new varieties, Qamea and Viwa released in 2014. It is reported that around 50 tonnes of seed cane of each variety were available from the M0 nurseries in 2014, but to reasons unknown to the evaluators, a good proportion has gone to the mill instead of being multiplied for commercial plantation.

**Result 1:**

“The research technology is upgraded “.

This result area refers to the activities reported earlier in Indicator SO 1. Overall Result 1 shows a medium level of achievement despite the fact that there were some delays which could have been avoided through proper planning and monitoring. Absence of baseline surveys / data may have impacted on the decision regarding the improvement of irrigation on SRIF station, where the boreholes dug initially revealed the unavailability of water and the whole activity earmarked required complete modification.

Overall, Result 1 shows a medium level of achievement. After coping with some difficulties, which SRIF faced at the beginning of the Programme (e.g.: preparation of specifications, limited number of bidders, unavailability of certain equipments which necessitated certain modifications and lack of guarantee for certain of them, the implementation became less efficient and effective.

More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator 1.1:** 1a By the end of the project, SRIF operates a state-of-the-art seed-cane nursery and there is a demand of seed-cane that SRIF is producing.

→ As reported in Indicator SO 1, two greenhouses constructed at Drasa and Rarawai are fully operational and two more greenhouses are scheduled to be completed in Labasa and Rakiraki by end July 2015, and these from the initial budget earmarked for only two nurseries and also from funds not utilized for the Eco-friendly setup for the HWT plant. The technique of transplantation of seedlings issued from one-eyed cutting adopted for establishment of M0 nursery is good but is labour intensive and costly. It is felt that since SRIF has presently upgraded its biotechnology section with newly acquired equipments and expertise through training facilities offered in the programme will undoubtedly assist SRIF to resume the production of tissue-cultured plantlets for M0 nurseries. This will also enable the rapid multiplication of planting material of promising varieties identified early in the selection cycle. This indicator also implicitly expects that there should be demand from farmers for seed cane of the new variety(ies) released for commercial cultivation. The demand is highly influenced by the existing research-extension-farmer linkage. A strong linkage necessarily requires that all partners are fully involved and participate in the development of an appropriate technology and in the case of the new sugar cane variety, the end-user that is the farmer would have already been aware of its potential and this will positively influence demand and adoption. Presently this linkage is either very weak or inexistent.

**Result 2:**

“SRIF staff's capacity is enhanced “.

The current staff members of SRIF have been given sufficient opportunities to build up their capacity in different fields, amongst which are biotechnology, sugar cane agronomy, mechanization, crop modelling, pest and disease control. Some staff members claimed that they lack motivation and support from the management. Their working conditions and remunerations are even not comparable to their counterparts in the government services. There seems to be a disconnection between the management and the staff. Overall, Result 2 shows a low level of achievement. The SRIF Board is not functioning full-fledged and it lacks technical and scientific expertise. The CEO needs to be encouraged, with appropriate technical assistance to request and expect from his scientific personnel that SRIF should move towards excellence and settle itself as a renowned and credible research institution

More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator 2.1:** By the end of the training measures, SRIF staffs propose to SRIF management how they will be using their newly acquired knowledge.

→ As described in Indicator SO 1, most of the activities earmarked for formal studies, short/informal training and attendance in conferences and international workshops have either been completed or are still on-going. It has been reported during the meetings and interviews with SRIF staff that research plans for the 2015 and thereafter have already proposed to the management. These plans are yet to be incorporated in strategic research concepts linked to the 'Sugar Cane Industry Strategic Action Plan (SAP) 2012-2022. The major objectives of SAP as outlined in the Crop Production and Grower Services Action Plan are to improve production levels (presently very low at 40 to 45 tonnes cane per ha) and to reduce production costs (judicious use of inputs and recourse to mechanization of certain field operations where possible). Management still needs to act promptly to ensure that these research plans / proposals are well integrated in a demand-driven research and development agenda that will meet the objectives set in SAP.

## 7.6 Envisaged results – Component 3 (SPC/FCU)

### **Result 1:**

"Fair trade associations are replicated and operations strengthened "

All three Fairtrade associations are established and their operations are strengthened. All indicators show already a high level of achievement and towards the end of the Programme, this component can be expected to reach a high level of achievement concerning the envisaged result as defined in the LogFrame.

result area refers to activities related to the LCF, which *de facto* was divided into the LCF

More in detail, the achievement of indicators (as defined in the LogFrame) is evaluated as follows:

**Indicator 1.1:** At least 3000 Grower Technology Gangs and 500 lead farmers have been mobilized by end of 2015.

→ This indicator will be achieved by the end of the Programme. The corresponding activities are currently implemented within the planned schedule.

**Indicator 1.2:** 35% of registered growers have been trained in farm management by end of project.

→ This indicator will be achieved by the end of the Programme. The corresponding activities are currently implemented within the planned schedule

**Indicator 1.3:** Satisfaction with Fairtrade certified CPA services provided for the farmers by end of 2015.

→ No data available yet. But during the evaluators' on-farm interviews, all interviewees expressed a high degree of satisfaction. However, it needs to be monitored, in how far this degree of satisfaction will drop as a result of reduced Fairtrade premiums, as experienced during the last harvesting campaign.

## 8 IMPACT

### 8.1 General

Most components of the Programme is still in an early implementation stage and an impact of the different activities can only be expected towards the end of the Programme, or even beyond the Programme.

- Component 1a (ITC): Due to late start and further delays during implementation of the various sub-components, no major impact to date. Major impacts unlikely to be achieved during project implementation.
- Component 1b (SPC): Due to late start, no major impact so far, but high potential impact on farm level, once the targeted acreage for complementary crops is being cultivated.
- Component 2 (SRIF): No major impact so far, but high potential impact on farm level for sugar cane growers, once research results are being through appropriate extension service.
- Component 3 (SPC/FCU): This component has already achieved major impacts on farm level and on community level.

### 8.2 Component 1a (ITC)

So far, the impact of the activities is very low and it is not expected that this will change significantly until the end of AMSF 2011 (IKSA) funding. However, additional impact can be expected within the IKSL funding, which has already taken over some of the activities originally planned for IKSA.

The FCLC is still far from being institutionally stabilized and fully operational. Furthermore, the relationship between FCLC and ITC has almost continuously deteriorated until end of 2014, resulting rather in a negative impact and frustration / demotivation within FCLC.

The different "service packages", which have been (or are being) developed during the project are still in a premature phase and have not been rolled out (mobile apps, FMCs, FSCs). Consequently, a positive impact can only be observed in some selected trial /pilot cases, which already started in 2013: Nine (out of twelve) enterprises accompanied by FMCs have obtained financing, and three enterprises have been HACCP certified (with another three expected to follow before the end of the project).

A positive impact is noted on farm level in the Rakiraki area. Here, hands-on support has been supplied concerning on farm level concerning post harvest treatments (for example: cleaning, grading, drying) and the establishment of central collection points for farm products within the community. In combination with the corresponding matchmaking between farmers, the corresponding value added of these pilot activities has resulted in higher incomes for the participating farmers.

### 8.3 Component 1b (SPC)

The impact of the activities is very low to date.

However, the potential is high at farm level with the possibility of:

- Increasing overall income through cultivation of additional crops.
- Reducing the risk of being dependent on only one crop and its variation in yields and prices from year to year

Furthermore, the introduction of complementary crops in the sugar belt allows for a better spread of labour requirements on farm level, which so far has been dominated by the highly seasonal sugar cane. Also, the vegetable and fruit crops are usually grown close to the farm house and provide job opportunities for women, which are usually not employed in sugar cane farming. On household level, the production of food crops contributes additionally to a better balanced and more variable diet for the entire families on farm level.

At the national level, an improved trade balance through additional export and import substitution shall be felt, once the Programme has been rolled to the full envisaged scale.

### 8.4 Component 2 (SRIF)

The two new varieties Viwa and Qamea released in 2014 are not yet widely spread. It is known that adoption of new varieties by farmers takes time and generally it is reported that it take two to three years for a new variety to establish itself and be accepted for commercial plantation. It should perform better than the one currently planted in terms of cane and sugar yield and resilience with good ratooning capacity and tolerance to dry conditions. Observations made at field level indicate that farmers seem to respond positively and this may be also due to their awareness of the coming into effect of a new cane payment system based on quality. Only one variety is widely cultivated, up to 70-75% of the total cane area and this variety being a mid to late mature is being harvested early in the cop season. A strong collaboration between SRIF, FSC and Farmers' Associations will impact positively in the adoption of new varieties by the farmers.

### 8.5 Component 3 (SPC/FCU)

Through Fairtrade certification and the corresponding price premiums, the entire sugar belt benefits from improvements on farm level as well as on community level:

- On farm level, the lower prices for fertilizers and the advice provided concerning more efficient farming systems contribute to higher income levels of sugar cane growers and their families.
- On community level, a large number of widespread mini-projects improve the living conditions for the entire population in the sugar belt:
  - Improvement of school facilities
  - Water and solar electricity supply



- Local transportation (ferries, bus shelters, bridges)
- Etc.

## 9 SUSTAINABILITY

### 9.1 Component 1a (ITC)

Altogether, activities realized in the context of this IKSA component show a very low level of sustainability. In detail, this can be summarized as follows:

FCLC is still far from being sustainable (Low skills base, no major other funding except from IKSA) and it cannot be expected to drastically change this within the scope of IKSA project activities. It would still need considerable efforts financed through the follow-up IKSL project to develop FCLC into a sustainable institution, which would be qualified (among others) to attract and successfully manage future project funding. Main constraints are:

- Establishment of a solid financial and operational management.
- Substantial improvement of the membership base.
- Development of viable business concepts and plans for services to be provided to members and non-members, and subsequent roll-out of these services.

Institutional embedding and financial sustainability for the different services, which were (or are still being) developed by the project, are still not resolved:

- Financial Management Counsellors.
- Food Safety Counsellors.
- Mobile apps and market information systems.

However, ITC has already started in mid 2014 to organise alternative arrangements with Government to provide for sustainability of FSC's and FMC's.

Value chains are not yet consolidated and the planned establishment of a processing plant near Rakiraki together with a local youth group is a very risky management model, which should rather be reconsidered and the option of a private investor / operator should be further pursued.

### 9.2 Component 1b (SPC)

Presently, the demand for seeds at farm level is high and forecasts for establishing nurseries to meet the demand are also high. It can be expected that there will be continued demand for seeds from the farmers, thus sustainably establishing complementary crops in the sugar belt as a source of additional income and risk mitigation.

The project is designed in a way, which continues on a commercial base, once its start is triggered and supported during an initial phase. Farmers are expected to produce seed material and subsequently facilitate a multiplication of the corresponding crop production.

In this context it also needs to be mentioned that the Ministry of Agriculture (MoA) has increased the number of its extension officers in the sugar belt on both islands (Viti Levu and Vanua Levu), thus contributing to an on-going support of farmers in their activities concerning complementary crops.

This is a solid basis for a successful future continuation of activities, which have been initiated by the Programme. However, there are a few aspects, which could put the sustainability at risk:

Due to the lack of coordination between component 1a (ITC) and component 1b (SPC) activities, the absorption capacity on the markets is not yet assured for the envisaged expansion of production. A resulting decline in prices for farm products could negatively influence farmer's future dedication to the newly propagated crops.

In spite of its recent increase of staff (extension officers) in the sugar belt, the MoA extension service is still weak lacks the necessary transport facilities to efficiently reach the farmers and continue to support them beyond the Programme.

### 9.3 Component 2 (SRIF)

The sustainability of the different activities undertaken during the implementation of this programme will be heavily dependent on a strong management with clear directives from a full-fledged Board. Presently the Board is not complete and is not functioning as is stipulated in the Sugar Research of Fiji Act 2005. The Board as a governing body has the duty to exercise and perform the functions of SRIF and should meet at least every 3 months. This is not the case actually as some board members have still to be nominated. Two members of the Board should be qualified and experienced scientists in the area of sugar cane research and are yet to be appointed. This in turn is a constraint to the Science Audit Committee which has as function to monitor and review (including preparation of reports and recommendations) the quality and output of the research conducted at SRIF. The Board also appoints the Chief Executive Officer and other senior management officers including consultants, scientists and other experts. The CEO functioning under the directives of the Board is responsible for the general management and administration of SRIF. The current CEO, in an acting capacity, needs clear directions from the Board to enable him to request demand-driven research activities from his scientific staff. He should be able to justify and fulfill the expectations of his collaborators in terms of better working conditions and remunerations.

The funding of research at SRIF is shared equally by the Government of Fiji (GoF), the Fiji Sugar Corporation (FSC) and the farmers through the Fiji Cane Producers Council (FCPC). The contribution of the farmers and the FSC deducted from sugar proceeds is on the decline with the decreasing sugar price and it is not expected that GoF will compensate that decrease. All this gives a clear picture that SRIF financial perspectives are unsecure even if it is acknowledged that research is a valuable investment and is a must for the sugar industry. With its enhanced capacity, SRIF will have to better focus on the farmers' immediate and long-term needs for value-added products and improve its credibility to tap other sources of funding.

## 9.4 Component 3 (SPC/FCU)

Currently, this component is well positioned to achieve a very high level of sustainability:

- The required institutional framework has been established and is operational (CPAs).
- Fairtrade certification has been obtained for the entire Fiji sugar sector.
- On-farm trainings and advisory schemes are being implemented in close cooperation with FSC and SRIF.

This is a very strong basis for a successful future continuation of the activities, which have been initiated by the Programme. However, there are a few aspects, which might turn out as a challenge in future. These are especially:

- CPS could be challenged through "hijacking" by "egos", which is a widely observed phenomenon in not-for-profit organizations worldwide. This might have a negative impact on the operational capacity of these institutions and confront them with danger of being split up and fragmented.
- The Fairtrade quota for Fiji might be further reduced and the resulting reduction of available funds from the price premium could cause demotivation and "fights for funds". In this context, it has to be realized that Fiji is currently dependent on only one customer for its entire sugar production, who also determines the annual Fairtrade quota.
- FSC has still to show its ability to take over and continue the on-farm advisory schemes, which have been developed and successfully implemented by the project.

## 10 CROSS CUTTING ISSUES

### 10.1 Gender

In the three components of AMSP 2011 programme, there is not a designated gender-component according to the OECD-Gender Policy Marker system<sup>1</sup> (OECD policy marker = "0"). Providing the farmers the possibility to exploit complementary crops in association with sugar cane will open avenues for the women in the sugar belt to be engaged in certain activities like back-yard gardening for subsistence for the household and additional revenue from the surplus, processing; quality control for value-added produce; and development of women SMEs or partnerships for processing/packaging of farm produce, etc. Improving income from sugar cane will also benefit the female members of the household in terms of better livelihood and opportunities for investment in education, etc.

### 10.2 Environment

All three components have obvious positive impacts on the rural environment in the project region:

- Component 1 (IKSA): The proposed intercropping of food crops in freshly planted sugar cane fields entails a reduction of soil erosion. Furthermore the agricultural advice provided to participating farmers include the correct application of fertilizers, thus reducing the washout effect not absorbed fertilizer.
- Component 2 (SRF) includes the development of better focused application schemes for both, pesticides and fertilizers.
- Components 3 (Fairtrade) trains farmers explicitly in appropriate handling and application of pesticides, as well as a better focused application of fertilizers. Both activities do have positive impact on the environment.

<sup>1</sup> <http://www.oecd.org/dataoecd/4/23/39903666.pdf>

## 11 RECOMMENDATIONS

The following is a list of the main observations made during the Mid-term evaluation of AMSP 2011 and the resulting recommendations, which should be taken into account to complete its implementation.

Component 1a - ITC	
Observation	Recommendation(s)
The FCLC is financially still completely dependent on EU-funding through ITC.	ITC needs to intensify and accelerate capacity building activities to enable FCLC to develop into a functioning sector representing organization: Financial Management and development of FCLC's membership base and services.
Institution building and coaching requires close-by and hands-on support.	Remote support is not suitable to facilitate a smooth development. Consequently, a full time support should be envisaged for the remaining implementation period.
Food Safety Counsellors are still 100% subsidized through AMSP funds, without any contribution from clients / beneficiaries.	Clients should at least partially pay for the services. Especially now, with the new food security act becoming effective, this should be an achievable target.
Financial Management Counsellors (FMCs) are still 100% subsidized through AMSP funds, without any contribution from clients / beneficiaries.	Neither financial institutions nor Micro/Small/Medium Enterprises (MSMEs) are likely to fully pay for these services. Consequently, FMCs need to be embedded in a "MSME supporting structure". FCLC is not yet empowered / prepared to assume this responsibility.
Mobile applications have not been rolled out.	Applications should be made available as soon as possible. The hosting of the different applications and their financing beyond the Programme is yet to be defined and needs to be done with priority.
Planned set-up of two food processing units has not yet started. Planned ownership and operation of the Rakiraki unit by the youth club is a risky organisational set-up.	Private operator in Ba seems to be reliable. For Rakiraki, a preferable option for a private ownership should be evaluated.
Only small / weak interaction and complementarities with SPC's activities (type of crops, regions, category of farmers, etc.).	ITC should immediately liaise with SPC and identify concrete needs for marketing / post harvest support.
Weak partnership with SPC.	Much more cohesion is required at leadership level of ITC and SPC to strengthen collaboration and partnership.

<b>Component 1b - SPC</b>	
<b>Observation</b>	<b>Recommendation(s)</b>
Lengthy procedures and decision making processes in procurement of goods and services have caused significant delays.	SPC's internal procedures should be revised. Initiate procurements timely (planning process!). "Package" procurements and go for "framework contracts"
After huge delays at the beginning, SPC has finally embarked.	A budget-neutral extension of the SPC IKSA component until 31.12.2015 is recommended.
Most targets are still achievable by end of 2016, but this requires a very tight planning and a much focused management.	Set clear targets per Field Technicians with milestones. Monitor on a monthly base.
Handout mentality of farmers endangers the seed multiplication targets set by SPC.	Increase training and sensitization activities to motivate farmers to buy seed (instead of waiting for seeds to be supplied for free).
Concentration on increase of production without assuring absorption capacity of markets could entail price erosion and endanger sustainability.	Increase efforts to link farmers with buyers and assure that sufficient demand is identified. Close cooperation with ITC is essential.
Seed multiplication targets depend on farmers sticking to their commitments.	Make sure that seeds handed to farmers for free will be paid back to SPC in kind (yield)! Insist on Field Technicians to enforce corresponding targets.

<b>Component 2 - SRIF</b>	
<b>Observations</b>	<b>Recommendation (s)</b>
SRIF is still to position itself with a clear focus, which can be used as a key argument to attract future funding.	SRIF should position itself as a renowned interlocutor between international research centres and Fiji cane farmers. Emphasis should be put on applied research and farmers' needs.
SRIF research is not yet sufficiently linked with the farming community. This hampers research focus on needs and implementation of research results.	Intensify cooperation with FSC Extension services and Farmer Associations.
A clear strategy of incentives to motivate young researchers is not yet in place. Staff turn-over endangers the benefits from SRIF- financed training.	An innovative HR management strategy should be urgently developed, approved and introduced. Urgent decisions need to be taken with respect to personnel working conditions and remunerations.
Management both at Board and CEO is not very pro-active. Board lacks technical expertise, which is detrimental to SRIF activities. CEO needs guidance for demand-driven research.	Nomination of Board members with adequate specialist(s) with appropriate scientific background / repute. CEO to focus at excellence in terms of research output and clientele satisfaction.

<p>Major constraints for improved productivity are:          Lot of gaps in commercial fields          Poor weed management          Irrational use of fertilizers</p>	<p>Studies on good farm management practices should be intensified: planting, weed management and rational use of fertilizers. Train extension staff / farmers on safe handling and application techniques.</p>
<p>Emphasis is not laid on harvest according to maturity behaviour of commercial varieties.</p>	<p>Planning harvest with respect to maturity behavior of varieties is crucial with the coming into operation of the cane quality payment system. This should be enhanced with the acquisition of an infield sucrose analyzer to confirm the maturity behavior of commercial varieties</p>
<p>Methodology for seed cane development is labour intensive and costly. There is a need to save on resources.</p>	<p>To resume the production of tissue-cultured plantlets and this may be improved with the acquisition of more sophisticated equipments in the biotechnology section. SRIF should also improve direct planting with hot water treated (HWT) cane setts.</p>
<p>Technology transfer is very weak.</p>	<p>Technology transfer should be improved. FSC will need to revisit its sugar cane extension support. SRIF should reinforce research-extension linkage and improve the capacity of field technicians.</p>



**Component 3 – SPC / FCU**

Observations	Recommendations
Structures are in place and activities are being implemented as scheduled. Further internal consolidation of CPAs and training of Lead Farmer Groups would benefit from more time.	A budget-neutral extension until 31.12.2015 is recommended.
Power games and ego positioning is a usual phenomenon in not-for-profit organisations and can endanger their viability.	Now, the FCU is mediating. A clear mediation responsibility for the time beyond AMSP-funding has to be established.
Currently, the Fairtrade quota and corresponding payments have been reduced (by approximately 50% as compared to 2013). This might demotivate farmers.	Identify complementary funding to increase leverage effects through co-financing opportunities (like AMSP-2012 Micro Projects).
Joint participation of SRIF field officers and FSC extension officers in Fairtrade field days and trainings is regarded as a major achievement.	Further consolidate this interaction between research and extension.

# **ANNEX 1**

## **Terms of Reference**



EUROPEAN UNION  
DELEGATION OF THE EUROPEAN UNION FOR THE PACIFIC

Mid-Term Evaluation of the  
Accompanying Measures 2011  
for Sugar Protocol Countries (AMSP)

Fiji

**Terms of Reference**

## ACRONYMS

- AAP
- ACP
- AMSP
- CU
- EC
- EPA
- EU
- EUD
- NAO
- NAS
- PMU
- ROM
- TA
- TOR
- WTO
- Annual Action Programme
- African, Caribbean and the Pacific
- Accompanying Measures for the Sugar Protocol
- Coordination Unit
- European Commission
- Economic Partnership Agreement
- European Union
- EU Delegation
- National Authorising Officer
- National Adaptation Strategy
- Programme Management Unit
- Results Oriented Monitoring
- Technical Assistance
- Terms of Reference
- World Trade Organisation

- 1. BACKGROUND

The development cooperation of the European Union with the group of African, Caribbean and Pacific countries (ACP) is enshrined in the Cotonou Partnership Agreement and its predecessors of Lome and Yaounde. An essential part of these Partnership Agreements used to be the so-called Sugar Protocol which granted a preferential price and quota access to the European market to 18 sugar producing ACP countries.

On 20 February 2006, upon request of the World Trade Organisation (WTO), the EU Council adopted a Reform of the EU Sugar Regime, which introduced a significant reduction in the EU price for the Sugar Protocol countries (36% over 4 years, i.e. 2006-2009). The interim Economic Partnership Agreement (EPA) concluded with Fiji in December 2007 and ratified in July 2014, grants Fiji a quota-free access on the European markets. By October 2017 all EU imports from ACP countries should be quota free and duty free without any price support mechanism.

These decisions have had and will have an important impact on sugar exporting ACP countries, which have been relying on the EU market for the past 30 years, under the Sugar Protocol. In order to assist the countries to adapt to the new situation the Commission established Accompanying Measures to the change of the EU sugar trade regime with the ACP countries (Regulation 226/2006). In keeping with the provisions of the Regulation, the 18 Sugar Protocol countries were invited to draw up their National Adaptation Strategies (NAS) and submit these to the European Commission. The Commission responded with the granting of substantial financial assistance for the implementation of the national strategies.

Fiji's National Adaptation Strategy is a response to the declining performance of the sugar sector as a whole by taking into account the forecast decline in sugar prices for the coming years. It defines measures to make the sugar industry more competitive and ready to take up the challenges of world market price by 2015 and to make Fiji's agriculture less dependent on sugarcane cultivation. The measures were formulated on the basis of an analysis of the country's economic and social conditions and grouped according to their priorities of implementation and most appropriate source of funding.

Consequently NAS has three main intervention areas:

- Support to the smallholder sugarcane growers aiming at continuous productivity and efficiency improvement resulting in production costs reduction.
- Support the introduction of a diversified agriculture for food import substitution and for increasing certain food exports in order to make the country less dependent on sugarcane in the medium long term prospects.
- Cushion the rural population in the sugar belt from the risk of deteriorating living standards due to the present high dependence and reliance on sugarcane and the sugar industry.

The EC Multiannual Indicative Programme for Fiji proposed to support all three dimensions of the NAS:

- Productivity improvement and cost reduction in the sugar sector;
- Services and supply capacities aimed at diversification in agriculture;
- Local development strategies for supplying socio-economic needs.

In addition resources would be made available for the coordination and monitoring of the strategy implementation.

The first allocation of €4.038M to Fiji from the initial 2006 Accompanying Measures for Sugar Protocol countries has been used to revive sugar research and extension services, to contribute to Fiji's efforts to rejuvenate the sugar plantations (cane replanting program for 3500 Ha) and to establish a Project Management Unit under the premises of the Sugar Cane Commission responsible for coordinating the programme and assisting in the design of following annual allocations. This programme was particularly successful in supporting the establishing of the Labasa Cane Producers Association enabling the sugar production of 4000 farmers to become Fairtrade certified in 2011 and enjoying a price premium.

However, since the December 2006 military coup, Fiji has been under the restriction of Article 96 of the Cotonou Agreement and any EU assistance is conditional to the country restoring its democratic institutions. As the military regime had made no significant progress on the road to restoring democracy and the rule of law, an amount of € 52M (2008-2010 allocation for the Accompanying Measures for sugar) was lost by Fiji by end of 2010.

Considering the critical situation of the Fijian sugar sector and its social impacts on the populations, the EU released a limited assistance through the Annual Action Programme 2010 for Fiji (€8M). This social mitigation assistance has only been implemented through Non State Actors in order to find income generating alternatives to sugar and to improve the livelihood of the rural households most affected by the reform. The 2010 program aimed at developing a sector strategy for social mitigation in implementing a pilot local development program through grants to NSAs for the whole sugar belt area, focusing on alternative livelihoods and poverty reduction. It has also provided the necessary Technical Assistance for coordination, implementation and monitoring of the NSA grant schemes, and made provision of studies to prepare for possible future interventions under Accompanying Measures allocations (2011-2013). This support was contracted for 3.5 years (2011-2014) under the ongoing Coordination Unit Phase I which is going to be completed by 31/12/2014.

In 2011, the EC decided to allocate to Fiji another amount of €51M for the period 2011-2013. As no progress was made in the Article 96 consultations, the EU only considered funding interventions through Non State Actors.

#### **EU Accompanying measures (2011-2013)**

The EU Accompanying Measures for Sugar Programme (AMSP) follows the National Adaptation Strategy (NAS) that was designed in 2006 by the sugar stakeholders. The EU response is designed to alleviate poverty in Fiji's sugar cane belt by supporting on farm income generating opportunities for farmers and their dependents. Poverty and the fall into poverty of groups at risk is tackled by building capacity to enable the poor to take up opportunities and other economic activities through

strengthening of Community Based Organisations and farmers associations, development of private sector partnerships and through better agricultural research and extension service delivery. The programme also assists the sugar cane dependent populations in generating income from micro-projects while increasing their resilience and preparation to climate disasters such as the recurrent floods affecting the sugar belt<sup>1</sup>. The probability of flooding has increased in recent years with changes in the agricultural pattern and the urban development together with the increase in occurrence and severity of climatic events.

The EU Accompanying Measures for Sugar Programme (AMSP) is made of four different interventions; AMSP 2010, 2011, 2012 and 2013. The programme of relevance to this assignment is AMSP 2011:

AMSP 2011, Improvement of Key Services for Agriculture Programme (€ 8,000,000) – Project Duration 2012-2015

The overall objective of the program is to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market driven agriculture. The specific objective is to ensure that Key services to agriculture are improved and supply capacities are enhanced. The programme is implemented through the Secretariat of the Pacific Community, the International Trade Centre and the Sugar Research Institute of Fiji.

## • 2. DESCRIPTION OF THE ASSIGNMENT

The objectives of the Mid Term evaluation of the AMSP 2011 Improvement of Key Services to Agriculture Programme are to:

- a. Make an independent assessment of the performance of the AMSP 2011 contribution " to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market driven agriculture.
- b. Draw key lessons and recommendations for possible follow up actions, review the programme set up by the EU and other partners involved in the programme.

In keeping with the EU evaluation methodology presented below, the evaluation will:

- (i) Review and assess the relevance of the original projects' designs and Financing Decisions, in the light of achievements or failures to achieve the expected objectives.
- (ii) Assess the degree to which the Programmes' activities have achieved the defined goals, objectives and targets and the impact those have had on beneficiary
- (iii) Assess the sustainability of the project achievements and provide recommendations as to ensuring sustainability if this is not the case yet.
- (iv) Review the problems faced, lessons learnt and successes achieved which could strengthen institutional capacity of programme implementers.
- (v) Gauge projects' management competencies and processes

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<sup>1</sup> Fiji sugar belt was stricken by floods early 2009 and early 2012. The occurrence of floods on the western coast of Viti Levu and Vanua Levu is well documented under the EU study on Economic costs of the 2009 floods, IUCN.

- (vi) Appraise the projects' sensitivities to environmental and gender issues, and specifically whether these issues were addressed adequately

The project purpose is : "to ensure that Key services to agriculture are improved and supply capacities are enhanced".

### **3. MAIN ISSUES TO BE STUDIED**

When undertaking the evaluation the experts should address the following 7 evaluation criteria. While an opinion will be formulated with regards each criteria, the proposed focus for the mid-term evaluation will be on, **Efficiency, Effectiveness and Sustainability**.

#### **3.1 Relevance**

Assess the extent to which projects' designs based on the original Financing Decisions was consistent with country requirements and EU priorities. Also assess the internal coherence of the projects with due consideration to:

- Overall objectives
- Project purposes
- Expected Results
- Activities
- Assumptions / preconditions
- Comment on the Logical Frameworks.

Taking into account other interventions of the Fiji government, EU and other donors which were directly or indirectly related to the project, the evaluation will, amongst other aspects, consider:

- In what way did the projects address national priorities?
- The relevance of projects' strategies, methodologies and overall approaches to address the relevant existing problems

#### **3.2 Efficiency**

Evaluate the efficiency with which the activities in the Programmes have been undertaken in order to yield planned results. The following aspects should be considered:

- Organisation and management, analyses of the organisational arrangements (funding, structures, human resources, responsibilities and contractual arrangements) relating to the project (TA, grant contracts, etc.). This includes an assessment of the management capacities of the Coordination Unit and relevant organisations (e.g. international and national agencies ) and the mechanisms put in place to monitor and manage activities. Issues to be considered includes: plans of operations and timetables, financial management and budgeting, terms and conditions, phasing of activities, internal monitoring arrangements, management of technical assistance



under the project, coordination with EU and other donors and institutional capacity support provided during the programme.

- Implementation of activities, including the quality, quantity and timing of technical assistance, training and other project outputs at the regional and national levels.

### 3.3 Effectiveness

Analyse the extent to which the programme's objectives were achieved. The following questions should assist with the assessment of the effectiveness of the projects:

- To what extent have the projects' objectives and purposes been achieved?
- Have there been unforeseen beneficiaries or unintended consequences, and if yes, explain why, the extent, impact and implications for all stakeholders?
- Have the assumptions required to translate projects' results into the projects' purposes been realised? If not, why and how did this affect the projects?
- Have the projects' resources (Technical Assistance and personnel, equipment, training, research etc.) been directly related to projects' results?
- Have appropriately qualified and experienced staff been recruited to implement the projects and contribute to planned projects' outputs.
- A particular focus will be given on evaluating the last achievements of the year 2014 by comparing the programme outputs to the benchmarks set. This specific assessment will enable the review team to make some recommendations on deciding whether or not the programme should continue after the completion date provided that an extension is granted.
- A separated analysis will be conducted for each component of the Programme:
- Each result to be achieved in a certain timeframe under each sub-component will be assessed according to their level of achievement. The evaluation will also consider the different constraints faced during the project implementation and the relevance of the actions taken and the planning to overcome those constraints.

### 3.4 Impact

Analyse the foreseen and unforeseen projects' impacts, whether they are positive or negative. Compare the scenario immediately prior to the implementation of the projects with the achievements of the projects. Among the points to consider are :

- What are the results obtained so far by the projects' activities and who are the beneficiaries (compare actual vs. planned)?
- Did the objectives/proposes change during the life of the project?
- Were there unanticipated results of the project- either beneficial or harmful?
- What were the most important factors explaining success or failure?
- Who were the main beneficiaries?

- Given the desired outcome of the project were there alternative ways of achieving it which might have been more cost effective (eg. design alternatives, use of different materials etc...)?

Findings have to be brought together and conclusions drawn. Among the points to consider are:

- What are the lessons learned that emerge from this project ?
- What factors – favourable or adverse – made for the relative success or failure of the project?
- Does the project throw new light on particular areas or reveal new problem areas?
- How do the findings compare with those of previous evaluations in this field?
- What recommendations arise directly from this project for continued operation or for future similar projects?

### **3.5 Sustainability**

Assess the extent to which the activities of the Programmes at the regional and national level have been sustained and whether or not this is likely to continue.

In terms of sustainability particular emphasis should be given to:

- *Acceptance and Ownership*: This important component of sustainability needs to be assessed in all relevant target groups. Do the target groups feel the outputs of the projects were relevant to their needs?

- *Appropriate Technology*: Did the technology that was offered correspond to the capacity and needs of the target groups? Were the intended beneficiaries able to adopt and maintain the technology acquired without further projects' assistance?

- *Institutional and Management Capacity*: Assess the commitment of key parties involved such as government, (e.g. through policy and budgetary support) other institutions and potential donors in contributing towards sustainability.

### **3.6 EU Value Added & Coherence**

Consider to what extent the programme activities were coherent with Commission's development programmes, coherent and/or complementary with other donors' interventions and coherent with other EU policies.

The evaluation will assess to what extent the programme adds value to EU interventions.

### **3.7 Conclusions and Recommendations**

Having evaluated the projects along the lines proposed above, with a particular emphasis on efficiency, effectiveness and sustainability, summarise the outcomes and draw recommendations. Additionally, identify what policy, organisational and operational lessons are to be learnt by stakeholders. The evaluation will ensure that all recommendations are substantiated and are followed by corresponding operational recommendations that could be adopted to overcome identified constraints and enable opportunities.

Conclusions should cover all 7 evaluation criteria, with a focus on the specific focal areas identified above. Each conclusion should lead to corresponding operational recommendations that could be adopted to overcome constraints.

#### 4. METHODOLOGY

For methodological guidance refer to the EuropeAid's Evaluation methodology website where guidance is available for both evaluation managers (Commission staff) and evaluation teams (experts) [http://ec.europa.eu/europeaid/evaluation/methodology/guidelines/gba\\_en.htm](http://ec.europa.eu/europeaid/evaluation/methodology/guidelines/gba_en.htm) as well as to 'Aid Delivery Methods', Volume 1 'Project Cycle Management Guidelines (EuropeAid, March 2004) [http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101\\_en.htm](http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101_en.htm).

Methodological tools for the evaluation of integration of cross-cutting issues (environmental sustainability, gender, good governance and human rights) may be found in the following websites (please note that these links could be changed):

[http://ec.europa.eu/europeaid/evaluation/methodology/tools/too\\_en.htm](http://ec.europa.eu/europeaid/evaluation/methodology/tools/too_en.htm)

##### **4.1 Management and steering of the Evaluation**

The evaluation is managed by *the Project Coordination Unit and the EU Delegation* with the assistance of a reference group consisting of members of *steering committee* who oversees the evaluation on behalf of the Commission. The reference group member's main functions are:

- To ensure that the evaluation team has access to and has consulted all relevant information sources and documents related to the project/programme.
- To validate the Evaluation Questions prepared by the Evaluators.
- To discuss and comment on notes and reports delivered by the evaluation team. Comments by individual group members are compiled into a single document by the evaluation manager and subsequently transmitted to the evaluation team.
- To assist in feedback of the findings, conclusions, lessons and recommendations from the evaluation.

The Evaluation Manager is Mr Xavier Canton-Lamousse, EU Delegation

## 4.2 The evaluation approach / process

The evaluation approach should be developed and implemented as presented below through two phases: a Desk Phase and a Field Phase

### 4.2.1 Desk Phase

In the inception stage of the Desk Phase, the relevant programming documents should be reviewed, as well as documents shaping the wider strategy/policy framework. The evaluation team will then analyse the logical framework *as well as* the relevant programming documents should also be reviewed, as well as documents shaping the wider strategy/policy framework. On the basis of the information collected the evaluation team should:

- Hold a briefing meeting with *project partners* in the first days of the field phase.
- Describe the development co-operation context.
- Comment on the logical framework.
- Comment on the issues / evaluation questions suggested (see annexe 2; section3) or, when relevant, propose an alternative or complementary set of evaluation questions justifying their relevance. Develop the evaluation into sub-questions identify provisional indicators and their verification means, and describe the analysis strategy.
- Propose the work plan for the finalisation of the field phase.
- Confirm the final time schedule.
- Identify and present the list of tools to be applied in the Field Phase;
- List all preparatory steps already taken for the Field Phase.

The Evaluation Team will conduct the Desk Phase in Lautoka, at the Coordination Unit, during the first 4 working days of the mission.

### 4.2.3 Field phase

The evaluation team should:

- Implement detailed work plan with an indicative list of people to be interviewed, surveys to be undertaken, dates of visit, itinerary, and name of team members in charge. This plan has to be applied in a way that is flexible enough to accommodate for any last-minute difficulties in the field. If any significant deviation from the agreed work plan or schedule is perceived as creating a risk for the quality of the evaluation, these should be immediately discussed with the evaluation manager.
- Ensure adequate contact and consultation with, and involvement of, the different stakeholders; working closely with the relevant government authorities and agencies during their entire assignment. Use the most reliable and appropriate sources of information and will harmonise data from different sources to allow ready interpretation.
- Summarise its field works at the end of the field phase, discuss the reliability and coverage of data collection, and present its preliminary findings in a meeting with *the project /programme management, the EU Delegation, the Reference Group*.
- Preparation of the draft final report. The consultants will make sure that their assessments are objective and balanced, affirmations accurate and verifiable, and recommendations realistic.

When drafting the report, they will acknowledge clearly where changes in the desired direction are known to be already taking place, in order to avoid misleading readers and causing unnecessary irritation or offence.

If the evaluation manager considers the draft report of sufficient quality, he will circulate it for comments to the reference group members, and convene a meeting in the presence of the evaluation team.

On the basis of comments expressed by the reference group members, and collected by the evaluation manager, the evaluation team has to amend and revise the draft report. Comments requesting methodological quality improvements should be taken into account, except where there is a demonstrated impossibility, in which case full justification should be provided by the evaluation team. Comments on the substance of the report may be either accepted or rejected. In the latter instance, the evaluation team is to motivate and explain the reasons in writing.

The Evaluation Team will conduct the Field Phase for 18 working days, after the Desk Phase.

#### **4.2.4 Debriefing seminar**

The evaluation team has to present the revised draft final report at a seminar in Lautoka. The purpose of the seminar is to present the draft final report to the main stakeholders, to check the factual basis of the evaluation, and to discuss the draft findings, conclusions and recommendations.

**The Debriefing is scheduled for the 16/02/2015**

On the basis of comments made by participants, and collected by the evaluation manager, the evaluation team has to write the final version of the report, in which the rules applying to the integration of comments are those stated in the previous section.

### **5. REPORTING REQUIREMENTS**

The reports must match quality standards. The text of the report should be illustrated, as appropriate, with maps, graphs and tables; a map of the project's area(s) of intervention is required (to be attached as Annex).

The consultant will submit the following reports in english:

- 1. Inception report** of maximum 6 pages to be produced after 4 days from the start of the consultant services in Fiji. In the report the consultant shall describe the first finding of the study along the lines proposed in 4.2.1 above, the foreseen degree of difficulties in collecting data, other encountered and/or foreseen difficulties in addition to his programme of work and staff mobilization.

2. **Draft final report** (of maximum 30 pages, with Executive Summary of 2 pages maximum) using the structure set out in **Annex 2** and taking due account of comments received from the reference group members. Besides answering the evaluation questions, the draft final report should also synthesise all findings and recommendations into an overall assessment of the project/programme. The report should be presented within 15 days from the receipt of the reference group's comments at the occasion of the debriefing seminar.
4. **Final report** with the same specifications as mentioned under 2 above, incorporating any comments received from the concerned parties. Comments from the evaluation steering committee will be provided within 30 days of the submission of the draft report to the evaluation manager. The Final Report to be presented within 5 days of the receipt of these comments.

Distribution of all reports in *paper and electronic version* will be as follows:

- EU Delegation (2) copies

Paper version are requested only for the Final Report, once approved by the Evaluation Committee.

- 6. Evaluation Team
- The evaluation will be undertaken by 2 experts with the following profile:

**TEAM LEADER (CATEGORY I - 25 working days)**

*Qualification*

- A university degree (MSc or more) in Agricultural economics, Economics for rural development

*Expertise*

- Management for agricultural development, Projects Management
- Tropical Agriculture, sugar value chain, food crops, rural development
- Evaluation methodology

*Experience*

- Minimum 10 years of relevant international experience in developing countries in the context of rural development/agriculture/management
- The candidate must have experience in participatory programme/project evaluation and must be familiar with the concept and implementation of EU funded projects
- The expert is expected to have professional experience in the evaluation of development projects for international aid donors and to be fully familiar with the Commission's Project Cycle Management and Logical Framework Approach
- Project Management at senior level and Team Leader experience on similar studies
- Excellent computer and communication skills (both oral and written English).

The following experience would be an asset:

- Professional experience in small island developing states.
- Evaluation of other AMSP would be an asset

**AGRONOMIST (CATEGORY II), Tropical Crops specialist - (25 working days) –**

*Qualification*

- MSc or more in Agronomics for Rural Development,

*Expertise*

- Expertise in similar studies
- knowledge in sugar commodity chain, food crops, agriculture diversification, value chain analysis, agro-marketing, fairtrade

*Experience*

- A minimum of 10 years in Agronomics studies and experience of rural development
- Knowledge of agricultural research and extension
- Experience in evaluation of research & extension programmes
- Experience in participative approaches, farmers Organisations
- Experience of other AMSP evaluation would be an asset
- Experience of gender issues, and community based approaches in rural areas

## **7. WORPLAN AND TIME SCHEDULE**

The evaluation will be undertaken as follows:

- Briefings with the EU Delegation, Suva and the Coordination Unit (CU) – Lautoka and Suva
- Analysis of project documentation at the CU, Lautoka
- Individual stakeholder consultation, Lautoka
- De-briefing with Steering committee, the EU Delegation, the Coordination Unit (CU) in Lautoka

The personnel input to be provided is estimated to be 25 x 2 = 50 days, provisionally broken down as follows for each expert:

- Travelling (return trip) : 4 days, not included as the working days
- Desk Phase : :Lautoka, Suva, including drafting of inception report, – 4 working days
- Field Phase : 18 working days, including : meeting stakeholders; draft final report writing and debriefing seminar in Lautoka, including the members of the Steering Committee.
- Final Report Drafting : 3 days (Home country report writing and integration of partners comments)

The indicative starting date of the assignment is **15 January 2014**, dependent upon the availability of the expert. The above indications may be changed with the agreement of all parties concerned. Services rendered between the beginning of the evaluation and the acceptance of the final report should span no more than a period of four calendar months.



## ANNEX 1: KEY DOCUMENTS FOR THE EVALUATION

- Governmental national and sector policy documents
- Project feasibility study
- Project financing agreement and addenda
- Project's quarterly and annual progress reports, and technical reports
- EC's Result Oriented Monitoring Reports, and eventual other external and internal monitoring reports of the project
- other sources of information , e.g. base-line surveys, specific studies or analyses of specific issues/groups, relevant country, sector, thematic and project evaluations, whenever available, works/supplies/services contracts, etc..
  - Relevant documentation from national/local partners and other donors
  - Relevant policy and planning documents from national/local partners and other donors]

Note: The evaluation team has to identify and obtain any other document worth analysing, through its interviews with people who are or have been involved in the design, management and supervision of the project / programme. Resource persons to collect information and data are to be sought in the EC services, implementing body and / or public service in the partner country .

## ANNEX II: LAYOUT, STRUCTURE OF THE FINAL REPORT

The final report should not be longer than approximately 30 pages. Additional information on overall context, programme or aspects of methodology and analysis should be confined to annexes.

*The cover page of the report shall carry the following text:*

“ This evaluation is supported and guided by the European Commission and presented by [name of consulting firm]. The report does not necessarily reflect the views and opinions of the European Commission”.

*The main sections of the evaluation report are as follows:*

### **1. EXECUTIVE SUMMARY**

A tightly-drafted, to-the-point and free-standing Executive Summary is an essential component. It should be short, no more than 2 pages. It should focus mainly on the key purpose or issues of the evaluation, outline the main analytical points, and clearly indicate the main conclusions, lessons learned and specific recommendations. Cross-references should be made to the corresponding page or paragraph numbers in the main text that follows.

### **2. INTRODUCTION**

A description of the project/programme and the evaluation, providing the reader with sufficient methodological explanations to gauge the credibility of the conclusions and to acknowledge limitations or weaknesses, where relevant.

### **3. ANSWERED QUESTIONS/ FINDINGS.**

A chapter presenting the evaluation questions and conclusive answers, together with evidence and reasoning.

The organization of the report should be made around the responses to the Evaluation questions which are systematically covering the DAC evaluation criteria: relevance, effectiveness, efficiency, impact and sustainability, plus coherence and added value specific to the Commission. In such an approach, the criteria will be translated into specific questions. These questions are intended to give a more precise and accessible form to the evaluation criteria and to articulate the key issues of concern to stakeholders, thus optimising the focus and utility of the evaluation.

*This annex proposes an indicative list of issues which deserve to be studied in a project/programme evaluation. The evaluation should focus on a limited number of precise issues/questions. It should ensure that there is a balance of evaluation criteria.*

*Further guidance on evaluation questions for the following sectors - health, education, transports, rural development, water and sanitation - is available on the following link*  
[http://www.cc.cec/dqintranet/europeaid/activities/evaluation/sec\\_en.htm](http://www.cc.cec/dqintranet/europeaid/activities/evaluation/sec_en.htm)

The appropriate evaluation questions and sub questions, based on this set of issues, should be elaborated for each project/ programme evaluation case.

### **3.1 Problems and needs (Relevance)**

The extent to which the objectives of the development intervention (projects/ programme) are consistent with beneficiaries' requirements, country needs, global priorities and partners' and EC's policies.

The analysis of relevance will focus on the following questions in relation to the design of the project:

- the extent to which the project has been consistent with, and supportive of, the policy and programme framework within which the project is placed, in particular the EC's Country Strategy Paper and National Indicative Programme, and the Partner Government's development policy and sector policies
- the quality of the analyses of lessons learnt from past experience, and of sustainability issues;
- the project's coherence with current/on going initiatives;
- the quality of the problem analysis and the project's intervention logic and logical framework matrix, appropriateness of the objectively verifiable indicators of achievement;
- the extent to which stated objectives correctly address the identified problems and social needs, clarity and internal consistency of the stated objectives;
- the extent to which the nature of the problems originally identified have changed
- the extent to which objectives have been updated in order to adapt to changes in the context;
- the degree of flexibility and adaptability to facilitate rapid responses to changes in circumstances;
- the quality of the identification of key stakeholders and target groups (including gender analysis and analysis of vulnerable groups) and of institutional capacity issues;
- the stakeholder participation in the design and in the management/implementation of the project, the level of local ownership, absorption and implementation capacity;
- the quality of the analysis of strategic options, of the justification of the recommended implementation strategy, and of management and coordination arrangements;
- the realism in the choice and quantity of inputs (financial, human and administrative resources)
- the analysis of assumptions and risks;
- the appropriateness of the recommended monitoring and evaluation arrangements ;

### **3.2 Achievement of purpose (Effectiveness)**

The effectiveness criterion, concerns how far the project's results were attained, and the project's specific objective(s) achieved, or are expected to be achieved.

The analysis of Effectiveness will therefore focus on such issues as:

- whether the planned benefits have been delivered and received, as perceived by all key stakeholders (including women and men and specific vulnerable groups);
- whether intended beneficiaries participated in the intervention
- in institutional reform projects, whether behavioural patterns have changed in the beneficiary organisations or groups at various levels; and how far the changed institutional arrangements and characteristics have produced the planned improvements (e.g. in communications, productivity, ability to generate actions which lead to economic and social development);
- if the assumptions and risk assessments at results level turned out to be inadequate or invalid, or unforeseen external factors intervened, how flexibly management has adapted to ensure that the results would still achieve the purpose; and how well has it been supported in this by key stakeholders including Government, Commission (HQ and locally), etc.;
- whether the balance of responsibilities between the various stakeholders was appropriate, which accompanying measures have been taken by the partner authorities;
- how unintended results have affected the benefits received positively or negatively and how could have been foreseen and managed.;
- whether any shortcomings were due to a failure to take account of cross-cutting or over-arching issues such as gender, environment and poverty during implementation;

### **3.3 Sound management and value for money (Efficiency)**

The efficiency criterion concerns how well the various activities transformed the available resources into the intended results (sometimes referred to as outputs), in terms of quantity, quality and timeliness. Comparison should be made against what was planned.

The assessment of Efficiency will therefore focus on such issues as:

- the quality of day-to-day management, for example in:
  - a. operational work planning and implementation (input delivery, activity management and delivery of outputs), and management of the budget (including cost control and whether an inadequate budget was a factor);
  - b. management of personnel, information, property, etc,
  - c. whether management of risk has been adequate, i.e. whether flexibility has been demonstrated in response to changes in circumstances;
  - d. relations/coordination with local authorities, institutions, beneficiaries, other donors;

- e. the quality of information management and reporting, and the extent to which key stakeholders have been kept adequately informed of project activities (including beneficiaries/target groups);
  - f. respect for deadlines;
- Extent to which the costs of the project have been justified by the benefits whether or not expressed in monetary terms in comparison with similar projects or known alternative approaches, taking account of contextual differences and eliminating market distortions.
  - Partner country contributions from local institutions and government (e.g. offices, experts, reports, tax exemption, as set out in the LogFrame resource schedule), target beneficiaries and other local parties: have they been provided as planned?
  - Commission HQ/Delegation inputs (e.g. procurement, training, contracting, either direct or via consultants/bureaux): have they been provided as planned?;
  - Technical assistance: how well did it help to provide appropriate solutions and develop local capacities to define and produce results?
  - Quality of monitoring: its existence (or not), accuracy and flexibility, and the use made of it; adequacy of baseline information;
  - Did any unplanned outputs arise from the activities so far?

### **3.4 Achievement of wider effects (Impact)**

The term impact denotes the relationship between the project's specific and overall objectives.

At Impact level the final or ex-post evaluation will make an analysis of the following aspects:

- Extent to which the objectives of the project have been achieved as intended in particular the project planned overall objective.
- whether the effects of the project:
  - a) have been facilitated/constrained by external factors
  - b) have produced any unintended or unexpected impacts, and if so how have these affected the overall impact.
  - c) have been facilitated/constrained by project/programme management, by co-ordination arrangements, by the participation of relevant stakeholders
  - d) have contributed to economic and social development
  - e) have contributed to poverty reduction
  - f) have made a difference in terms of cross-cutting issues like gender equality, environment, good governance, conflict prevention etc.
  - g) were spread between economic growth, salaries and wages, foreign exchange, and budget.

### 3.5 Likely continuation of achieved results (Sustainability)

The sustainability criterion relates to whether the positive outcomes of the project and the flow of benefits are likely to continue after external funding ends or non funding support interventions (such as: policy dialogue, coordination).

The Mid Term evaluation will make an assessment of the prospects for the sustainability of benefits on basis of the following issues:

- the ownership of objectives and achievements, e.g. how far all stakeholders were consulted on the objectives from the outset, and whether they agreed with them and continue to remain in agreement;
- policy support and the responsibility of the beneficiary institutions, e.g. how far donor policy and national policy are corresponding, the potential effects of any policy changes; how far the relevant national, sectoral and budgetary policies and priorities are affecting the project positively or adversely; and the level of support from governmental, public, business and civil society organizations.
- institutional capacity, e.g. of the Government (e.g. through policy and budgetary support) and counterpart institutions; the extent to which the project is embedded in local institutional structures; if it involved creating a new institution, how far good relations with existing institutions have been established; whether the institution appears likely to be capable of continuing the flow of benefits after the project ends (is it well-led, with adequate and trained staff, sufficient budget and equipment?); whether counterparts have been properly prepared for taking over, technically, financially and managerially;
- the adequacy of the project budget for its purpose particularly phasing out prospects;
- socio-cultural factors, e.g. whether the project is in tune with local perceptions of needs and of ways of producing and sharing benefits; whether it respects local power- structures, status systems and beliefs, and if it sought to change any of those, how well-accepted are the changes both by the target group and by others; how well it is based on an analysis of such factors, including target group/ beneficiary participation in design and implementation; and the quality of relations between the external project staff and local communities.
- financial sustainability, e.g. whether the products or services being provided are affordable for the intended beneficiaries and are likely to remained so after funding will end; whether enough funds are available to cover all costs (including recurrent costs), and continued to do so after funding will end; and economic sustainability, i.e. how well do the benefits (returns) compare to those on similar undertakings once market distortions are eliminated.
- technical (technology) issues, e.g. whether (i) the technology, knowledge, process or service introduced or provided fits in with existing needs, culture, traditions, skills or knowledge; (ii) alternative technologies are being considered, where possible; and (iii) the degree in which the beneficiaries have been able to adapt to and maintain the technology acquired without further assistance.
- Wherever relevant, cross-cutting issues such as gender equity, environmental impact and good governance; were appropriately accounted for and managed from the outset of the project.

### **3.6 Mutual reinforcement (coherence)**

The extent to which activities undertaken allow the European Commission to achieve its development policy objectives without internal contradiction or without contradiction with other Community policies. Extent to which they complement partner country's policies and other donors' interventions.

Considering other related activities undertaken by Government or other donors, at the same level or at a higher level:

- likelihood that results and impacts will mutually reinforce one another
- likelihood that results and impacts will duplicate or conflict with one another

Connection to higher level policies (coherence)

Extent to which the project/programme (its objectives, targeted beneficiaries, timing, etc.):

- is likely to contribute to / contradict other EC policies
- is in line with evolving strategies of the EC and its partners

### **3.7 EC value added**

Connection to the interventions of Member States. Extent to which the project/programme (its objectives, targeted beneficiaries, timing, etc.)

- is complementary to the intervention of EU Member States in the region/country/area
- is co-ordinated with the intervention of EU Member States in the region/country/area
- is creating actual synergy (or duplication) with the intervention of EU Member States
- involves concerted efforts by EU Member States and the EC to optimise synergies and avoid duplication.

## **4. VISIBILITY**

The consultants will make an assessment of the project's strategy and activities in the field of visibility, information and communication, the results obtained and the impact achieved with these actions in both the beneficiary country and the European Union countries.

## **5. OVERALL ASSESSMENT**

A chapter synthesising all answers to evaluation questions into an overall assessment of the project/programme. The detailed structure of the overall assessment should be refined during the evaluation process. The relevant chapter has to articulate all the findings, conclusions and lessons in a way that reflects their importance and facilitates the reading. The structure should not follow the evaluation questions, the logical framework or the seven evaluation criteria.

## **6. CONCLUSIONS AND RECOMMENDATIONS**

### **6.1 Conclusions**

This chapter introduces the conclusions relative to each question. The conclusions should be organised in clusters in the chapter in order to provide an overview of the assessed subject.

**Note:**

**The chapter should not follow the order of the questions or that of the evaluation criteria (effectiveness, efficiency, coherence, etc.)**

It should feature references to the findings (responses to the evaluation questions) or to annexes showing how the conclusions derive from data, interpretations, and analysis and judgement criteria.

The report should include a self-assessment of the methodological limits that may restrain the range or use of certain conclusions.

The conclusion chapter features not only the successes observed but also the issues requiring further thought on modifications or a different course of action.

The evaluation team presents its conclusions in a balanced way, without systematically favouring the negative or the positive conclusions.

A paragraph or sub-chapter should pick up the 3 or 4 major conclusions organised by order of importance, while avoiding being repetitive. This practice allows better communicating the evaluation messages that are addressed to the Commission.

If possible, the evaluation report identifies one or more transferable lessons, which are highlighted in the executive summary and presented in appropriate seminars or meetings so that they can be capitalised on and transferred.

## **6.2 Recommendations**

They are intended to improve or reform the project/ programme or to prepare the design of a new intervention for the next cycle.

**Note:**

**The recommendations must be related to the conclusions without replicating them. A recommendation derives directly from one or more conclusions.**

The ultimate value of an evaluation depends on the quality and credibility of the recommendations offered. **Recommendations** should therefore be as realistic, operational and pragmatic as possible; that is, they should take careful account of the circumstances currently prevailing in the context of the project, and of the resources available to implement them both locally and in the Commission.

They could concern policy, organisational and operational aspects for both the national implementing partners and for the Commission; the pre-conditions that might be attached to decisions on the financing of similar projects; and general issues arising from the evaluation in



relation to, for example, policies, technologies, instruments, institutional development, and regional, country or sectoral strategies.

Recommendations must be clustered and prioritised, carefully targeted to the appropriate audiences at all levels, especially within the Commission structure (the project/programme task manager and the evaluation manager will often be able to advise here).

#### **7. ANNEXES O THE REPORT**

The report should include the following annexes:

- The Terms of Reference of the evaluation
- The names of the evaluators and their companies (CVs should be shown, but summarised and limited to one page per person)
- Detailed evaluation method including: options taken, difficulties encountered and limitations. Detail of tools and analyses.
- Logical Framework matrices (original and improved/updated)
- Map of project area, if relevant
- List of persons/organisations consulted
- Literature and documentation consulted
- Other technical annexes (e.g. statistical analyses, tables of contents and figures)
- page DAC summary, following the format in Annex V.

#### **8. ATTACHED**

AAP 2011 Action Fiche, Logframe

**Action Fiche for the Annual Action Programme 2011 of Accompanying Measures for Sugar Protocol Countries in favour of the Republic of Fiji islands**

• Identification

Title/Number	<b><i>Improvement of key services to agriculture</i></b> <b><i>DCI-SUCRE/2011/ 23247</i></b>		
Total cost	EUR 8,000,000 EU contribution EUR 8,000,000 Fiji: EUR 4,940,000 (equivalent in kind contribution)		
Aid method / Method of implementation	Project approach – <i>centralised direct and joint management</i> (with the Secretariat of the Pacific Community and International Trade Centre)		
DAC-code	31120	Sector	Agricultural development

• Rationale

**Sector context**

In February 2011, the International Monetary Fund (IMF) concluded: "economic growth in Fiji has been negative or low for four years and is expected to be low in the medium term. This is in part due to the weak domestic investment climate that results from delays in structural reforms, an increase in exchange restrictions and price controls, the decline of the sugar industry and political uncertainty. Without fiscal consolidation and stronger growth, public debt will remain high and Fiji will not have the fiscal space it needs to respond to shocks. Volatile commodity prices, increasing reliance on tourism, risk of natural disaster and some uncertainty about external financing represent significant vulnerabilities". The garment industry and timber exports have been in decline and the future of the sugar industry looks bleak with a recorded net loss of EUR 70 million in 2010. The return of high inflation rates and recent tax increases have put further pressure on the poor households to meet basic food, schooling and health needs.

While an estimated 49% of the Fijian population lives in rural areas, the latest report on Poverty and household incomes in Fiji<sup>2</sup> shows a dramatic drop in available income in rural areas (-14% between 2002 and 2008). 44% of rural Fijians live below the poverty line<sup>3</sup>, of which half living in the sugar belt areas.

The Government has undertaken several social measures in order to limit the spread of poverty through the Family Assistance Programme supported by AUSAID (Australian Aid) and

<sup>2</sup> Fiji Island Bureau of Statistics, 2011 report

<sup>3</sup> Poverty mapping supported by the WB and AusAID in collaboration with Fiji Bureau of Statistics, based on data from 2008-2009 period which pre-dates the main impact of the global economic crisis in Fiji set national poverty line at 2349 FJD/adult/year in urban settings and 1830 FJD/adult/year in rural areas - based on cost of basic food needs (FDJ: Fijian Dollar)

the World Bank (WB). However, this relief programme is limited to the most destitute of the poor population (approximately 25000 people). The Government of Fiji (GoF) is also trying to contain the commodities (fuel, food) price increase by exerting a tight price control. However, such strong directive economic measures limit the margins of the private sector and therefore are a severe impediment to its development.

Sugarcane is still the mainstay of the rural population of the western part of Viti Levu and the central and eastern parts of Vanua Levu islands. Sugar remains an important foreign exchange earner for Fiji. However, the sector has been in decline since before 2000 due to uncertainty of land tenure system, the poor mill performance and the poor cane husbandry practices. Fiji's sugar production has fallen from a peak of 341,000 t in 2000 to 136,000 t in 2010. The absence of internal reforms and investments into Fiji's sugar industry compounded by the failure of the mills upgrading programme have caused a worsening in the mill efficiency and a further price reduction paid to the growers last year. The 2006 EU sugar regime reform led to a 36% cut in the reference price for sugar in the EU market. While, Fiji continues to enjoy preferential access to the EU market<sup>4</sup> with a minimum reference price until 2015, and for this year, high world market prices have prevented the price to drop as last year, Fijian sugar industry must now undertake a rapid modernisation if it is to survive after 2015<sup>5</sup>.

In 2010, the price paid to the farmers has dropped from EUR 24.4/t of cane to EUR 18.4/t in 2010 harvest season. Such prices are not compatible with the current costs of production of cane at EUR 16/t<sup>6</sup>. In order to maintain the farm income, the average yields must increase to 65 t/ha and the costs of production for farmers should be reduced by 30%. With these yields, it is estimated that 50,000 ha would satisfy projected mills demand. In parallel, the costs of processing should be reduced by 25% according to the industry plans. While the Government and the industry have started to undertake some positive reforms, notably on the renewal of land leases which is starting to have some impacts on the ground, and put more efforts in trying to solve the milling defaults, it is estimated that restoring the profitability of the sugar industry by 2015 is a serious challenge and requires considerable investments from both the industry and the farmers. The latter will lack financial capacities to tackle this challenge without an external support.

The latest projections suggest that if the above targets are achieved, it is likely that 20% of the land presently used for cane production, in particular on steep slopes with poor and shallow soils, is expected to be released for other uses. This is equivalent to around 5,000 farmers on the top of another 5000 farmers that have left the industry since 2,000 due to land lease non renewal. In 2010, the number of registered growers has continued to fall and counts now 17,762 of which 22% no longer harvest cane. Similarly the number of cane cutters has fallen to 9,649, half what it was in 2000. The fall in numbers is fastest in the most remote areas with

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<sup>4</sup> Commission Regulation (EC) No 828/2009 of 10 September 2009, OJ L 240/14, 11.9.2009

<sup>5</sup> When EU price should coincide with the international market price

<sup>6</sup> At farm's door including harvest and transport costs

high transport costs. While some farmers will continue to have to leave their farms, others will make gradual changes such as reducing dependence on cane farming or alternatively, gradually decreasing the scale of intensity of cane production, shifting to intercropping or diversifying the farm enterprise. Their ability to do so will rely on improved access to markets for non-sugar products and access to improved farming technologies.

The development of alternatives to sugar agriculture products has a significant potential to contribute to rural employment, food security, import substitution and foreign exchange earnings for Fiji. Its contribution to the economy goes far beyond the production of food crops and horticulture and the multiplier effect can be many times more than simply increase the quantities of primary products.

Valuable export markets and import substitution opportunities have been identified by a feasibility study conducted in 2008 on Agricultural diversification. For instance, in 2008 Fiji imported more than FJD 250 million of food products in value, which was equivalent to the export earnings of sugar for the same year.

Market opportunities for fruit and vegetables have been identified for export market niches, for supply to the local tourism industry and for the domestic market. However there are key bottlenecks for the development of these sub-sectors, in particular the availability of quality seeds and fertilizers, a lack of constant quality and reliability of supply, lack of wholesale intermediates as well as poor logistics. Growth in these sectors depends on the development of the private sector which has been hesitant to invest due to political uncertainty, food price control and delays in structural reforms. However, there are potential fields of intervention in order to support the emerging horticultural and food crops sector by adopting a commodity chain approach and to provide both production support measures and structural support to the development of appropriate downstream outlets. This will imply the mobilisation of the farmers through their representative bodies and the private sector through partnerships.

Further to the EU 2006 Accompanying Measures Sugar Protocol (AMSP) (EUR 4.098 million) intervention which started to rebuild the capacities of the Sugar Research Institute of Fiji (SRIF) and helped to establish the fair-trade certification through the setting up of farmers' associations, the EU 2011 AMSP programme will pursue these two activities as an indirect support to vulnerable farmers willing to remain in the sugar sector. Similarly, following the EU 2010 AMSP (EUR 8 million) that was used for providing income generating opportunities to farmers, the 2011 programme will pursue the strategy of social mitigation through the support of farm agricultural alternatives. The proposed EU approach is to work in partnership between farmers' organisations and existing private sector enterprises with an established track record in serving markets, being financially sustainable and having existing or potential surplus capacities. Support will be provided through the private sector to mobilise and train farmers or provide equipment, building on the lessons learned from the FACT<sup>7</sup> programme and in synergy

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<sup>7</sup> FACT: Facilitating Agricultural Commodity Trade, Regional EU funded programme (EUR 4 million) – Given the lack of success of public sector initiatives, FACT works directly through private sector ventures by providing marketing assistance, helping to produce planting material and small grading and packaging equipment.

with other regional agriculture projects<sup>8</sup> and mobilising resources available through regional organisations. In particular the programme will encourage networking through the different facilities available in the Pacific region like the phyto-sanitary diagnostic service centre which is among ACIAR projects portfolio. The programme will coordinate with the newly established Fijian Bio-security Authority for developing or reforming Bilateral Quarantine Agreements with Australia, New Zealand, Japan and US in order to promote the export of Fijian agricultural products.

### **Lessons learnt**

The EU response strategy for Fiji's sugar sector reform endorses the views that the sugar sector could still play an important role in the economy and offers a basis for social stability in the concerned areas, through a comprehensive restructuring programme together with measures to diversify on farm income, considering the whole farm entity and not just sugar cane. The EU response strategy is a balanced option between assisting research and extension for sugar cane farming which has an immediate available market, and the development of new markets for other attractive agricultural products.

Drawing on lessons from the EU mid-term review<sup>9</sup> of the Multi-annual indicative programme (MIP) I, the Annual Action Programme (AAP) 2011 focuses on activities that will deliver a real impact on poverty reduction in the cane belt. The programme action plan has selected areas of interventions with the view of supporting developments that are likely to deliver useful results whatever is the scenario adopted by the sugar industry, focusing its support on research and extension on sugarcane and alternative crops, and on capacity building of producers' organisations for better service delivery. In the areas where sugar cane production would have to be given up or the income generated from cane is not sufficient to support the livelihoods, the programme will support the development of alternative for the farmers affected by the restructuring of the sector.

The positive response from the sugar cane farmers to the EU AMSP 2006 subsidized replanting programme is an indication of their willingness to continue to invest in sugar even under the current conditions. The Government of Fiji has pledged its support to the industry and the farmers by allocating FDJ 6 million annually for the replanting effort. However, the increase in sugar cane yields performance has not reached the required level due to the poor quality of utilized seed canes. Therefore the EU AMSP 2011 assistance will assist SRIF to produce quality seed cane to be used for the future replanting schemes. The results of the Results Oriented

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<sup>8</sup> Increasing Agricultural Commodity Trade-IACT(EU), 10th EDF intra ACP Agricultural and rural development project, Market Development Facility and enterprise Challenge Fund (AUSAID) and research projects financed by the Australian Centre for International Agricultural Research (ACIAR) on facilitating private sector growth and agribusiness (Pacific Agribusiness Research for Development Initiative-PARDI), PHAMA (Pacific Horticultural Market Access), Food Security and Sustainable Livelihood Programme in the Pacific Island Countries - FSSLP (FAO/IFAD).

<sup>9</sup> Mid term review carried out for all ACP sugar Protocol countries. While MIP I was not implemented, and considering the impacts of the EU sugar reform on Fiji and the current political impasse, the review suggested alternative ways for delivering aid through social mitigation measures with MIP II.

Monitoring (ROM) of the EU 2006 AMSP have been integrated in order to structure the policy recommendations based on the latest studies. In particular, the project will ensure that growers have access to close farm advisory and specialised extension services through the farmers' organisations.

Only two rural development projects were implemented for Fiji in the early 1990's. They were partly successful and had limited achievements of results due to the excessive reliance on assumptions in the design stage (infrastructure, marketing and resource availability) and to the inadequate participation leading to weakness in the identification of beneficiary needs. Moreover the two projects failed to recognize and address the institutional weaknesses of the implementing Government agencies. Lessons have been drawn from those projects in order to mitigate risks and ensure good ownership and long term sustainability. The identification and formulation of this programme has strong focus on the capacity building of the existing implementing agencies and partnerships with existing Farmers' associations and private or cooperative entities which already have a good track record in delivering agricultural inputs (eg.: Natures' Way, Fiji Organic Association, Agrana ...).

### **Complementary actions**

The current EU funded regional programme FACT (2008-2011) implemented by SPC<sup>10</sup> is a successful example of a strategy that could be replicated to transform selected commercial ventures into market oriented, demand-driven enterprises that consistently supply domestic and overseas markets with competitive and good quality products. The project provides Technical Assistance support to identify market bottlenecks, to offer direct marketing assistance, or to achieve certification and target niche markets. FACT will be continued and expanded through the newly signed IACT programme (2012-2015). The EU AMSP 2011 programme will closely coordinate with IACT.

AUSAID is providing assistance to agri-business ventures and farmers through its Agricultural Market Development Facility (AUD<sup>11</sup> 14 million) covering Fiji, East Timor and Solomon Islands, which has just started and with which the present programme will develop synergies for supporting private agro-processors in expanding their supply capacities.

Talks have also been initiated with the Taiwan technical mission<sup>12</sup> providing technical advice in the western areas, in view of creating synergies in improving farm management practices.

Several other regional agriculture related assistance programmes are currently financed by different donors from which lessons and cooperation should be sought. PHAMA (AUD 14 million) Pacific Horticultural & Agricultural Market Access Programme is an AUSAID/NZAID

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<sup>10</sup> Mid term evaluation of FACT, 2010

<sup>11</sup> Australian Dollar: AUD

<sup>12</sup> Taiwan Technical mission is an assistance programme to Fijian farmers, funded by Taiwan for the last 20 years. It is based in Sigatoka and provides agricultural inputs and services to farmers

co-funded regional Programme which aims at supporting Pacific Islands Countries and Territories (PICT ) governments and industry organisations working collaboratively to gain, maintain and improve access into key markets for selected high priority products. The EU 2011 AMSP will make use of the expertise being deployed by the PHAMA programme under the Secretariat of the Pacific Community (SPC).

### **Donor coordination**

In line with the Paris declaration and the European Consensus on development, locally based Member States and bilateral agencies involved in Fiji (AUSAID and NZAID) as well as local stakeholders (Ministry for sugar, Ministry of Primary Industries, Non-governmental organisations (NGOs) and farmers organisations) have been closely associated in the design and formulation aspects of the EU AMSP 2011 programme. The coordination process will be ensured through Programme steering committees involving the local beneficiaries' representatives, the Ministries involved and the bilateral donors.

A fruitful collaboration has been initiated with AUSAID in the institutional framework of the EU AMSP 2010 Social Mitigation Programme and will be pursued with the EU AMSP 2011 programme, for sharing expertise and to ensure a smooth coordination with the Fiji Community Development programme (FCDP) support to Community Based Organisations (AUD 15 million) working in the sugar belt<sup>13</sup> and with the Agricultural Market Development Facility.

A steering committee shall be set up to oversee and validate the overall direction and policy of the project. The project steering committee shall meet twice a year at a minimum.

The project steering committee shall be made up of:

- a representative of the Head of Delegation
- a representative of the Secretariat of the Pacific Community
- a representative of the National Crop and Livestock Council
- a representative of the International Trade Centre
- a representative of the farmers fair trade associations
- a representative of the Sugar Research Institute of Fiji
- a representative of the Sugar Industry and Sugar Tribunal (observers status)
- a representative of the Fiji National Authorising Officer (observers status)
- a representative of AUSAID (observers status)

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<sup>13</sup> FCDP Programme AUSAID (AUD 15 million) – is a support programme for building the capacity of Community Based Organisations (2012-2017)

A technical assistance team recruited under the AMSP 2010 and made of a Programme Coordinator and a technical manager will oversee the overall implementation of the programme until end of 2014. A new coordination team will take over the monitoring and steering aspects of the programme from 2015.

- Description

#### **Objectives**

The overall objective of the programme is to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market driven agriculture. The programme is designed to alleviate poverty by increasing on farm income and generating opportunities in agriculture, and to help to maintain stability and sustain growth in rural areas.

The specific objective aims at improving key services to agriculture and at enhancing the supply capacities.

#### **Expected results and main activities**

The programme is designed to alleviate poverty for the most vulnerable groups in sugar dependent areas focusing on two main axes:

- 1) Direct support to farmers through agricultural diversification in horticulture
- 2) Indirect support to farmers by improving the sugar cane sector in supporting Research through SRIF and Extension services delivery through fair trade associations.

Poverty and the fall into poverty of groups at risk will be tackled by enabling the poor to take up opportunities through strengthening of farmers associations, development of partnerships with the private sector and through better agricultural research and extension service delivery. There are 3 results to be achieved:

#### **1) Horticulture/food crops value chains are supported and supply capacities are enhanced (component 1)**

In order to improve key services to agriculture and enhance the supply capacities, the programme will have to establish the conditions for quick starting the off take of horticulture and food crop production.

This will include structural interventions like promoting cooperation between farmers in order to better access domestic and international markets and supporting farmers groups to develop Small Medium Enterprises (SME) ventures at local level. The programme will support the newly established National Crop and Livestock Council by building and strengthening its capacities as well as providing guidance and support to commodity chains associations under its umbrella with the aim to have 25% of the farmers being members of the associations and to achieve self financing capacity by 2015. The programme will enable Nature's way cooperative and Fiji Organic Association to access funding through borrowing, as major



members of the National Crop and Livestock Council to expand and diversify their activities and services to their members in order to achieve 3,000 tons of fruits and vegetables export a year.

The development of alternative to sugar underlies the removal of key technical bottlenecks. The programme will enhance and sustain seeds and seedling production capacities (25t of mixed seeds and 200,000 papaya seedlings/year, as of 2015) through the development of partnerships with research stations present in the sugar belt and able to increase their supply chain. It will disseminate integrated farming techniques by developing a pilot demonstration cum training farm for vegetable production in the Ba area and supporting extension services through the Nature's way cooperative. It will tackle some of the logistics issues by initiating the establishment of a collection grading facility in Ba and revitalizing the existing collection centre in the Sigatoka east bank area. The programme will aim at doubling the pulse production and recapture 15% of imports for fruits and vegetables by 2015.

Activities include: Strengthening of the horticulture/Food crop farmers Organisations and supporting farmers group for small enterprises; enhancing of horticulture/food crops component, increasing seed & seedling production capacities

## **2) Cane variety research is strengthened and good quality seed cane is available to farmers (component 2)**

One of the major factors that may contribute to the rebound of the sugar industry and therefore to increase sugar cane farmers' income is a consistent investment in research to ensure a constant flow of improved cane varieties to farmers. SRIF (Sugar Research Institute of Fiji) has started laying the foundations for developing multi-annual research programmes of importance to growers and the industry in the years to come. It needs to be able to expand on these capacities and to be accompanied in order to plan and innovate. SRIF was granted an EU intra-ACP funding<sup>14</sup> for pursuing applied research in 2011. Following up on the EU 2006 AMSP intervention, the EU AMSP 2011 programme will continue to build the capacities of the institute and to find ways to promote its financial sustainability as an independent non state agency, driven as a non for profit making entity. The future of the Fijian sugar industry is heavily dependent on the introduction of new high yielding varieties and disease free planting material at farm level. A specific component of the programme was prepared to develop a seed cane multiplication system in Fiji so that by 2016 sufficient quantities of improved and certified varieties can be replanted with a target of 4,000 Ha/year.

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<sup>14</sup> 2 research projects were granted in 2011 (EUR 800,000) by EU intra ACP programme for Sugar Protocol countries

Activities include: Updating and streamlining of cane variety recommendations, support to growers to diversify their cane supply, strengthening cane research capacity, improvement of monitoring, seed cane certification

### **3) Fairtrade associations are replicated and operations strengthened (component 3)**

The current extension services are mobilised through FSC with only 23 extension officers serving 14,000 farmers and are totally industry driven. Growers regularly complain about the lack of effectiveness of the technical services and their farm management issues are hardly addressed. They are now being mobilised through the Fair trade mechanism into three associations and an umbrella federation<sup>15</sup>. The fair trade concept provides incentives to the farmers in the form of a premium remuneration to be collectively utilised and which has the potential to retain the farmers in the sugar cane business. The focus of this component will be to use the fair-trade associations' framework to support the emergence of demand driven advisory services for farmers. The EU AMSP 2011 programme will provide technical farming and management advice through growers associations federated at mills' level and in an umbrella Fiji Cane Producers Association (FCPA) thus supporting the fair trade organisational empowerment of smallholder organisations. Extension will be provided through the training of extension officers and field assistants of the growers mill level associations. All extension staff will receive regular backstopping through a technical assistance attached to FCPA which will streamline training, methodological support, extension aid and plan to monitor on-going activities together with the fair-trade internal control team. Close collaboration with SRIF and FSC will be promoted as events and demonstration plots are major vehicles to test and fine tune new innovative practices with growers. By end of 2015, the programme will have mobilised 1,150 growers' technology groups, trained 500 lead farmers and developed 64 demonstration plots. 8 growers centres would have been set up and operational and 35% of registered members would have been trained in farm management.

Activities include: Mobilisation of technical advisory services for sugar cane production, developing integrated farm advisory services, provision of adequate support services to all farm advisors and coordination

#### ***Risks and assumptions***

There are important assumptions that have been identified during the identification stage of this programme:

- SRIF should retain its Non State Actor status and independence from FSC. The non-profit non-state actor (NSA) status of SRIF is a precondition for the institution to qualify for continued support through EU grant funding (refer to MIP 2011-2013).

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<sup>15</sup> 1 association (Labasa Cane Producers Association was set up in 2010), 2 others associations (Ba and Nadi) are being established and will be operational end of 2011. The Fairtrade Cane Producers Association will be fully established by end of 2011.

- Closer collaboration is achieved between the various implementing agencies responsible for the extension services (Fiji Sugar Corporation, Fairtrade associations, Ministry of Primary Industries, Commodity Councils).
- Structural reform of the sugar industry as well as the agriculture sector at large, continues to be implemented according to the timetable, plans and recommendations made on the business orientation. A cane quality payment system is gradually introduced.
- The land lease renewal continues effectively.
- Fertilisers are readily available at an affordable price.
- Government of Fiji provides assistance through a revolving fund for cane replanting. A subsidy was provided in 2010 covering half of the replanting costs of 4,500 ha. In 2011, the government has set aside a grant of FJD 6 million as a credit line through SCGF to build up a revolving fund for replanting, interest free. Through the EU 2011 programme, the SCGF will make sure that growers are using good quality seed canes provided by SRIF.
- The private actors remain committed to form partnership with the programme.
- Domestic food prices remain attractive as compared to imported products and bilateral quarantine agreements are maintained.

There are risks to be considered and that can be mitigated:

- The institutional weakness of the stakeholders is seen as a high risk factor, but the aim of the project is to address this issue by building capacity and strengthening the institutions.
- The Fair trade Cane Producers Association model and its replication throughout the entire sugar cane belt with two new associations and an umbrella organisation, is not diminished by some members' vested interests and/or political interferences. There are weak signals to this effect. This is a risk having high impacts but with moderate probability. The programme will provide support to develop participatory process and to build the capacity of the associations to mitigate this risk and reinforce farmers' interest in fair-trade and provision of extension services.
- Government of Fiji does not interfere in the institutional set up of the newly established National Crop and Livestock Commodity Council as an apex body of the other farmers associations. This is a risk with high impacts but moderate probability. The programme will aim at providing assistance to conduct participatory workshops and promote strategic dialogue between farmers associations and line Ministries and by these means will mitigate this risk.

The sustainability of the programme will be ensured through a good ownership by the different stakeholders, being farmers associations, private partners or research institute. These actors have been associated since the beginning in the project design and will be directly involved in its implementation. The necessary conditions of sustainability will be established through the institutional strengthening and capacity building of the

stakeholders involved. Local partnerships between farmers associations and private entrepreneurs will be initiated and will remain beyond the EU assistance programme.

Economic viability will be systematically addressed in the procurement of equipment and financial sustainability will be ensured by the private sector involvement and by the annual recurrent budget of the Fair Trade associations. The financial sustainability of the commodity councils will have to be established before the end of the EU assistance scheme through commercial business plans possibly supported through a levy or a membership fee system.

The self-financing capacity of SRIF will be strengthened through the seed cane supply to farmers at a non-subsidy price. SRIF's capacity to conduct research-on-order will be enhanced.

Institutional arrangements and governance structure under farmers associations working in partnerships with the private sector will get a better chance to be sustained after the EU assistance. Government structures will be involved for the consultation process only and through linkages between Project Steering Committees and National Adaptation Strategy Steering Committee in order to ensure coherence with the government policies.

Social, gender and environmental issues will be systematically mainstreamed in building capacities within the farmers' organisations, in delivering extension services and technical packages with appropriate technologies, in considering both Indo-Fijian and Fijian farmers working in liaison with their immediate community.

#### ***Crosscutting Issues***

- Good governance will be reinforced by strengthening the political independence of farmers associations and building their capacities to lobby Government system and to better address their members' needs;
- The proposed programme will have positive environmental impacts and benefits from improved sugar cane farming system. The Strategic Environmental Assessment undertaken in 2010 has indicated few areas where potential mitigation should be addressed. These recommendations will be taken on board. The programme will systematically carry out an Environmental Impact Assessment when necessary. The Fair Trade programme will contribute to a great deal to mitigate the environmental impacts of sugar cane farming on the farm environment through the compulsory implementation of the Fair Trade Environmental Management Plan. The proposed crop diversification programme will partly replace the sugar cane monoculture and will avoid its negative impacts like burning and waste water pollution. Better farming practices through intercropping and crop rotation will have a positive effect on soil fertility and land erosion. The strengthening of farmers associations will contribute to build a more resilient agricultural sector and will prepare farmers to better face more adverse and severe climatic events.
- Gender equality will be systematically looked into through the capacity building activities. The expected increase in the overall farm income due to the increase of sugar

cane yields and the diversification into other food crops will bring benefits to women and children and to both communities, Indo-Fijians and Fijians, contributing to keep stability in rural areas and prevent conflicts between communities.

### **Stakeholders**

The target beneficiaries will be the 200,000 people living in the sugarcane belt's five provinces (an estimated 90,000 Indo-Fijians and 104,000 native Fijians) relying in whole or in part on sugarcane farming. The project addresses the needs of the farm households rather than farmers as such. Special attention will be given to the needs of women family members. Participation of women in farm livelihood activities and decreasing incomes tend to worsen gender conflicts and increase stress on women for income generation, in cash and kind.<sup>16</sup>

The segmented beneficiary population will be:

- sugar cane farmers and their families who are willing to continue sugarcane farming on renewed leases or are landowners but the cane income is not sufficient to support their livelihoods and for whom possible options will be offered like intensifying yields and combining intercropping with food crops or moving towards alternative crops.
- sugar cane farmers and their families who are willing to fully diversify into alternative production.

The stakeholders associated with the programme are:

- The farmers' associations and commodity councils representing crops industries (vegetable and fruit association, kava association, ginger association, root crop industry association...). The National Crop and Livestock Council was established in 2010 as an apex organisation of individual commodity associations that range from honey through root crops to the food processing sector. It is an initiative of few successful business people with vast and varied experience representing the voice of the farmers. However, the farmer association movement in the non-sugar sector is still fragile and the proposed interventions need to be introduced stepwise with focus on structural issues at the start.
- A first fair-trade cane producers association was established in the Labasa Mill area in 2010 with the support of Tate and Lyle and the AMSP 2006 programme. It is built around four layers: 4,000 farmers, 400 sugar cane gangs, elected gangs' representatives at the sector level and elected representatives at the mill level. The certification process was completed early 2011 and enabled the growers to benefit from fair-trade conditions for their sugar cane and to receive a premium at around FJD 12/t of sugar cane on the top of the sugar cane price. The association has

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<sup>16</sup> In 2011, Fiji Bureau of Statistics has undertaken a poverty mapping showing that provinces where more than 50% of the inhabitants are poor are Ra, Macuata and Cakaudrove (northern sugar belt) and greatest concentration of poor people is in Ba - (western Sugar belt) - UNICEF survey on vulnerability (2011) has identified coping mechanisms in reaction to economic stress which include home gardening, eating cheaper food, moving children to cheaper schools or out of schools and giving them casual work outside school hours, not giving children a meal for school, an increase in domestic violence in times of economic stress was also mentioned by households - a review of food prices indicated that the price of rice has increased 100% over the last year

developed internal control systems in response to the Fairtrade Labelling Organisation certification requirements and internal procedures for managing the association<sup>17</sup>. The Labasa Cane Producers Association foresees to ensure proper and lasting technical support to its members to develop a more sustained cane production system based on environmentally sound farming practices. It lays the foundations for a comprehensive technical driven extension programme that will be streamlined by the Fairtrade certification standards. This successful model is to be replicated into the three other mills on Viti Levu by end of 2011.

- The research on sugar and associated intercropping crops was revamped with the creation of an independent Sugar Research Institute end of 2006. The technical capacity of the new established Institute is still weak (new staff) but good sprouts of solid capacity is building up as an outcome from the training component of the 2006 EU assistance.
- The extension services for sugar farming were in the past delivered by FSC which did not consider this service to belong into its core activities. The Act establishing SRIF transferred the extension services from FSC under SRIF's umbrella. However, in the turmoil around the decreasing sector performance the Government, in 2009, decided to return the extension services back to FSC. The uncertainty about the management of the extension services has resulted in loss of experienced human resources and advisory services to farmers. It is unlikely that they get the attention they would deserve amongst more burning operational challenges which FSC is facing at the mills. The extension services for other crops are devolved to MPI but the Ministry lacks capacity to structure and manage the operation and to deliver effective professional advisory support to the farmers. The programme will associate these stakeholders in the coordination of the different extension activities.
- So far only a few private agribusiness initiatives have been successful. Representatives of these businesses attended the programme's workshop on identification and formulation. Some of these private sector actors expressed an interest to be associated to the programme and serve as models to trigger multiplication of business concepts.
- The Secretariat of the Pacific Community is a regionally based organisation which has developed an extensive expertise in horticulture and food crops production in the Pacific. SPC is currently implementing EU FACT regional Programme and coordinates agricultural regional Programmes funded by AUSAID and NZAID.
- The International Trade Centre (ITC) is a UN body specialised in trade related issues and focussing its interventions on agriculture topics. ITC was identified for its strong expertise in agriculture value chain analysis and extensive staff resources with a pool of experts. ITC has undertaken similar work worldwide and has recently completed a sector development strategy for the Fruits and vegetables industry in Fiji under the framework of the All ACP commodities project (EU).
- Implementation issues

#### **Method of implementation**

**Component 2** of the project will be implemented through Direct Centralised management by the EU Delegation to Fiji. The EU will award a direct grant to the Sugar

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<sup>17</sup> Internal Management procedures: institutional compliance, premium management based on collective decision making, rules against child labour, good environmental practices, health and safety hazard.

Research Institute (SRIF) which occupies a de facto monopoly on research in the sugar sector in Fiji.

**Components 1 and 3** will be implemented through joint management with the Secretariat of the Pacific Community (SPC) and with International Trade Centre (ITC) who are working in Fiji and have extensive expertise capacities in the fields of the programme, both locally and internationally, in accordance with Article 53d of the Financial Regulation. The international organisations comply with the criteria provided for in the applicable Financial Regulation.

The EU will sign two Standard Contribution Agreements with SPC and with ITC respectively for the implementation of the activities under result 1 (Horticulture/food crop value chain is supported and supply capacities enhanced), and result 3 (Fairtrade associations are replicated and operations strengthened). ITC is covered by the Framework Agreement (FAFA) as a UN agency. SPC has successfully passed the institutional assessment and is able to sign contribution agreements with EU.

Activities related to monitoring, evaluation, audit, communication and visibility will be implemented through direct centralised management by the EU delegation to Fiji signing service contracts.

#### ***Procurement and grant award procedures***

##### **1) Contracts**

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by the DCI instrument. Further extensions of this participation to other natural or legal persons by the concerned authorising officer shall be subject to the conditions provided for in articles 31(7) and (8) DCI.

##### **2) Specific rules for grants**

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the General Budget. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- Financing in full (derogation to the principle of co-financing): the maximum possible rate of co-financing for grants is 80%. Full financing may only be applied in the cases provided for in Article 253 of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the General Budget.

Under component 1 and 3 all contracts implementing the action are awarded and implemented in accordance with the procedures and standard documents laid down and published by the relevant International Organisation.

***Budget and calendar***

The total project cost is estimated at EUR 8 million, of which 8 million shall be financed from the MIP 2011-2013 in the framework of the General budget of the European Union. An in kind contribution worth approximately EUR 4.94 million will be provided by the Farmers/SRIF and private stakeholders own resources.



Budget Breakdown Categories	EU contribution	Contracting/ Paying authorities
	million EUR	
<p><b>Component 1 Horticulture/Food crop value chain is supported and supply capacities enhanced (see 3.2)</b></p> <p>Contribution Agreement with <u>ITC</u> : <i>Strengthening of the horticulture/Food crop farmers Organisations and establishing of the collection centres in Ba and Sigatoka</i></p> <p>Contribution Agreement with <u>SPC</u> : <i>Enhancing seed &amp; seedling production capacities for horticulture/food crops, farmers group support for small enterprises and Enhancing of horticulture/food crops component</i></p>	<p>2.6</p> <p>2.7</p>	EU/EU
<p><b>Component 2 Cane variety research is strengthened and good quality seed cane is available to farmers (see 3.2)</b></p> <p>Grant to SRIF</p>	1.0	EU/EU
<p><b>Component 3 Fairtrade associations are replicated and operations strengthened (see 3.2)</b></p> <p>Contribution agreement with SPC (to be combined with component 1)</p>	1.0	EU/EU
<p><i>Monitoring and evaluation, audits (Service contracts)</i></p> <p><i>Communication/visibility (Service contracts)</i></p> <p>Contingencies *</p>	<p>0.15</p> <p>0.05</p> <p>0.50</p>	EU/EU

<b>TOTAL</b>	<b>8.00</b>	
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*The operational implementation period of the programme is 48 months starting from the date of the signature of the first implementing contract.*

#### **Performance monitoring**

The Commission will carry out annual Results Oriented Monitoring (ROM) via independent consultants, starting from the sixth month of project activities, which will be finalised at the latest 6 months before the end of the operational implementation phase.

Monitoring the performance will be the responsibility of the EU Delegation in Fiji based on reports, steering committee meetings and monitoring visits. A monitoring system to measure on-going progress will be set up by the coordination TA that was set up under the EU AMSP 2010 support programme. The main Objectively Verifiable Indicators of the programme will take into consideration a without project scenario and will be: Total production of horticulture increased by 25% in 2015 as compared to 2006 level - sugar cane farmers gross margin/ha has increased to FJD 3,750 in 2015 as compared to FDJ 1,181 in 2006 – 5,000 out going farmers have started alternative activities by 2015 as compared to no plan for exiting farmers.

#### **Evaluation and audit**

The Commission will carry out external evaluations (EUR 100,000) via independent consultants, as follows:

- a mid-term evaluation mission;
- a final evaluation, at the beginning of the closing phase;
- possibly, an ex-post evaluation.

#### **Communication and visibility**

The communication and visibility of the 2011 Improvement of key services to Agriculture programme will be implemented in accordance with the EU's guidelines for external action (September 2005) and will be ensured through publications of Research and Extension bi-annual reports from SRIF, bi-annual reports from National Crop and Commodity Council and Fair trade farmers associations, quarterly and annual progress reports from the executing agencies and the Project Management Unit. Visibility is subject to the political context in Fiji (art. 96) and ad hoc considerations. Without any new political development, visibility should be restricted to promoting awareness of the EU assistance program through SPC/ITC support to diversification.

	Indicators		Risk - Assumption
	Target 2015		
MIP- Overall Objectives	The overall objective of the Program is to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market-driven agriculture	> Increase of the on-farm* off farm income raised to F\$ 15,000/ha as compared to F\$10,500 in 2005  > average on farm + off farm income	
	Key services for agriculture are improved and supply capacities are enhanced	> Production horticulture (t)  > Gross margin for the farm / Ha  > nb of new alternative activities	<p>Political context enables to pursue the program</p> <p>Institutional weaknesses of stakeholders</p> <p>Structural reform of the industry is timely implemented by GoF (debt restructuring of FSC; milling efficiency is brought back to acceptable levels, commercial farming development, Access to land and effective use for agricultural and environmental sustained purposes</p>

**Strategy Activities**

1.) Horticulture/food crops value chain is strengthened and supply capacities are enhanced	Result 1	1.1 Strengthening of the horticulture/food crops farmers organisations	<ul style="list-style-type: none"> <li>Nb of farmers members of associations</li> <li>Nb of farmers supplied with new improved seedlings</li> <li>Triumph of exports and imports</li> <li>Nb of farmers trained in alternative activities</li> </ul>	<p>Commodity council functioning, 25 % farmers are members of the association</p> <p>25t of mixed seeds and 200,000 papayabreadfruits seedlings are produced/year and production is sustained by 2015</p> <p>Exports fruits = 3000 tonnes/year, production of vegetables + pulses x 2, 15% of the import markets for horticulture/food crops products are recaptured</p> <p>5000 people from the target group trained in new skills and engaged in alternative income generating activities, 30 % women</p>	<ul style="list-style-type: none"> <li>Interest and willingness of farmers to be organised in groups</li> <li>Fairtrade associations are not jeopardised by farmers politics</li> <li>GoF does not interfere into Farmers Associations and Commodity Councils internal affairs</li> <li>Domestic Food prices remains attractive as compared to imported products; freight and transport costs will remain competitive. Financial tools and packages available</li> <li>Quarantine Access to overseas market are maintained</li> <li>Private actors are keen and remain committed to form partnerships with the program</li> </ul>
		1.2 Enhancing seed and seedling production capacities for horticulture/food crops			
		1.3 Enhancement of horticulture/food crops component			
		1.4 Support to farmers' groups for small enterprises development			
2) Cane variety research is strengthened and good quality seed cane is available to farmers	Result 2	2.1 Updating and streamlining of varieties recommendations			
		2.2 Support to growers to diversify their cane supply	<ul style="list-style-type: none"> <li>Nb of varieties introduced</li> <li>Farmers satisfaction with SRIF</li> </ul>	<p>2 new varieties are introduced by 2015,</p> <p>60% of the farmers are satisfied with SRIF services</p>	<ul style="list-style-type: none"> <li>SRIF capacity for research is maintained by GoF and Extension services remain independent</li> <li>A cane quality payment system is gradually introduced</li> <li>Growers Advisory services treat variety diversification as a priority</li> <li>Stakeholders agree on a long term seed cane subsidy reform</li> </ul>
		2.3 Development of sustainable funding mechanisms to support replanting of sugar cane	<ul style="list-style-type: none"> <li>Specific funding mechanism to promote a sustained replanting is found</li> </ul>	<p>4 mid level nurseries covering 100 Ha in total are operating and provide 700 Ha of seed canes to out growers</p>	
		2.4 Improvement of the monitoring of the varieties in the fields			
		2.5 Seed cane production and certification	<ul style="list-style-type: none"> <li>Number of farmers supplying new improved seedling</li> </ul>	<p>At least 140 out growers are mobilised and produce seed canes and at least 75 % is certified</p>	
3) Fair trade associations are replicated and operations strengthened	Result 3	3.1 Mobilisation of technical advisory services for sugar production	<ul style="list-style-type: none"> <li>Nb of Growers Technology Groups and Gauges mobilised</li> </ul>	<p>at least 1150GTG have been mobilised, 500 lead farmers trained, 54 demonstration plots</p>	<ul style="list-style-type: none"> <li>interest and willingness of farmers to be organised in groups</li> <li>Fairtrade associations are not jeopardised by farmers politics</li> <li>GoF does not interfere into Farmers Associations internal affairs</li> </ul>
		3.2 Developing integrated farm advisory services to all farm advisors	<ul style="list-style-type: none"> <li>Nb of Growers centres</li> </ul>	<p>8 growers centres are set up and operational</p>	
		3.3 Provision of adequate support services to all farm advisors	<ul style="list-style-type: none"> <li>Nb of trained registered growers</li> </ul>	<p>35 % of registered growers have been trained in farm management</p>	
		3.4 Coordination of the Fairtrade component	<ul style="list-style-type: none"> <li>4 yearbooks, farmers' satisfaction</li> </ul>		



# **ANNEX 3**

## **Logical Frameworks**



Annex 1. LOGFRAME

		Indicators	Risk - Assumption
MIP_Overall objectives	The overall objective of the Program is to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market-driven agriculture	QVI > average on farm + off farm income > increase of the on-farm+ off farm income raised to FS 15,000pa as compared to FS10,500 in 2006 > Target 2015 Total production of horticulture increased by 25% (+40000 in 2006) > Gross margin for the farm / Ha Gross margin/ha has increased to 3750 FS (FS 1181 in 2006) > nb of new alternative activities 5000 out-going farmers have started alternative activities thanks to the program (currently no plan for exiting farmers).	Political context enables to pursue the program Institutional weaknesses of stakeholders Structural reform of the industry is timely implemented by GoF (debt restructuring of FSC, milling efficiency is brought back to acceptable levels, commercial farming development, Access to land and effective use for agricultural and environmental sustained purposes
Purpose	Key services for agriculture are improved and supply capacities are enhanced		

Strategy Activities

1) Horticulture/food crops value chain is supported and supply capacities are enhanced	1.1	Strengthening of the horticulture/food crops farmers organizations	<ul style="list-style-type: none"> <li>Nb of farmers members of associations</li> </ul>	<ul style="list-style-type: none"> <li>Commodity council functioning, 25 % farmers are members of the association</li> </ul>	<ul style="list-style-type: none"> <li>Interest and willingness of farmers to be organised in groups</li> </ul>
	1.2	Enhancing seed and seedling production capacities for horticulture/food crops	<ul style="list-style-type: none"> <li>Nb of farmers supplied with new improved seedlings</li> </ul>	<ul style="list-style-type: none"> <li>25 t of mixed seeds and 200,000 papaya/breadfruit seedlings are produced/year and production is sustained by 2015</li> </ul>	<ul style="list-style-type: none"> <li>Fairtrade associations are not jeopardised by farmers politics</li> <li>GoF does not interfere into Farmers Associations and Commodity Councils internal affairs</li> </ul>
	1.3	Enhancement of horticulture/food crops component	<ul style="list-style-type: none"> <li>T/annum of exports and imports</li> </ul>	<ul style="list-style-type: none"> <li>Exports fruits = 3000 tonnes/year, production of vegetables + pulses x 2, 15% of the import markets for horticulture/food crops products are recaptured</li> </ul>	<ul style="list-style-type: none"> <li>Domestic food prices remains attractive as compared to imported products, freight and transport costs will remain competitive, financial tools and packages available</li> </ul>
	1.4	Support to farmers' groups for small enterprise development	<ul style="list-style-type: none"> <li>Nb of farmers trained in alternative activities</li> </ul>	<ul style="list-style-type: none"> <li>5000 people from the target group trained in new skills and engaged in alternative income generating activities, 50 % women</li> </ul>	<ul style="list-style-type: none"> <li>Quarantine Access to overseas market are maintained</li> <li>Private actors are keen and remain committed to form partnerships with the program</li> </ul>
2)Cane variety research is strengthened and good quality seed cane is available to farmers	2.1	Updating and streamlining of varieties recommendations	<ul style="list-style-type: none"> <li>Nb of varieties introduced</li> </ul>	<ul style="list-style-type: none"> <li>2 new varieties are introduced by 2015,</li> </ul>	<ul style="list-style-type: none"> <li>SRIF capacity for research is maintained by GoF and Extension services remain independent</li> </ul>
	2.2	Support to growers to diversify their cane supply	<ul style="list-style-type: none"> <li>Farmers satisfaction with SRIF</li> </ul>	<ul style="list-style-type: none"> <li>50% of the farmers are satisfied with SRIF services</li> </ul>	<ul style="list-style-type: none"> <li>A cane quality payment system is gradually introduced</li> </ul>
	2.3	Development of sustainable funding mechanisms to support replanting of sugar cane	<ul style="list-style-type: none"> <li>Specific funding mechanism to promote a sustained replanting is found</li> </ul>		<ul style="list-style-type: none"> <li>Growers Advisory services treat variety diversification as a priority</li> </ul>
	2.4	Improvement of the monitoring of the varieties in the fields		<ul style="list-style-type: none"> <li>4 mid level nurseries covering 100 Ha in total are operating and provide 700 Ha of seed canes to out growers</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholders agree on a long term seed cane subsidy reform</li> </ul>
	2.5	Seed cane production and certification	<ul style="list-style-type: none"> <li>Number of farmers supplying new improved seedling</li> </ul>	<ul style="list-style-type: none"> <li>At least 140 out growers are mobilised and produce seed canes and at least 75 % is certified</li> </ul>	
3)Fair-trade associations are impacted and operations strengthened	3.1	Mobilisation of technical advisory services for sugar production	<ul style="list-style-type: none"> <li>Nb of Growers Technology Groups and Groups mobilised</li> </ul>	<ul style="list-style-type: none"> <li>at least 11600GTG have been mobilised, 500 lead farmers trained, 64 demonstration plots</li> </ul>	<ul style="list-style-type: none"> <li>Interest and willingness of farmers to be organised in groups</li> </ul>
	3.2	Developing integrated farm advisory services to all farm advisers	<ul style="list-style-type: none"> <li>Nb of Growers centres</li> </ul>	<ul style="list-style-type: none"> <li>8 growers centres are set up and operational</li> </ul>	<ul style="list-style-type: none"> <li>Fairtrade associations are not jeopardised by farmers politics</li> </ul>
	3.3	Provision of adequate support services to all farm advisers	<ul style="list-style-type: none"> <li>Nb of trained registered growers</li> </ul>	<ul style="list-style-type: none"> <li>35 % of registered growers have been trained in farm management</li> </ul>	<ul style="list-style-type: none"> <li>GoF does not interfere into Farmers Associations internal affairs</li> </ul>
	3.4	Coordination of the Fairtrade component	<ul style="list-style-type: none"> <li>4 yearbooks, farmers' satisfaction</li> </ul>		





# LogFrame SPC

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Overall Objective		To help cushion the economic and social impact of the sugar sector restructuring by supporting a diversified market-driven agriculture sector.	<p>OVI1 Total production of horticulture and livestock increased by 25% by 2015 as compared to 2010-2012 average</p> <p>OVI2 Sugar cane farmers' gross margin per hectare has increased to FJD 3,750 by 2015 as compared to FJD1,181 in 2010.</p> <p>OVI3 5,000 out-going farmers have started alternative activities by 2015 as compared to no plan for cane exiting farmers.</p>	National and Provincial agricultural production records contracted surveys on farmer incomes and activities.	<ul style="list-style-type: none"> <li>Analyse (MOV) National and Provincial agricultural production records (SOV)</li> <li>Analyse (MOV) contracted surveys (SOV) on farmer incomes and activities.</li> </ul>	None required at this level.
Specific Objective	5	Key services for agriculture are improved and enhanced.	<p>1 2 commodity councils are functioning and 25% of farmers are members.</p> <p>2 Total horticulture export value increases by 25% in 2015 compared to 2010-2012 average, in constant prices.</p> <p>3 Total production of horticulture increased by 25% by 2015 compared to 2010-2012 average, in constant prices</p> <p>4 15% increase in sales of Fiji produce into markets currently supplied by importers of horticulture and agri-foods.</p> <p>5 2 new sugar cane varieties are introduced by 2015. (SRIF)</p> <p>6 60% of the farmers are satisfied with SRIF and extension services.</p>	<p>Agriculture surveys and Census</p> <p>Domestic market surveys Labour market survey</p>	<p>Analyse (MOV) Agriculture surveys and Census</p> <p>Analyse (MOV) Domestic market surveys Analyse (MOV) Labour market survey</p>	<ul style="list-style-type: none"> <li>Political context enables pursuit of program.</li> <li>Natural disaster.</li> <li>Institutional weaknesses of stakeholders.</li> <li>Expiring land leases</li> </ul>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Result	5.1	Horticulture/food crops value chain is supported and supply capacities are enhanced.	5.1.a At least 200,000 papaya seedlings/year are produced by 2015, i.e., after the start-up period of 2012 at least 33,000 per semester between 2013 and 2015. 5.1.b 500 people from the target group are trained by end of the project 5.1.c Doubling the pulse production compared with 2012 and recapture 15% of 2012 imports for fruits and vegetables at the end of the project as compared to the starting of the project 5.1.d Export of fruits and vegetables reach 3000t/year at the end of the project 5.1.e At least 25t on mixed seeds are produced by the end of the project	Project reports National Trade Statistics Project reports	Analyse (MOV) Project reports Analyse (MOV) National Trade Statistics Analyse (MOV) Project reports	<ul style="list-style-type: none"> <li>Quarantine access to overseas markets is maintained and expanded.</li> <li>Farmers remain committed the programme.</li> </ul>
Result	5.2	Fair trade associations are replicated and operations strengthened.	5.2.a At least 3000 Grower Technology Gangs and 500 lead farmers have been mobilised by end of 2015. 5.2.b 35% of registered growers have been trained in farm management by end of project 5.2.c 75% Satisfaction with Fairtrade certified CPA services provided for the farmers by 2015	Project Annual reports produced by FCPA	Analyse (MOV) Project Annual reports produced by FCPA (SOV)	<ul style="list-style-type: none"> <li>FairTrade Associations democratic election a pre-requisite for FairTrade Labelling Organisation (FLO) accreditation; incorporation into the Fiji Sugar Council (FSC) or Sugar Growers Council (SGC) could prevent democratic elections</li> </ul>
Activity	5.1.1	Enhance seed and seedling production capacities for horticulture/food crops.				<ul style="list-style-type: none"> <li>Community and private sector interest in facilitating distribution and production of seedlings. •Farmers are keen on the programme.</li> </ul>
Activity	5.1.2	Enhance horticulture/food				<ul style="list-style-type: none"> <li>Community and private sector</li> </ul>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
		crops component.				interest in facilitating distribution and production of seedlings. •Farmers are keen on the programme.
Activity	5.1.3	Support Farmers' Groups for Small Enterprise Development.				•Community and private sector interest in facilitating distribution and production of seedlings. •Farmers are keen on the programme.
Activity	5.2.1	Mobilize technical advisory services for sugar cane production.				•Interest and willingness of farmers to be organized in groups. •Interest and willingness of farmers to be trained.
Activity	5.2.2	Provide adequate support services to all farm advisors.				•Interest and willingness of farmers to be organized in groups. •Interest and willingness of farmers to be trained.
Activity	5.2.3	Coordinate the fair trade capacity building.				•Interest and willingness of farmers to be organized in groups. •Interest and willingness of farmers to be trained.
Activity	5.2.4	Communication & Visibility				



LogFrame ITC

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Overall Objective		To help cushion the economic and social impact of the sugar sector restructuring by supporting a diversified market-driven agriculture sector.	<p>OVI1 Total production of horticulture and livestock increased by 25% by 2015 as compared to 2010-2012 average.</p> <p>OVI2 Sugar cane farmers' gross margin per hectare has increased to FJD 3,750 by 2015 as compared to FJD1,181 in 2010.</p> <p>OVI3 5,000 out-going farmers have started alternative activities by 2015 as compared to no plan for exiting farmers.</p>	Contracted annual market enquiries. Annual contracted surveys on farmer incomes (costs) and activities.	Comparison of market enquiries with baseline (ITC/SPC) Analyse contracted surveys for changes in activities and incomes. (ITC/SPC)	None required at this level.
Specific Objective	5	Key services for agriculture are improved and enhanced.	<p>OVI1 2 commodity councils are functioning and 25% of farmers are members.</p> <p>OVI2 Export of fruits and vegetables reach 3000t/year at the end of the project</p> <p>OVI3 Vegetable and pulses production doubled compared to 2012.</p> <p>OVI4 15% increase in sales of Fiji produce into markets currently supplied by importers of horticulture and agri-foods.</p>	Associations' membership records. National export statistics. Contracted annual market enquiries.	Annually calculate number FCLC's members as a share of number of farmers (ITC). Comparison of market enquiries with baseline (ITC/SPC)	The private actors remain committed to form partnership with the AMSP. Structural reform of the sugar industry, as well as the agriculture sector at large, continues to be implemented. The land lease renewal continues effectively. Domestic food prices remain attractive as compared to imported products and bilateral quarantine agreements are maintained.

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Result	5.3	Market orientation, problem-solving & decision-making capabilities of men & women and agri-food sector stakeholders improved.	5.3.a FCLC is established and providing services to members by Q4 2013. 5.3.b At least 4 new market & product opportunities, and/or opportunities to increase incomes are identified by Q2 2013 through participatory processes. 5.3.c At least 2 roadmaps for selected value chains are defined and validated by stakeholders by Q2 2013. 5.3.d Roadmaps are being implemented with leadership from the private sector by end of Q3 2013.	FCLC personnel recruitment, financial & operational performance records. Reports/outcomes of market opportunities workshops and studies. Roadmaps and project documents. Roadmap implementation reports	Qualitatively assess the functioning of the organization based on records (twice per year). Assess the number of new opportunities identified in each year. Quarterly assess records of progress against implementation plans.	<ul style="list-style-type: none"> <li>Stakeholders from all key stages of the horticulture value chain and communities engage fully in the process and are motivated to change their practices.</li> <li>Human resources with adequate capabilities and experience are available when required.</li> <li>Continuity is maintained of people in key counterpart organisations, agencies, communities associations.</li> <li>Meeting participants represent their constituencies fairly.</li> <li>Government agencies pro-actively contribute to the process and are empowered to implement recommendations.</li> <li>FCLC members and sector associations are willing to contribute to FCLC resource requirements.</li> </ul>
Result	5.4	Horticulture & food sector services providers offer a range of services to support men & women in agri-food value chain growth.	5.4.a FCLC provides effective trade support and represents sector stakeholders concerns to policy makers by the end of the project. 5.4.b FCLC effectively shares international market opportunity and trade information data with its members by the end of the project. 5.4.c At least 50% of agri-food entrepreneurs that require	FCLC documented communications with policy makers. Interviews with stakeholders and FCLC members. FCLC published information and notifications. Entrepreneur-approved service provider records. List of certifications awarded. Records of non-approved and approved financing applications. System-generated reports on usage and transactions. System user interviews re. system's usefulness and appropriateness. MOV: Tabulate number of users each	<ul style="list-style-type: none"> <li>Qualitatively assess the effectiveness of FCLC's based on annual informal interviews.</li> <li>Qualitatively assess the effectiveness of information sharing activities. Bi-annually calculate the ratio of entrepreneurs using food safety advisory services. Bi-annually sum the number of new certifications Bi-annually calculate ratio of approved to non-approved financing applications.</li> </ul>	<ul style="list-style-type: none"> <li>Representative member and beneficiary community engagement.</li> <li>Stakeholders support the FCLC.</li> <li>Incomes from service provision are sufficient to perpetuate service provision to the sector.</li> <li>The financial sector offers financing at reasonable rates.</li> <li>Policies and prices of telecom companies do not change adversely.</li> <li>Trust and integrity of the Fijian market price and sales volumes data collected by MPI, mobile payments system is maintained.</li> </ul>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			<p>HACCP/ISO certification under the Fiji Food Act have used food safety advisory services (assisted by the project) by the end of 2015.</p> <p>5.4.d At least 50% of agri-food enterprise financing proposals for upgrading are approved as eligible for funding by 2015.</p> <p>5.4.e At least 70% of farmers and communities assisted by the project regularly use mobile applications to find out domestic market prices, get market and sector information, or organize produce collection logistics by the end of the project</p>	<p>month. Bi-annually perform informal assessments with users.</p>		
Result	5.5	<p>Selected new products &amp; market linkages are initiated: value chain performance to these markets improve and income &amp; unit value along the supply chain increase.</p>	<p>5.5.a At least two demonstration agri-food value chains are developed or upgraded for selected markets by 2015.</p> <p>5.5.b At least 50% of agri-food enterprises benefiting from the project have increased their incomes (or reduce their costs) by more than 10% from selling more volume or higher unit value</p>	<p>Reports on new products tested, value chain performance and working practice changes. Feasible replication plans. Revenue extrapolations from producers' costs and buyers' prices based on annual surveys. Improvement plans and associated financing requests. Records of changes introduced, and feedback from buyers. Accreditation and certification records.</p>	<p>Qualitatively describe the level of upgrading/development of value chains annually. Revenue extrapolations from producers' costs and buyers' prices based on annual surveys. Calculate the profit increases of producers based on annual surveys. Bi-annually sum the number of new certifications. Annually survey enterprises and community organizations for efforts made in implementing improvement plans. Qualitatively interpolate results based on informal interviews with buyers (bi-annually).</p>	<p>• Seed multiplication expands to meet demand. • Produce supply increases sufficiently. • Ability of selected enterprises, communities, collection and conditioning facilities to finance changes required to become food safety compliant (i.e. financing is successfully obtained). • Stakeholders have the time to devote to direct communications and respond as requested/ advised. • Suppliers honour agreements made by mobile phone (presentation for collection or delivery and sale). •</p>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			produce compliant with applicable standards in existing or new markets by 2015.  5.5.c At least 50% of enterprises or community organisations benefiting from the project are implementing improvement plans to meet food safety and quality compliance standards by the end of the project.			The economic and political environment for agri-food business and land leases continues to improve.
Activity	5.3.1	Conduct stakeholder identification, analysis and consultation, incl. FCLC, and map their services, communities, networks.				Human resources with adequate capabilities and experience are available when required.
Activity	5.3.2	Establish a common work plan, roles and objectives with all stakeholders, incl. FCLC.				All key groups of horticulture value chain stakeholders engage in, and take ownership of, the process and are motivated to change.
Activity	5.3.3	Explore, in collaboration with stakeholders, market and product opportunities, analyse options, supply & value chain structural implications and start market orientation.				•SPC provides support to mobilise farm and community level participants. •Participants of meetings fairly represent their constituencies.
Activity	5.3.4	Define horticulture & agri-food value chain development road maps, identify resource needs & sources and get validation from the partners on the				• Accurate and complete market and agro-ecological information and baseline data are made available for decision-making. • Government agencies pro-actively contribute to the process and are empowered to



Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Activity	5.3.5	Establish a private sector led development road map coordination body, coach it, monitor its progress and communicate its outputs to all stakeholders.				<p>implement its recommendations.</p> <ul style="list-style-type: none"> <li>Continuity in coordination body members.</li> <li>Skype conferencing is able to overcome insufficient budget for travel/meetings.</li> <li>Willingness of the right calibre people to give their time and effort to the strategy and road map coordination body.</li> </ul>
Activity	5.4.1	Strengthen management & trade support capabilities in FLC and key food sector support associations, and engage women in business and community enterprise associations.				Absorption rate and human resource capacity to develop, maintain and promote a portfolio of services for the sector.
Activity	5.4.2	Reinforce market analysis and trade information management capabilities and introduce producers and agri-food enterprises to ITC networks.				<ul style="list-style-type: none"> <li>Active engagement of sector stakeholders.</li> <li>"Farming as a business" awareness is developed among producers by SPC.</li> </ul>
Activity	5.4.3	Enable sector and community service providers to offer information and advice on food safety and quality technical requirements relevant to Fiji producers' target markets.				Agri-food chain enterprises obtain sufficient funding to implement improvement plans within the Programme's timeframe.
Activity	5.4.4	Strengthen value-adding finance and business development services through local partners to support sector and producer communities.				Financing institutions obtain financing at competitive rates for agri-food chain enterprises (despite exchange rate risks & financial crises).
Activity	5.4.5	Introduce mobile applications for commercial activities, market information and				Telcos cooperate on messaging service pricing within range of affordability by farmers and communities

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
		for coordination of collection and extension services.				
Activity	5.5.1	Establish demonstration agrifood value chains in Viti Levu for selected markets to demonstrate feasibility and new working practices, with a view to replication into other parts of the sugar belt.				Improved supply of produce and collection centres are spearheaded by SPC.
Activity	5.5.2	Advise and train selected producers on new markets, products, market links and mobile applications.				Stakeholders have the time to devote to direct communications and respond as advised.
Activity	5.5.3	Facilitate the advice & training on new markets & products and on food safety & quality compliance for enterprise and community services				Stakeholders have the time to devote to direct communications and respond as advised.
Activity	5.5.4	Facilitate market linkages, financing and commercialisation, and initiate food chain distribution and buyer/supplier development collaborations.				•Communities and producers honour agreements and contracts. •Improved supply of produce and collection centres are spearheaded by SPC.
Activity	5.5.5	Communication &				

# LogFrame SRIF

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Overall Objective		To help cushion the economic and social impact of the sugar sector restructuring by supporting a diversified market-driven agriculture sector.	<p>5,000 out-going farmers have started alternative activities by 2015 as compared to no plan for exiting farmers.</p> <p>Sugar cane farmers' gross margin per hectare has increased to FJD 3,750 by 2015 as compared to FJD1,181 in 2006.</p> <p>Total production of horticulture and livestock increased by 25% by 2015 as compared to 2010 - 2012 level.</p>	National and Provincial agricultural production records. Contracted surveys on farmer incomes and activities.	Analysis of National and Provincial agricultural production records, and Contracted surveys on farmer incomes and activities.	None required at this level.
Specific Objective	6	Cane variety research is strengthened and good quality seed cane is available to farmers	<p>6.0a A consistent investment in research to ensure a constant flow of improved cane varieties to farmers.</p> <p>6.0b Promote its financial sustainability as an independent non state agency, driven as a non for profit making entity.</p> <p>6.0c By 2016 sufficient quantities of improved and certified varieties can be replanted with a target of 4000 Ha/year.</p> <p>6.0d 2 new sugar cane varieties are introduced by 2015.</p>	<p>Agriculture surveys and Census Domestic market surveys Labour market survey SRIF media release about new certified varieties.</p>	<p>Analyze Agriculture surveys and Census, Domestic market surveys, Labour market survey, and SRIF media release about new certified varieties.</p>	<p>Political context enables pursuit of program. Natural disaster. Institutional weaknesses of stakeholders. Land tenure issues World sugar price</p>
Result	6.1	The research technology is upgraded.	6.1a By the end of the project, SRIF operates a state-of-the-art seed-cane	SAG (stakeholder action group) report on its visit to the seed-cane nursery.	SAG (stakeholder action group) report on its visit to the see-cane nursery.	Extension services provide proper weeding technique and Crop management

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			nursery and there is a demand of seed-cane that SRIF is producing			
Result	6.2	SRIF staff's capacity is enhanced.	6.2a By the end of the training measures, SRIF staffs propose to SRIF management how they will be using their newly acquired knowledge.	Staff reports on new knowledge acquired and their description on how they will contribute to SRIF research efficiency and effectiveness, approved by the SRIF CEO.	Staff reports on new knowledge acquired and their description on how they will contribute to SRIF research efficiency and effectiveness, approved by the SRIF CEO.	Staff remains with SRIF with a long term perspective i.e they don't leave straight after training
Activity	6.1.1	Initiate seed-cane nursery.				• Expertise Available. • Land & water availability. • Equipment available.
Activity	6.1.2	Acquire and breed new varieties of seed-cane.				• Expertise Available. • Land & water availability. • Equipment available.
Activity	6.1.3	Manage the Nursery & Mother plot seed-cane.				• Expertise Available. • Land & water availability. • Equipment available. • Ground water presence.
Activity	6.2.1	Staff participate in formal and informal studies.				• Staff have minimum qualifications to enroll. • Staff available to attend.
Activity	6.2.2	Staff attend International conferences & workshops.				• Staff have minimum qualifications to enroll. • Staff available to attend.
Activity	6.2.3	Staff attach to training abroad and local.				• Staff have minimum qualifications to enroll. • Staff available to attend.
Activity	6.2.4	Introduce PRINCE2 project management.				Equipment Available.
Activity	6.2.5	Digitalise the SRIF library.				• Equipment available.
Activity	6.2.6	Communication & Visibility				

# **ANNEX 4**

## **Lists of documents consulted / received**



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## List of Documents Consulted

Action fiche for the Annual Action Programme 2011 of Accompanying Measures for Sugar Protocol Countries in favour of the Republic of Fiji.

An Economic Assessment of Fairtrade Certification of Sugar Cane in Vanua Levu, Fiji. Prepared by Jonathan Bower of the Land Resources Division Secretariat of the Pacific Community.

Annex 1: Accompanying Measures for Sugar - Component 5: Improvement of key services to Agriculture. Sugar Diversification Agri-Food and Horticulture Sector Development in Fiji.

Annual Action Programme 2011. Fiji. IA / EU Partner Semi-Annual Report. Sugar Research Institute of Fiji.

Cane Growers Committee: A Report on the formation of the Growers Advisory Team (*including FSC, SRIF and Fairtrade Association*),

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Increasing the impact of EU Development Policy: An Agenda for Change. Brussels, 13.10.2011. COM(2011) 637 final.

Grant Contract – between the European Economic Commission and the Sugar Research Institute of Fiji. - External Actions of the European Union – *DCI-SUCRE/2012/293-435*.

International Trade Center – Financial Report, Receipts and Accumulated Expenditure – July 2013

International Trade Center - IA76 FIJ/75/30A Accompanying Measures for sugar - improvement of key services to agriculture - Action Plan For January 2014 Report.

International Trade Center Interim Six-monthly Reports for Component 5: Improvement of key services to Agriculture: July 2013; December 2013; January to June 2014; and December 2014

International Trade Center - Joint Communications & Visibility Report – July to December 2014

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Agri-Food Value Chain Development Implementation Road Map for Cassava, April 2014

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Logical Framework Analysis for South Pacific Corporation (SPC) – Component 5: Improvement of key services to Agriculture. 5.2: Fairtrade associations are replicated and operations strengthened - Annual Action Plan 2011 for SPC / Fairtrade Coordinating Unit (FCU).

Logical Framework for Sugar Research Institute of Fiji – Component 6: Improve sugarcane varieties – Annual Action Programme 2011.

Memorandum of Understanding of a Grant under Project FIG/75/30A between International Trade Centre (ITC) and the Fiji Crop and Livestock Trust (FCLT).

Memorandum of Understanding between Fairtrade Coordination Unit – Proman Consult and the Fiji Sugar Corporation Ltd, the Sugar Research Institute of Fiji and the Sugar Cane Growers Council.

Mid-Term Evaluation of the Accompanying Measures 2011 for Sugar Protocol Countries (AMSP). Fiji. Terms of Reference.

Project Coordination Unit: Strengthening Grower Advisory Services: How the MOA between FSC, FCU, SRIF & SCGC will operate. Paper by Andrew Winter-Taylor/Mohammed Habib (January 2014)

Project Coordination Unit: Fairtrade Report by Mohamed Habib, (2013 ?)

South Pacific Community (SPC) – Powerpoint presentation on Improvement of Key Services to Agriculture (January 2015)

The Sugar Industry Stakeholder Action Group. (2012). *Fiji Sugar Industry Action Plan (SAP): Sugar Cane Industry Action Plan 2013-2022*, 81p. Lautoka:Fiji.

Traders of fresh produce in Fiji's Western Division – Baseline mapping, surveying and analysis. Prepared by Kyle Stice, Tropical Horticulturist and Development Specialist, August 2013.



# ANNEX 6

## Inception Report





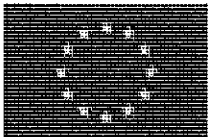
THE EUROPEAN UNION'S DCI PROGRAMME

MID-TERM EVALUATION OF THE ACCOMPANYING  
MEASURES 2011 FOR SUGAR PROTOCOL COUNTRIES  
(AMSP) - FIJI

Letter of Contract N°2014/351748  
INCEPTION REPORT

Prepared by Dr. Nico van Tienhoven  
Dr. Kessawa Payandipillay

20 January 2015



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## TABLE OF CONTENTS

1	Inception report .....	5
1.1	Description of the Development Co-operation Context.....	5
1.2	Comments on the Logical Framework.....	5
1.3	Comments on the evaluation questions proposed in the ToR .....	6
1.4	Indicative methodology for the overall assessment of the programme .....	8
1.4.1	Approach .....	8
1.4.2	Stakeholder interviews.....	9
1.4.3	Reference group.....	10
1.5	Schedule for the evaluation exercise.....	10

### Annexes

Annex 1: Terms of Reference

Annex 2: Logical Frameworks

Annex 3: List of Interviews

## ABBREVIATIONS AND ACRONYMS

AAP	Annual Action Programme
ACP	African, Caribbean, Pacific
AMSP	Accompanying Measures for the Sugar Protocol
DAC	Development Assistance Committee
EC	European Commission
EU	European Union
EUDE	Delegation of the European Union
FA	Financing Agreement
FCPA	Fiji Cane Producers Association
FSC	Fiji Sugar Corporation
Govt	Government of Fiji
IA	Implementing Agency
ITC	International Trade Centre
LTE	Long-Term Expert
MIP	Multi-annual Indicative Programme
MTR	Mid-Term Review
MTEET	Mid-Term Evaluation Team
NAO	National Authorising Officer
NAS	National Adaptation Strategy
OVI	Objectively Verifiable Indicators
PCU	Programme Coordination Unit
PSO	Programme Steering Committee
SAP	Fiji Sugar Industry Strategic Action Plan
SPC	Secretariat of the Pacific Community
STE	Short-Term Expert
TA	Technical Assistance
TOR	Terms of Reference

# 1 INCEPTION REPORT

As requested in the Terms of Reference (ToR – see Annex 1) for the evaluation mission, this Inception Report reflects the major aspects of the evaluators' intended approach of their mission. It is mainly based on the evaluators'

- interviews with key stakeholders (see Annex 3),
- first analysis of Programme-related documents received from the PCU (see Annex 4),
- experience from evaluations of other programmes and projects.

It is understood that this approach is tentative and can be adapted - in consultation with the Evaluation Manager, Mr. Xavier Canton-Lamousse - according to needs which might emerge during the course of the mission.

## 1.1 Description of the Development Co-operation Context

The Multi-annual Indicative Programme for Fiji approved by Commission Decision (C/2011/7965) was designed to take appropriate measures to mitigate the adverse social effects of the EU sugar price reform and the overall decline of the sugar industry for the most disadvantaged groups

The maximum contribution of the European Union to the Annual Action Programme was set at EUR 8 000 000 to be financed from budget line 21.0603 of the general budget of the European Union for 2011.

The main intervention area of AMSP 2011 is to 'cushion the rural population in the sugar belt from the risk of deteriorating living standards due to the present high dependence and reliance on sugar cane and the sugar industry'. It is expected that capacity building will enable poverty-stricken groups to take opportunities and other economic activities through the strengthening of community-based organizations and farmers associations, development of private sector partnerships and through better agricultural research and extension service delivery.

The main objective is therefore ***'to alleviate poverty by increasing farm income and generating opportunities in agriculture, and to help to maintain stability and sustained growth in rural areas'*** and the specific objective is to improve key services to agriculture and to enhance the supply capacities.

The expected results are that support will be provided directly to farmers through agricultural diversification in horticulture (Component 1 of AMSP 2011) and indirectly to sugar cane farmers in supporting research through Fiji Sugarcane Research Institute (Component 2) and extension support through Fair trade associations (Component 3).

## 1.2 Comments on the Logical Framework(s)

The MTR will focus on four different LogFrames on two levels:

- Programme level: LogFrame used by the PCU (hereafter referred to as "General LogFrame"; see attachment to Annex 1).
- Result Area level: LogFrames used by the three Implementing Agencies (see Annex 2).

While the General LogFrame has remained unchanged, all three original LogFrames on IA-level have been modified during the corresponding inception phases. These adjustments improved the practicability of the LogFrames and facilitated their utilization as valuable management tools.

A first review of the aforementioned LogFrames has confirmed the following

- All LogFrames are in a clear hierarchic logic: The Logframes which are used by the three corresponding Implementing Agencies (IA), are in line with the overall Programme Logframe.
- The modifications of the original LogFrames on IA level, which had been adjusted during the inception phase, are reasonable and logic.
- All four LogFrames (1 on Programme level and 3 on IA level) have clearly defined and measurable Objectively Verifiable Indicators (OVIs).

### 1.3 Comments on the evaluation questions proposed in the ToR

With respect to the aims/ToRs of the Mid Term Evaluation, that is to assess the performance of the programme in meeting its major objective, i.e. ***'to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market driven agriculture'*** and to draw key lessons and recommendations for follow up actions and review the programme with all partners, the evaluation will:

- review the original projects' designs and financing decisions with respect to achievements/failures to achieve expected objectives;
- assess the extent defined objectives, goals and targets have been attained;
- assess the sustainability of the achievements and if these are not sustainable, to recommend how to ensure sustainability;
- review constraints, lessons learnt and successes which could strengthen institutional capacity of those implementing the programme;
- gauge projects' management competencies and processes; and
- appraise if environmental and gender issues were adequately addressed during the implementation of the project.

The Evaluation Team considered the consistency and validity of the evaluation questions outlined in the ToR. In general, they cover all aspects which can be expected for the Mid-Term Review (MTR) of the AMSP-2011 Programme. It also leaves enough room to include unanticipated issues which might come up during the course of the mission. Consequently, only minor changes have been made to further adapt the questions. Below, the slightly modified evaluation questions, as proposed by the Evaluation Team, are grouped along the DAC criteria.

#### Relevance

1. In what way did the projects address national priorities?
2. Are projects' strategies, methodologies and overall approaches relevant to address the existing problems?

#### Effectiveness



1. To what extent have the projects' objectives and purposes been achieved?
2. Have there been unforeseen beneficiaries or unintended consequences, and if yes, explain why, the extent, impact and implications for all stakeholders??
3. Have the assumptions required to translate projects' results into the projects' purposes been realised? If not, why and how did this affect the projects?
4. Have the projects' resources (Technical Assistance and personnel, equipment, training, research etc.) been directly related to projects' results?
5. Have appropriately qualified and experienced staff been recruited to implement the projects and contribute to planned projects' outputs?

#### **Efficiency**

6. Are funding structures and contractual arrangement appropriate to manage the Programme efficiently?
7. Have mechanisms been put in place and applied to monitor the Programme?
8. Are the management capacities of the Coordination Unit and the Implementing Agencies appropriate to manage the Programme efficiently?
9. Were the "milestones" achieved on time?

#### **Impact**

10. What are the results obtained so far by the projects' activities and who are the beneficiaries (compare actual vs. planned)?
11. Were there unanticipated results of the project- either beneficial or harmful?
12. What were the most important factors explaining success or failure?
13. Who were the main beneficiaries?
14. Given the desired outcome of the project were there alternative ways of achieving it which might have been more cost effective (eg. design alternatives, use of different materials etc ... )?

#### **Sustainability**

15. Acceptance and Ownership: This important component of sustainability needs to be assessed in all relevant target groups. Do the target groups feel the outputs of the projects were relevant to their needs?
16. Appropriate Technology: Did the technology that was offered correspond to the capacity and needs of the target groups? Were the intended beneficiaries able to adopt and maintain the technology acquired without further projects' assistance?
17. Institutional and Management Capacity: Is the commitment of key parties involved such as government, (e.g. through policy and budgetary support) other institutions and potential donors in contributing towards sustainability?

#### **EU Value Added & Coherence**

18. To what extent the Programme activities were coherent with Commission's development programmes, coherent and/or complementary with other donors' interventions and coherent with other EU policies?
19. To what extent the programme adds value to EU interventions?

## 1.4 Indicative methodology for the overall assessment of the programme

The evaluation mission has started with two separate briefings:

- January 15 and 16 at PCU (Mohammed Habib, Jone Vukinagauna, Apenisa Vaniqi, Nico van Tienhoven, Kessawa Payandipillay, )
- January 19 at EUD (Xavier Canton-Lamousse, Jerome Pons, Nico van Tienhoven, Kessawa Payandipillay)

During these sessions, the ToR have been discussed and various aspects concerning expectations, constraints and methodological approaches have been harmonized. Based on outcomes from these discussions, as well as from the complementary study of programme documentation and further discussions with PCU members, the evaluators propose the outlined methodology below for the overall assessment of the programme.

### 1.4.1 Approach

In line with the briefing sessions with representatives from the PCU and EUD, the following approach will guide the Mid-Term Evaluation Team (MTET) during the forthcoming mission activities.

The evaluation mission anticipated for this assignment to be thoroughly participatory. Although as stipulated in the Terms of Reference, the assignment is independent and commissioned by the EU, the MTET is of the opinion that an evaluation should be owned by the stakeholders who should subscribe to the main findings, recommendations and lessons learnt. From a positive angle, the extent to which such ownership is achieved intends for all stakeholders to be encouraged to utilize recommendations drawn from evaluation findings activities. Negatively, without ownership, findings and recommendations will have no 'anchor' and may contribute to tensions between stakeholders, or they might just be "ignored".

The approach by the mission is to acquire insight into and understanding on the many different activities of the programme through interviews and meetings with the stakeholders, collectively as well as individually, and collecting and processing a large number of reports, documents, memoranda, and some intra-office and inter-office notes.

Consequently, the evaluators' findings, conclusions and recommendations / suggestions will be based on three main pillars:

- Literature review: An extensive literature review will be undertaken and some issues for further evaluation identified. This continues during the course of the evaluation as new information is gathered.
- Stakeholder interviews: An indicative list of interviewees is included further below.
- Field visits to projects: During field visits to projects implemented by the three Implementing Agencies, the evaluators will endeavour to meet with local stakeholders as well as with final beneficiaries.

Note: Desk phase (literature review) and field phase (stakeholder interviews and field visits) cannot be strictly separated, because for example, each project visit will require study of the corresponding documentation and briefing from the project management prior to the site visit.

To avoid / correct errors or misinterpretations, which might arise due to the special socio-economic and/or institutional environment in which the programme operates, the evaluators will be regular contact with the PCU and/or the corresponding Implementing Agencies, (IA) to discuss their findings.

Especially during the initial phase of the MTR, interviews shall be conducted by both evaluators together, if the availability of interviewees or logistical constraints does not require parallel activities. This is seen as a precondition for a well coordinated and harmonized approach of the Evaluation Team. However, for later project visits and some of the stakeholder interviews, the team might split up to maximize efficiency of the assignment.

#### **1.4.2 Stakeholder interviews**

In coordination with the PCU, the evaluators have compiled an indicative list of stakeholders to be interviewed (see below). However, it is understood that this list will be continuously updated during the course of the evaluation:

- Stakeholders' availability and / or logistical constraints might require an adaptation of the originally foreseen list of interviewees.
- Findings during the course of the evaluation might imply changes or redirections in the list of interviewees.

In order to set up the interviews, the evaluators will need the support of the EUD and the PCU. Thereby, a timely preparation of the numerous interviews is a key requirement for the mission's success considering the overall time constraints for the field phase of the evaluation.

- EUD
- NAO
- PCU
- AusAid
- IAs (SPC, ITC, SRIF)
- National Crop and Livestock Council
- Nature's Way Cooperative
- Fiji Organic Association
- Fiji Sugar Corporation (FSC)
- Fiji Cane Producers Association (FCPA)
- Ministry of Sugar
- Ministry of Primary Industry
- Fiji Crop and Livestock Council (FCLC)
- Farmers and Farmer Groups
- Enterprises assisted through Component 1

To facilitate visits to different locations and project sites, the evaluators will have a suitable vehicle at their disposal during the entire assignment. This will ensure a maximum of flexibility to respond on interviewees' availability.

### 1.4.3 Reference group

During the briefings for this assignment on 15 January 2015 at the PCU in Lautoka and on 19 January at the EUD in Suva, it has been the common understanding of the participants that the Reference Group should be limited to a few members only. The limited number of Reference Group members will facilitate a quick and – if necessary – *ad hoc* coordination between the Evaluation Team and the Reference Group:

- Feedback on evaluators' findings and conclusions.
- Adaptation of planning and schedule according to evaluation needs and stakeholder availability.

### 1.5 Schedule for the evaluation exercise

Based on the ToR for this assignment, discussions during the briefing sessions and inception phase, and a first screening of the Programme documentation, the evaluators have developed the below detailed schedule for the evaluation exercise. However, it needs to be mentioned that this is a "living work plan". The continuous update of this work plan will be done in close coordination with the PCU and the Evaluation Manager.

Activity	Location	Indicative dates (2015)	w/d NvT	w/d GP
<b>Desk Phase (Inception Phase)</b>				
Briefing session with PMU and preparation of inception report	Lautoka	15 – 16 Jan	2	1
Briefing session with EUD & NAO and preparation of inception report	Suva	19 Jan	1	1
Submission of inception report		20 Jan		
<b>Field Phase</b>				
Interviews with various stakeholders; Study of project documentation;	Lautoka and other locations on Viti Levu	20 - 25 Jan	4	4
Interviews with various stakeholders; Field visits; Study of project documentation;	Lautoka and other locations on Viti Levu and Vanua Levu	26 Jan – 01 Feb	4	5
Interviews with various stakeholders; Field visits; Study of project documentation;	Lautoka, Suva and other locations on Viti Levu	02 – 08 Feb	5	5
Interviews with various stakeholders; Preparation of Draft Final Report	Lautoka	09 – 15 Feb	3	3
Submission of summary of findings and recommendation (5 pages)		11 Feb		
Preparation of slide presentation for de-briefing	Lautoka		2	2
De-briefing with slide presentation of findings and recommendations	Lautoka	16.Feb	1	1
Break to allow for Reference Group to comment on Debriefing Presentation				
<b>Reporting Phase</b>				
Finishing of Draft Final Report	Home base	23 Feb – 9 Mar	2	2
Submission of the Draft Final Report		9 Mar		
Break to allow for Reference Group to comment on Draft Final Report				
Preparation of Final Report	Home base	7 Apr – 12 Apr	1	1
Submission of Final Report		12 Apr		
<b>Total</b>				
			<b>25</b>	<b>25</b>



# ANNEX 1

## Terms of Reference



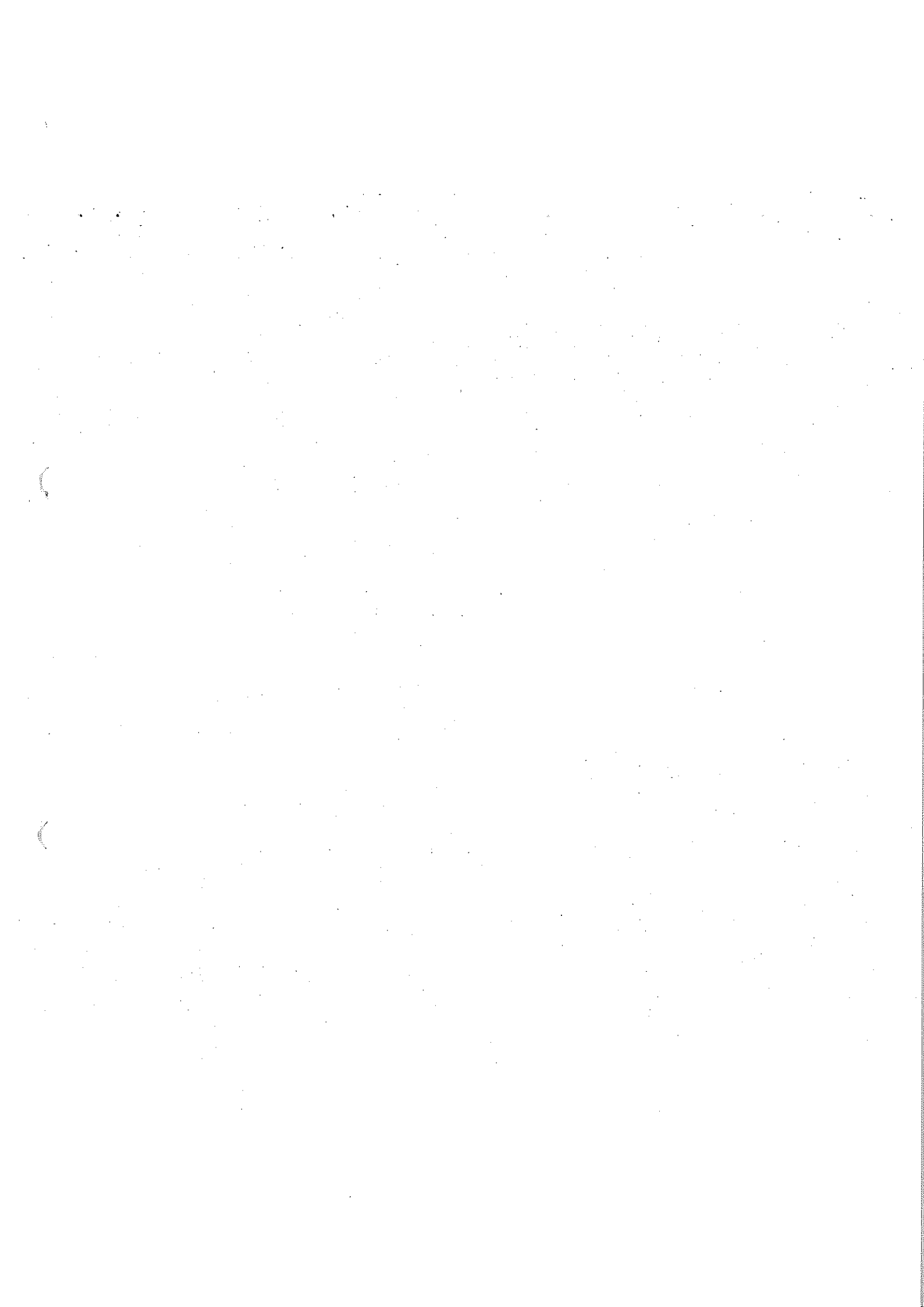
EUROPEAN UNION  
DELEGATION OF THE EUROPEAN UNION FOR THE PACIFIC

Mid-Term Evaluation of the  
Accompanying Measures 2011  
for Sugar Protocol Countries (AMSP)

Fiji

**Terms of Reference**





## ACRONYMS

- AAP
- ACP
- AMSP
- CU
- EC
- EPA
- EU
- EUD
- NAO
- NAS
- PMU
- ROM
- TA
- TOR
- WTO
- Annual Action Programme
- African, Caribbean and the Pacific
- Accompanying Measures for the Sugar Protocol
- Coordination Unit
- European Commission
- Economic Partnership Agreement
- European Union
- EU Delegation
- National Authorising Officer
- National Adaptation Strategy
- Programme Management Unit
- Results Oriented Monitoring
- Technical Assistance
- Terms of Reference
- World Trade Organisation

## • 1. BACKGROUND

The development cooperation of the European Union with the group of African, Caribbean and Pacific countries (ACP) is enshrined in the Cotonou Partnership Agreement and its predecessors of Lome and Yaounde. An essential part of these Partnership Agreements used to be the so-called Sugar Protocol which granted a preferential price and quota access to the European market to 18 sugar producing ACP countries.

On 20 February 2006, upon request of the World Trade Organisation (WTO), the EU Council adopted a Reform of the EU Sugar Regime, which introduced a significant reduction in the EU price for the Sugar Protocol countries (36% over 4 years, i.e. 2006-2009). The interim Economic Partnership Agreement (EPA) concluded with Fiji in December 2007 and ratified in July 2014, grants Fiji a quota-free access on the European markets. By October 2017 all EU imports from ACP countries should be quota free and duty free without any price support mechanism.

These decisions have had and will have an important impact on sugar exporting ACP countries, which have been relying on the EU market for the past 30 years, under the Sugar Protocol. In order to assist the countries to adapt to the new situation the Commission established Accompanying Measures to the change of the EU sugar trade regime with the ACP countries (Regulation 226/2006). In keeping with the provisions of the Regulation, the 18 Sugar Protocol countries were invited to draw up their National Adaptation Strategies (NAS) and submit these to the European Commission. The Commission responded with the granting of substantial financial assistance for the implementation of the national strategies.

Fiji's National Adaptation Strategy is a response to the declining performance of the sugar sector as a whole by taking into account the forecast decline in sugar prices for the coming years. It defines measures to make the sugar industry more competitive and ready to take up the challenges of world market price by 2015 and to make Fiji's agriculture less dependent on sugarcane cultivation. The measures were formulated on the basis of an analysis of the country's economic and social conditions and grouped according to their priorities of implementation and most appropriate source of funding.

Consequently NAS has three main intervention areas:

- Support to the smallholder sugarcane growers aiming at continuous productivity and efficiency improvement resulting in production costs reduction.
- Support the introduction of a diversified agriculture for food import substitution and for increasing certain food exports in order to make the country less dependent on sugarcane in the medium long term prospects.
- Cushion the rural population in the sugar belt from the risk of deteriorating living standards due to the present high dependence and reliance on sugarcane and the sugar industry.

The EC Multiannual Indicative Programme for Fiji proposed to support all three dimensions of the NAS:

- Productivity improvement and cost reduction in the sugar sector;
- Services and supply capacities aimed at diversification in agriculture;
- Local development strategies for supplying socio-economic needs.

In addition resources would be made available for the coordination and monitoring of the strategy implementation.

The first allocation of €4.038M to Fiji from the initial 2006 Accompanying Measures for Sugar Protocol countries has been used to revive sugar research and extension services, to contribute to Fiji's efforts to rejuvenate the sugar plantations (cane replanting program for 3500 Ha) and to establish a Project Management Unit under the premises of the Sugar Cane Commission responsible for coordinating the programme and assisting in the design of following annual allocations. This programme was particularly successful in supporting the establishing of the Labasa Cane Producers Association enabling the sugar production of 4000 farmers to become Fairtrade certified in 2011 and enjoying a price premium.

However, since the December 2006 military coup, Fiji has been under the restriction of Article 96 of the Cotonou Agreement and any EU assistance is conditional to the country restoring its democratic institutions. As the military regime had made no significant progress on the road to restoring democracy and the rule of law, an amount of € 52M (2008-2010 allocation for the Accompanying Measures for sugar) was lost by Fiji by end of 2010.

Considering the critical situation of the Fijian sugar sector and its social impacts on the populations, the EU released a limited assistance through the Annual Action Programme 2010 for Fiji (€8M). This social mitigation assistance has only been implemented through Non State Actors in order to find income generating alternatives to sugar and to improve the livelihood of the rural households most affected by the reform. The 2010 program aimed at developing a sector strategy for social mitigation in implementing a pilot local development program through grants to NSAs for the whole sugar belt area, focusing on alternative livelihoods and poverty reduction. It has also provided the necessary Technical Assistance for coordination, implementation and monitoring of the NSA grant schemes, and made provision of studies to prepare for possible future interventions under Accompanying Measures allocations (2011-2013). This support was contracted for 3.5 years (2011-2014) under the ongoing Coordination Unit Phase I which is going to be completed by 31/12/2014.

In 2011, the EC decided to allocate to Fiji another amount of €51M for the period 2011-2013. As no progress was made in the Article 96 consultations, the EU only considered funding interventions through Non State Actors.

#### **EU Accompanying measures (2011-2013)**

The EU Accompanying Measures for Sugar Programme (AMSP) follows the National Adaptation Strategy (NAS) that was designed in 2006 by the sugar stakeholders. The EU response is designed to alleviate poverty in Fiji's sugar cane belt by supporting on farm income generating opportunities for farmers and their dependents. Poverty and the fall into poverty of groups at risk is tackled by building capacity to enable the poor to take up opportunities and other economic activities through

strengthening of Community Based Organisations and farmers associations, development of private sector partnerships and through better agricultural research and extension service delivery. The programme also assists the sugar cane dependent populations in generating income from micro-projects while increasing their resilience and preparation to climate disasters such as the recurrent floods affecting the sugar belt<sup>1</sup>. The probability of flooding has increased in recent years with changes in the agricultural pattern and the urban development together with the increase in occurrence and severity of climatic events.

The EU Accompanying Measures for Sugar Programme (AMSP) is made of four different interventions; AMSP 2010, 2011, 2012 and 2013. The programme of relevance to this assignment is AMSP 2011:

AMSP 2011, Improvement of Key Services for Agriculture Programme (€ 8,000,000) – Project Duration 2012-2015

The overall objective of the program is to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market driven agriculture. The specific objective is to ensure that key services to agriculture are improved and supply capacities are enhanced. The programme is implemented through the Secretariat of the Pacific Community, the International Trade Centre and the Sugar Research Institute of Fiji.

• 2. DESCRIPTION OF THE ASSIGNMENT

The objectives of the Mid Term evaluation of the AMSP 2011 Improvement of Key Services to Agriculture Programme are to:

- a. Make an independent assessment of the performance of the AMSP 2011 contribution " to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market driven agriculture.
- b. Draw key lessons and recommendations for possible follow up actions, review the programme set up by the EU and other partners involved in the programme.

In keeping with the EU evaluation methodology presented below, the evaluation will:

- (i) Review and assess the relevance of the original projects' designs and Financing Decisions, in the light of achievements or failures to achieve the expected objectives.
- (ii) Assess the degree to which the Programmes' activities have achieved the defined goals, objectives and targets and the impact those have had on beneficiary
- (iii) Assess the sustainability of the project achievements and provide recommendations as to ensuring sustainability if this is not the case yet.
- (iv) Review the problems faced, lessons learnt and successes achieved which could strengthen institutional capacity of programme implementers.
- (v) Gauge projects' management competencies and processes

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<sup>1</sup> Fiji sugar belt was stricken by floods early 2009 and early 2012. The occurrence of floods on the western coast of Viti Levu and Vanua Levu is well documented under the EU study on Economic costs of the 2009 floods, IUCN.

- (vi) Appraise the projects' sensitivities to environmental and gender issues, and specifically whether these issues were addressed adequately

The project purpose is : "to ensure that Key services to agriculture are improved and supply capacities are enhanced".

### **3. MAIN ISSUES TO BE STUDIED**

When undertaking the evaluation the experts should address the following 7 evaluation criteria. While an opinion will be formulated with regards each criteria, the proposed focus for the mid-term evaluation will be on, **Efficiency, Effectiveness and Sustainability.**

#### **3.1 Relevance**

Assess the extent to which projects' designs based on the original Financing Decisions was consistent with country requirements and EU priorities. Also assess the internal coherence of the projects with due consideration to:

- Overall objectives
- Project purposes
- Expected Results
- Activities
- Assumptions / preconditions
- Comment on the Logical Frameworks.

Taking into account other interventions of the Fiji government, EU and other donors which were directly or indirectly related to the project, the evaluation will, amongst other aspects, consider:

- In what way did the projects address national priorities?
- The relevance of projects' strategies, methodologies and overall approaches to address the relevant existing problems

#### **3.2 Efficiency**

Evaluate the efficiency with which the activities in the Programmes have been undertaken in order to yield planned results. The following aspects should be considered:

- Organisation and management, analyses of the organisational arrangements (funding, structures, human resources, responsibilities and contractual arrangements) relating to the project (TA, grant contracts, etc.). This includes an assessment of the management capacities of the Coordination Unit and relevant organisations (e.g. international and national agencies ) and the mechanisms put in place to monitor and manage activities. Issues to be considered includes: plans of operations and timetables, financial management and budgeting, terms and conditions, phasing of activities, internal monitoring arrangements, management of technical assistance

- under the project, coordination with EU and other donors and Institutional capacity support provided during the programme.
- Implementation of activities, including the quality, quantity and timing of technical assistance, training and other project outputs at the regional and national levels.

### 3.3 Effectiveness

Analyse the extent to which the programme's objectives were achieved. The following questions should assist with the assessment of the effectiveness of the projects:

- To what extent have the projects' objectives and purposes been achieved?
- Have there been unforeseen beneficiaries or unintended consequences, and if yes, explain why, the extent, impact and implications for all stakeholders?
- Have the assumptions required to translate projects' results into the projects' purposes been realised? If not, why and how did this affect the projects?
- Have the projects' resources (Technical Assistance and personnel, equipment, training, research etc.) been directly related to projects' results?
- Have appropriately qualified and experienced staff been recruited to implement the projects and contribute to planned projects' outputs.
- A particular focus will be given on evaluating the last achievements of the year 2014 by comparing the programme outputs to the benchmarks set. This specific assessment will enable the review team to make some recommendations on deciding whether or not the programme should continue after the completion date provided that an extension is granted.
- A separated analysis will be conducted for each component of the Programme:
- Each result to be achieved in a certain timeframe under each sub-component will be assessed according to their level of achievement. The evaluation will also consider the different constraints faced during the project implementation and the relevance of the actions taken and the planning to overcome those constraints.

### 3.4 Impact

Analyse the foreseen and unforeseen projects' impacts, whether they are positive or negative. Compare the scenario immediately prior to the implementation of the projects with the achievements of the projects. Among the points to consider are :

- What are the results obtained so far by the projects' activities and who are the beneficiaries (compare actual vs. planned)?
- Did the objectives/proposes change during the life of the project?
- Were there unanticipated results of the project- either beneficial or harmful?
- What were the most important factors explaining success or failure?
- Who were the main beneficiaries?

- Given the desired outcome of the project were there alternative ways of achieving it which might have been more cost effective (eg. design alternatives, use of different materials etc...)?

Findings have to be brought together and conclusions drawn. Among the points to consider are:

- What are the lessons learned that emerge from this project ?
- What factors – favourable or adverse – made for the relative success or failure of the project?
- Does the project throw new light on particular areas or reveal new problem areas?
- How do the findings compare with those of previous evaluations in this field?
- What recommendations arise directly from this project for continued operation or for future similar projects?

### 3.5 Sustainability

Assess the extent to which the activities of the Programmes at the regional and national level have been sustained and whether or not this is likely to continue.

In terms of sustainability particular emphasis should be given to:

- *Acceptance and Ownership*: This important component of sustainability needs to be assessed in all relevant target groups. Do the target groups feel the outputs of the projects were relevant to their needs?

- *Appropriate Technology*: Did the technology that was offered correspond to the capacity and needs of the target groups? Were the intended beneficiaries able to adopt and maintain the technology acquired without further projects' assistance?

- *Institutional and Management Capacity*: Assess the commitment of key parties involved such as government, (e.g. through policy and budgetary support) other institutions and potential donors in contributing towards sustainability.

### 3.6 EU Value Added & Coherence

Consider to what extent the programme activities were coherent with Commission's development programmes, coherent and/or complementary with other donors' interventions and coherent with other EU policies.

The evaluation will assess to what extent the programme adds value to EU interventions.

### 3.7 Conclusions and Recommendations



Having evaluated the projects along the lines proposed above, with a particular emphasis on efficiency, effectiveness and sustainability, summarise the outcomes and draw recommendations. Additionally, identify what policy, organisational and operational lessons are to be learnt by stakeholders. The evaluation will ensure that all recommendations are substantiated and are followed by corresponding operational recommendations that could be adopted to overcome identified constraints and enable opportunities.

Conclusions should cover all 7 evaluation criteria, with a focus on the specific focal areas identified above. Each conclusion should lead to corresponding operational recommendations that could be adopted to overcome constraints.

#### **4. METHODOLOGY**

For methodological guidance refer to the EuropeAid's Evaluation methodology website where guidance is available for both evaluation managers (Commission staff) and evaluation teams (experts) [http://ec.europa.eu/europeaid/evaluation/methodology/guidelines/gba\\_en.htm](http://ec.europa.eu/europeaid/evaluation/methodology/guidelines/gba_en.htm) as well as to 'Aid Delivery Methods', Volume 1 'Project Cycle Management Guidelines (EuropeAid, March 2004) [http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101\\_en.htm](http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101_en.htm).

Methodological tools for the evaluation of Integration of cross-cutting issues (environmental sustainability, gender, good governance and human rights) may be found in the following websites (please note that these links could be changed):

[http://ec.europa.eu/europeaid/evaluation/methodology/tools/too\\_en.htm](http://ec.europa.eu/europeaid/evaluation/methodology/tools/too_en.htm)

##### **4.1 Management and steering of the Evaluation**

The evaluation is managed by the *Project Coordination Unit and the EU Delegation* with the assistance of a reference group consisting of members of *steering committee* who oversees the evaluation on behalf of the Commission. The reference group member's main functions are:

- To ensure that the evaluation team has access to and has consulted all relevant information sources and documents related to the project/programme.
- To validate the Evaluation Questions prepared by the Evaluators.
- To discuss and comment on notes and reports delivered by the evaluation team. Comments by individual group members are compiled into a single document by the evaluation manager and subsequently transmitted to the evaluation team.
- To assist in feedback of the findings, conclusions, lessons and recommendations from the evaluation.

The Evaluation Manager is Mr Xavier Canton-Lamousse, EU Delegation

## 4.2 The evaluation approach / process

The evaluation approach should be developed and implemented as presented below through two phases: a Desk Phase and a Field Phase

### 4.2.1 Desk Phase

In the inception stage of the Desk Phase, the relevant programming documents should be reviewed, as well as documents shaping the wider strategy/policy framework. The evaluation team will then analyse the logical framework *as well as* the relevant programming documents should also be reviewed, as well as documents shaping the wider strategy/policy framework. On the basis of the information collected the evaluation team should:

- Hold a briefing meeting with *project partners* in the first days of the field phase.
- Describe the development co-operation context.
- Comment on the logical framework.
- Comment on the issues / evaluation questions suggested (see annexe 2; section3) or, when relevant, propose an alternative or complementary set of evaluation questions justifying their relevance. Develop the evaluation into sub-questions identify provisional indicators and their verification means, and describe the analysis strategy.
- Propose the work plan for the finalisation of the field phase.
- Confirm the final time schedule.
- Identify and present the list of tools to be applied in the Field Phase;
- List all preparatory steps already taken for the Field Phase.

The Evaluation Team will conduct the Desk Phase in Lautoka, at the Coordination Unit, during the first 4 working days of the mission.

### 4.2.3 Field phase

The evaluation team should:

- Implement detailed work plan with an indicative list of people to be interviewed, surveys to be undertaken, dates of visit, itinerary, and name of team members in charge. This plan has to be applied in a way that is flexible enough to accommodate for any last-minute difficulties in the field. If any significant deviation from the agreed work plan or schedule is perceived as creating a risk for the quality of the evaluation, these should be immediately discussed with the evaluation manager.
- Ensure adequate contact and consultation with, and involvement of, the different stakeholders; working closely with the relevant government authorities and agencies during their entire assignment. Use the most reliable and appropriate sources of information and will harmonise data from different sources to allow ready interpretation.
- Summarise its field works at the end of the field phase, discuss the reliability and coverage of data collection, and present its preliminary findings in a meeting with *the project /programme management, the EU Delegation, the Reference Group.*
- Preparation of the draft final report. The consultants will make sure that their assessments are objective and balanced, affirmations accurate and verifiable, and recommendations realistic.

When drafting the report, they will acknowledge clearly where changes in the desired direction are known to be already taking place, in order to avoid misleading readers and causing unnecessary irritation or offence.

If the evaluation manager considers the draft report of sufficient quality, he will circulate it for comments to the reference group members, and convene a meeting in the presence of the evaluation team.

On the basis of comments expressed by the reference group members, and collected by the evaluation manager, the evaluation team has to amend and revise the draft report. Comments requesting methodological quality improvements should be taken into account, except where there is a demonstrated impossibility, in which case full justification should be provided by the evaluation team. Comments on the substance of the report may be either accepted or rejected. In the latter instance, the evaluation team is to motivate and explain the reasons in writing.

The Evaluation Team will conduct the Field Phase for 18 working days, after the Desk Phase.

#### **4.2.4 Debriefing seminar**

The evaluation team has to present the revised draft final report at a seminar in Lautoka. The purpose of the seminar is to present the draft final report to the main stakeholders, to check the factual basis of the evaluation, and to discuss the draft findings, conclusions and recommendations.

**The Debriefing is scheduled for the 16/02/2015**

On the basis of comments made by participants, and collected by the evaluation manager, the evaluation team has to write the final version of the report, in which the rules applying to the integration of comments are those stated in the previous section.

#### **5. REPORTING REQUIREMENTS**

The reports must match quality standards. The text of the report should be illustrated, as appropriate, with maps, graphs and tables; a map of the project's area(s) of intervention is required (to be attached as Annex).

The consultant will submit the following reports in English:

1. Inception report of maximum 6 pages to be produced after 4 days from the start of the consultant services in Fiji. In the report the consultant shall describe the first finding of the study along the lines proposed in 4.2.1 above, the foreseen degree of difficulties in collecting data, other encountered and/or foreseen difficulties in addition to his programme of work and staff mobilization.

2. **Draft final report** (of maximum 30 pages, with Executive Summary of 2 pages maximum) using the structure set out in Annex 2 and taking due account of comments received from the reference group members. Besides answering the evaluation questions, the draft final report should also synthesise all findings and recommendations into an overall assessment of the project/programme. The report should be presented within 15 days from the receipt of the reference group's comments at the occasion of the debriefing seminar.
4. **Final report** with the same specifications as mentioned under 2 above, incorporating any comments received from the concerned parties. Comments from the evaluation steering committee will be provided within 30 days of the submission of the draft report to the evaluation manager. The Final Report to be presented within 5 days of the receipt of these comments.

Distribution of all reports in *paper and electronic version* will be as follows:

- EU Delegation (2) copies

Paper version are requested only for the Final Report, once approved by the Evaluation Committee.

- 6. Evaluation Team
- The evaluation will be undertaken by 2 experts with the following profile:

**TEAM LEADER (CATEGORY I - 25 working days)**

*Qualification*

- A university degree (MSc or more) in Agricultural economics, Economics for rural development

*Expertise*

- Management for agricultural development, Projects Management
- Tropical Agriculture, sugar value chain, food crops, rural development
- Evaluation methodology

*Experience*

- Minimum 10 years of relevant international experience in developing countries in the context of rural development/agriculture/management
- The candidate must have experience in participatory programme/project evaluation and must be familiar with the concept and implementation of EU funded projects
- The expert is expected to have professional experience in the evaluation of development projects for international aid donors and to be fully familiar with the Commission's Project Cycle Management and Logical Framework Approach
- Project Management at senior level and Team Leader experience on similar studies
- Excellent computer and communication skills (both oral and written English).

The following experience would be an asset:

- Professional experience in small island developing states.
- Evaluation of other AMSP would be an asset

#### **AGRONOMIST (CATEGORY II), Tropical Crops specialist - (25 working days) –**

##### *Qualification*

- MSc or more in Agronomics for Rural Development,

##### *Expertise*

- Expertise in similar studies
- knowledge in sugar commodity chain, food crops, agriculture diversification, value chain analysis, agro-marketing, fairtrade

##### *Experience*

- A minimum of 10 years in Agronomics studies and experience of rural development
- Knowledge of agricultural research and extension
- Experience in evaluation of research & extension programmes
- Experience in participative approaches, farmers Organisations
- Experience of other AMSP evaluation would be an asset
- Experience of gender issues, and community based approaches in rural areas

## **7. WORKPLAN AND TIME SCHEDULE**

The evaluation will be undertaken as follows:

- Briefings with the EU Delegation, Suva and the Coordination Unit (CU) – Lautoka and Suva
- Analysis of project documentation at the CU, Lautoka
- Individual stakeholder consultation, Lautoka
- De-briefing with Steering committee, the EU Delegation, the Coordination Unit (CU) in Lautoka

The personnel input to be provided is estimated to be 25 x 2 = 50 days, provisionally broken down as follows for each expert:

- Travelling (return trip) : 4 days, not included as the working days
- Desk Phase : :Lautoka, Suva, including drafting of inception report, – 4 working days
- Field Phase : -18 working days, including : meeting stakeholders; draft final report writing and debriefing seminar in Lautoka, including the members of the Steering Committee.
- Final Report Drafting : 3 days (Home country report writing and integration of partners comments)

The indicative starting date of the assignment is **15 January 2014**, dependent upon the availability of the expert. The above indications may be changed with the agreement of all parties concerned. Services rendered between the beginning of the evaluation and the acceptance of the final report should span no more than a period of four calendar months.

#### **ANNEX 1: KEY DOCUMENTS FOR THE EVALUATION**

- Governmental national and sector policy documents
- Project feasibility study
- Project financing agreement and addenda
- Project's quarterly and annual progress reports, and technical reports
- EC's Result Oriented Monitoring Reports, and eventual other external and Internal monitoring reports of the project
- other sources of information , e.g. base-line surveys, specific studies or analyses of specific issues/groups, relevant country, sector, thematic and project evaluations, whenever available, works/supplies/services contracts, etc..
- Relevant documentation from national/local partners and other donors
- Relevant policy and planning documents from national/local partners and other donors]

**Note:** The evaluation team has to identify and obtain any other document worth analysing, through its interviews with people who are or have been involved in the design, management and supervision of the project / programme. Resource persons to collect information and data are to be sought in the EC services, implementing body and / or public service in the partner country .

## ANNEX II: LAYOUT, STRUCTURE OF THE FINAL REPORT

The final report should not be longer than approximately 30 pages. Additional information on overall context, programme or aspects of methodology and analysis should be confined to annexes.

*The cover page of the report shall carry the following text:*

*" This evaluation is supported and guided by the European Commission and presented by [name of consulting firm]. The report does not necessarily reflect the views and opinions of the European Commission".*

*The main sections of the evaluation report are as follows:*

### 1. EXECUTIVE SUMMARY

A tightly-drafted, to-the-point and free-standing Executive Summary is an essential component. It should be short, no more than 2 pages. It should focus mainly on the key purpose or issues of the evaluation, outline the main analytical points, and clearly indicate the main conclusions, lessons learned and specific recommendations. Cross-references should be made to the corresponding page or paragraph numbers in the main text that follows.

### 2. INTRODUCTION

A description of the project/programme and the evaluation, providing the reader with sufficient methodological explanations to gauge the credibility of the conclusions and to acknowledge limitations or weaknesses, where relevant.

### 3. ANSWERED QUESTIONS/ FINDINGS

A chapter presenting the evaluation questions and conclusive answers, together with evidence and reasoning.

The organization of the report should be made around the responses to the Evaluation questions which are systematically covering the DAC evaluation criteria: relevance, effectiveness, efficiency, impact and sustainability, plus coherence and added value specific to the Commission. In such an approach, the criteria will be translated into specific questions. These questions are intended to give a more precise and accessible form to the evaluation criteria and to articulate the key issues of concern to stakeholders, thus optimising the focus and utility of the evaluation.

*This annex proposes an indicative list of issues which deserve to be studied in a project/programme evaluation. The evaluation should focus on a limited number of precise issues/questions. It should ensure that there is a balance of evaluation criteria.*

*Further guidance on evaluation questions for the following sectors - health, education, transports, rural development, water and sanitation - is available on the following link  
[http://www.cc.cec/dglntranet/europeaid/activities/evaluation/sec\\_en.htm](http://www.cc.cec/dglntranet/europeaid/activities/evaluation/sec_en.htm)*



The appropriate evaluation questions and sub questions, based on this set of issues, should be elaborated for each project/ programme evaluation case.

### **3.1 Problems and needs (Relevance)**

The extent to which the objectives of the development intervention (projects/ programme) are consistent with beneficiaries' requirements, country needs, global priorities and partners' and EC's policies.

The analysis of relevance will focus on the following questions in relation to the design of the project:

- the extent to which the project has been consistent with, and supportive of, the policy and programme framework within which the project is placed, in particular the EC's Country Strategy Paper and National Indicative Programme, and the Partner Government's development policy and sector policies
- the quality of the analyses of lessons learnt from past experience, and of sustainability issues;
- the project's coherence with current/on going initiatives;
- the quality of the problem analysis and the project's intervention logic and logical framework matrix, appropriateness of the objectively verifiable indicators of achievement;
- the extent to which stated objectives correctly address the identified problems and social needs, clarity and internal consistency of the stated objectives;
- the extent to which the nature of the problems originally identified have changed
- the extent to which objectives have been updated in order to adapt to changes in the context;
- the degree of flexibility and adaptability to facilitate rapid responses to changes in circumstances;
- the quality of the identification of key stakeholders and target groups (including gender analysis and analysis of vulnerable groups) and of institutional capacity issues;
- the stakeholder participation in the design and in the management/implementation of the project, the level of local ownership, absorption and implementation capacity;
- the quality of the analysis of strategic options, of the justification of the recommended implementation strategy, and of management and coordination arrangements;
- the realism in the choice and quantity of inputs (financial, human and administrative resources)
- the analysis of assumptions and risks;
- the appropriateness of the recommended monitoring and evaluation arrangements ;

### **3.2 Achievement of purpose (Effectiveness)**

The effectiveness criterion, concerns how far the project's results were attained, and the project's specific objective(s) achieved, or are expected to be achieved.

The analysis of Effectiveness will therefore focus on such issues as:

- whether the planned benefits have been delivered and received, as perceived by all key stakeholders (including women and men and specific vulnerable groups);
- whether intended beneficiaries participated in the intervention
- in institutional reform projects, whether behavioural patterns have changed in the beneficiary organisations or groups at various levels; and how far the changed institutional arrangements and characteristics have produced the planned improvements (e.g. in communications, productivity, ability to generate actions which lead to economic and social development);
- if the assumptions and risk assessments at results level turned out to be inadequate or invalid, or unforeseen external factors intervened, how flexibly management has adapted to ensure that the results would still achieve the purpose; and how well has it been supported in this by key stakeholders including Government, Commission (HQ and locally), etc.;
- whether the balance of responsibilities between the various stakeholders was appropriate, which accompanying measures have been taken by the partner authorities;
- how unintended results have affected the benefits received positively or negatively and how they could have been foreseen and managed.;
- whether any shortcomings were due to a failure to take account of cross-cutting or overarching issues such as gender, environment and poverty during implementation;

### **3.3 Sound management and value for money (Efficiency)**

The efficiency criterion concerns how well the various activities transformed the available resources into the intended results (sometimes referred to as outputs), in terms of quantity, quality and timeliness. Comparison should be made against what was planned.

The assessment of Efficiency will therefore focus on such issues as:

- the quality of day-to-day management, for example in:
  - a. operational work planning and implementation (input delivery, activity management and delivery of outputs), and management of the budget (including cost control and whether an inadequate budget was a factor);
  - b. management of personnel, information, property, etc,
  - c. whether management of risk has been adequate, i.e. whether flexibility has been demonstrated in response to changes in circumstances;
  - d. relations/coordination with local authorities, institutions, beneficiaries, other donors;

e. the quality of information management and reporting, and the extent to which key stakeholders have been kept adequately informed of project activities (including beneficiaries/target groups);

f. respect for deadlines;

- Extent to which the costs of the project have been justified by the benefits whether or not expressed in monetary terms in comparison with similar projects or known alternative approaches, taking account of contextual differences and eliminating market distortions.
- Partner country contributions from local institutions and government (e.g. offices, experts, reports, tax exemption, as set out in the LogFrame resource schedule), target beneficiaries and other local parties: have they been provided as planned?
- Commission HQ/Delegation inputs (e.g. procurement, training, contracting, either direct or via consultants/bureaux): have they been provided as planned?;
- Technical assistance: how well did it help to provide appropriate solutions and develop local capacities to define and produce results?
- Quality of monitoring: its existence (or not), accuracy and flexibility, and the use made of it; adequacy of baseline information;
- Did any unplanned outputs arise from the activities so far?

### 3.4 Achievement of wider effects (Impact)

The term impact denotes the relationship between the project's specific and overall objectives.

At impact level the final or ex-post evaluation will make an analysis of the following aspects:

- Extent to which the objectives of the project have been achieved as intended in particular the project planned overall objective.
- whether the effects of the project:
  - a) have been facilitated/constrained by external factors
  - b) have produced any unintended or unexpected impacts, and if so how have these affected the overall impact.
  - c) have been facilitated/constrained by project/programme management, by co-ordination arrangements, by the participation of relevant stakeholders
  - d) have contributed to economic and social development
  - e) have contributed to poverty reduction
  - f) have made a difference in terms of cross-cutting issues like gender equality, environment, good governance, conflict prevention etc.
  - g) were spread between economic growth, salaries and wages, foreign exchange, and budget.

### 3.5 Likely continuation of achieved results (Sustainability)

The sustainability criterion relates to whether the positive outcomes of the project and the flow of benefits are likely to continue after external funding ends or non funding support interventions (such as: policy dialogue, coordination).

The Mid Term evaluation will make an assessment of the prospects for the sustainability of benefits on basis of the following issues:

- the ownership of objectives and achievements, e.g. how far all stakeholders were consulted on the objectives from the outset, and whether they agreed with them and continue to remain in agreement;
- policy support and the responsibility of the beneficiary institutions, e.g. how far donor policy and national policy are corresponding, the potential effects of any policy changes; how far the relevant national, sectoral and budgetary policies and priorities are affecting the project positively or adversely; and the level of support from governmental, public, business and civil society organizations.
- Institutional capacity, e.g. of the Government (e.g. through policy and budgetary support) and counterpart institutions; the extent to which the project is embedded in local institutional structures; if it involved creating a new institution, how far good relations with existing institutions have been established; whether the institution appears likely to be capable of continuing the flow of benefits after the project ends (is it well-led, with adequate and trained staff, sufficient budget and equipment?); whether counterparts have been properly prepared for taking over; technically, financially and managerially;
- the adequacy of the project budget for its purpose particularly phasing out prospects;
- socio-cultural factors, e.g. whether the project is in tune with local perceptions of needs and of ways of producing and sharing benefits; whether it respects local power- structures, status systems and beliefs, and if it sought to change any of those, how well-accepted are the changes both by the target group and by others; how well it is based on an analysis of such factors, including target group/ beneficiary participation in design and implementation; and the quality of relations between the external project staff and local communities.
- financial sustainability, e.g. whether the products or services being provided are affordable for the intended beneficiaries and are likely to remain so after funding will end; whether enough funds are available to cover all costs (including recurrent costs), and continued to do so after funding will end; and economic sustainability, i.e. how well do the benefits (returns) compare to those on similar undertakings once market distortions are eliminated.
- technical (technology) issues, e.g. whether (i) the technology, knowledge, process or service introduced or provided fits in with existing needs, culture, traditions, skills or knowledge; (ii) alternative technologies are being considered, where possible; and (iii) the degree in which the beneficiaries have been able to adapt to and maintain the technology acquired without further assistance.
- Wherever relevant, cross-cutting issues such as gender equity, environmental impact and good governance; were appropriately accounted for and managed from the outset of the project.

### **3.6 Mutual reinforcement (coherence)**

The extent to which activities undertaken allow the European Commission to achieve its development policy objectives without internal contradiction or without contradiction with other Community policies. Extent to which they complement partner country's policies and other donors' interventions.

Considering other related activities undertaken by Government or other donors, at the same level or at a higher level:

- likelihood that results and impacts will mutually reinforce one another
- likelihood that results and impacts will duplicate or conflict with one another

#### **Connection to higher level policies (coherence)**

Extent to which the project/programme (its objectives, targeted beneficiaries, timing, etc.):

- is likely to contribute to / contradict other EC policies
- is in line with evolving strategies of the EC and its partners

### **3.7 EC value added**

Connection to the interventions of Member States. Extent to which the project/programme (its objectives, targeted beneficiaries, timing, etc.)

- is complementary to the intervention of EU Member States in the region/country/area
- is co-ordinated with the intervention of EU Member States in the region/country/area
- is creating actual synergy (or duplication) with the intervention of EU Member States
- involves concerted efforts by EU Member States and the EC to optimise synergies and avoid duplication.

### **4. VISIBILITY**

The consultants will make an assessment of the project's strategy and activities in the field of visibility, information and communication, the results obtained and the impact achieved with these actions in both the beneficiary country and the European Union countries.

### **5. OVERALL ASSESSMENT**

A chapter synthesising all answers to evaluation questions into an overall assessment of the project/programme. The detailed structure of the overall assessment should be refined during the evaluation process. The relevant chapter has to articulate all the findings, conclusions and lessons in a way that reflects their importance and facilitates the reading. The structure should not follow the evaluation questions, the logical framework or the seven evaluation criteria.

### **6. CONCLUSIONS AND RECOMMENDATIONS**

#### **6.1 Conclusions**

This chapter introduces the conclusions relative to each question. The conclusions should be organised in clusters in the chapter in order to provide an overview of the assessed subject.

**Note:**

The chapter should not follow the order of the questions or that of the evaluation criteria (effectiveness, efficiency, coherence, etc.)

It should feature references to the findings (responses to the evaluation questions) or to annexes showing how the conclusions derive from data, interpretations, and analysis and judgement criteria.

The report should include a self-assessment of the methodological limits that may restrain the range or use of certain conclusions.

The conclusion chapter features not only the successes observed but also the issues requiring further thought on modifications or a different course of action.

The evaluation team presents its conclusions in a balanced way, without systematically favouring the negative or the positive conclusions.

A paragraph or sub-chapter should pick up the 3 or 4 major conclusions organised by order of importance, while avoiding being repetitive. This practice allows better communicating the evaluation messages that are addressed to the Commission.

If possible, the evaluation report identifies one or more transferable lessons, which are highlighted in the executive summary and presented in appropriate seminars or meetings so that they can be capitalised on and transferred.

## **6.2 Recommendations**

They are intended to improve or reform the project/ programme or to prepare the design of a new intervention for the next cycle.

**Note:**

The recommendations must be related to the conclusions without replicating them. A recommendation derives directly from one or more conclusions.

The ultimate value of an evaluation depends on the quality and credibility of the recommendations offered. Recommendations should therefore be as realistic, operational and pragmatic as possible; that is, they should take careful account of the circumstances currently prevailing in the context of the project, and of the resources available to implement them both locally and in the Commission.

They could concern policy, organisational and operational aspects for both the national implementing partners and for the Commission; the pre-conditions that might be attached to decisions on the financing of similar projects; and general issues arising from the evaluation in

relation to, for example, policies, technologies, instruments, institutional development, and regional, country or sectoral strategies.

Recommendations must be clustered and prioritised, carefully targeted to the appropriate audiences at all levels, especially within the Commission structure (the project/programme task manager and the evaluation manager will often be able to advise here).

#### **7. ANNEXES TO THE REPORT**

The report should include the following annexes:

- The Terms of Reference of the evaluation
- The names of the evaluators and their companies (CVs should be shown, but summarised and limited to one page per person)
- Detailed evaluation method including: options taken, difficulties encountered and limitations. Detail of tools and analyses.
- Logical Framework matrices (original and improved/updated)
- Map of project area, if relevant
- List of persons/organisations consulted
- Literature and documentation consulted
- Other technical annexes (e.g. statistical analyses, tables of contents and figures)
- page DAC summary, following the format in Annex V.

#### **8. ATTACHED**

AAP 2011 Action Fiche, Logframe

**Action Fiche for the Annual Action Programme 2011 of Accompanying Measures for Sugar Protocol Countries in favour of the Republic of Fiji Islands**

• Identification

Title/Number	<i>Improvement of key services to agriculture</i> <i>DCI-SUCRE/2011/ 23247</i>		
Total cost	EUR 8,000,000 EU contribution EUR 8,000,000 Fiji: EUR 4,940,000 (equivalent in kind contribution)		
Aid method / Method of Implementation	Project approach – <i>centralised direct and joint management</i> (with the Secretariat of the Pacific Community and International Trade Centre)		
DAC-code	31120	Sector	Agricultural development

• Rationale

**Sector context**

In February 2011, the International Monetary Fund (IMF) concluded: "economic growth in Fiji has been negative or low for four years and is expected to be low in the medium term. This is in part due to the weak domestic investment climate that results from delays in structural reforms, an increase in exchange restrictions and price controls, the decline of the sugar industry and political uncertainty. Without fiscal consolidation and stronger growth, public debt will remain high and Fiji will not have the fiscal space it needs to respond to shocks. Volatile commodity prices, increasing reliance on tourism, risk of natural disaster and some uncertainty about external financing represent significant vulnerabilities". The garment industry and timber exports have been in decline and the future of the sugar industry looks bleak with a recorded net loss of EUR 70 million in 2010. The return of high inflation rates and recent tax increases have put further pressure on the poor households to meet basic food, schooling and health needs.

While an estimated 49% of the Fijian population lives in rural areas, the latest report on Poverty and household incomes in Fiji<sup>2</sup> shows a dramatic drop in available income in rural areas (-14% between 2002 and 2008), 44% of rural Fijians live below the poverty line<sup>3</sup>, of which half living in the sugar belt areas.

The Government has undertaken several social measures in order to limit the spread of poverty through the Family Assistance Programme supported by AUSAID (Australian Aid) and

<sup>2</sup> Fiji Island Bureau of Statistics, 2011 report

<sup>3</sup> Poverty mapping supported by the WB and AusAID in collaboration with Fiji Bureau of Statistics, based on data from 2008-2009 period which pre-dates the main impact of the global economic crisis in Fiji set national poverty line at 2349 FJD/adult/year in urban settings and 1830 FJD/adult/year in rural areas - based on cost of basic food needs (FJD; Fijian Dollar)



the World Bank (WB). However, this relief programme is limited to the most destitute of the poor population (approximately 25000 people). The Government of Fiji (GoF) is also trying to contain the commodities (fuel, food) price increase by exerting a tight price control. However, such strong directive economic measures limit the margins of the private sector and therefore are a severe impediment to its development.

Sugarcane is still the mainstay of the rural population of the western part of Viti Levu and the central and eastern parts of Vanua Levu Islands. Sugar remains an important foreign exchange earner for Fiji. However, the sector has been in decline since before 2000 due to uncertainty of land tenure system, the poor mill performance and the poor cane husbandry practices. Fiji's sugar production has fallen from a peak of 341,000 t in 2000 to 136,000 t in 2010. The absence of internal reforms and investments into Fiji's sugar industry compounded by the failure of the mills upgrading programme have caused a worsening in the mill efficiency and a further price reduction paid to the growers last year. The 2006 EU sugar regime reform led to a 36% cut in the reference price for sugar in the EU market. While, Fiji continues to enjoy preferential access to the EU market<sup>4</sup> with a minimum reference price until 2015, and for this year, high world market prices have prevented the price to drop as last year, Fijian sugar industry must now undertake a rapid modernisation if it is to survive after 2015<sup>5</sup>.

In 2010, the price paid to the farmers has dropped from EUR 24.4/t of cane to EUR 18.4/t in 2010 harvest season. Such prices are not compatible with the current costs of production of cane at EUR 16/t<sup>6</sup>. In order to maintain the farm income, the average yields must increase to 65 t/ha and the costs of production for farmers should be reduced by 30%. With these yields, it is estimated that 50,000 ha would satisfy projected mills demand. In parallel, the costs of processing should be reduced by 25% according to the industry plans. While the Government and the industry have started to undertake some positive reforms, notably on the renewal of land leases which is starting to have some impacts on the ground, and put more efforts in trying to solve the milling defaults, it is estimated that restoring the profitability of the sugar industry by 2015 is a serious challenge and requires considerable investments from both the industry and the farmers. The latter will lack financial capacities to tackle this challenge without an external support.

The latest projections suggest that if the above targets are achieved, it is likely that 20% of the land presently used for cane production, in particular on steep slopes with poor and shallow soils, is expected to be released for other uses. This is equivalent to around 5,000 farmers on the top of another 5000 farmers that have left the industry since 2,000 due to land lease non renewal. In 2010, the number of registered growers has continued to fall and counts now 17,762 of which 22% no longer harvest cane. Similarly the number of cane cutters has fallen to 9,649, half what it was in 2000. The fall in numbers is fastest in the most remote areas with

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<sup>4</sup> Commission Regulation (EC) No 828/2009 of 10 September 2009, OJ L 240/14, 11.9.2009

<sup>5</sup> When EU price should coincide with the international market price

<sup>6</sup> At farm's door including harvest and transport costs

high transport costs. While some farmers will continue to have to leave their farms, others will make gradual changes such as reducing dependence on cane farming or alternatively, gradually decreasing the scale of intensity of cane production, shifting to intercropping or diversifying the farm enterprise. Their ability to do so will rely on improved access to markets for non-sugar products and access to improved farming technologies.

The development of alternatives to sugar agriculture products has a significant potential to contribute to rural employment, food security, import substitution and foreign exchange earnings for Fiji. Its contribution to the economy goes far beyond the production of food crops and horticulture and the multiplier effect can be many times more than simply increase the quantities of primary products.

Valuable export markets and import substitution opportunities have been identified by a feasibility study conducted in 2008 on Agricultural diversification. For instance, in 2008 Fiji imported more than FJD 250 million of food products in value, which was equivalent to the export earnings of sugar for the same year.

Market opportunities for fruit and vegetables have been identified for export market niches, for supply to the local tourism industry and for the domestic market. However there are key bottlenecks for the development of these sub-sectors, in particular the availability of quality seeds and fertilizers, a lack of constant quality and reliability of supply, lack of wholesale intermediates as well as poor logistics. Growth in these sectors depends on the development of the private sector which has been hesitant to invest due to political uncertainty, food price control and delays in structural reforms. However, there are potential fields of intervention in order to support the emerging horticultural and food crops sector by adopting a commodity chain approach and to provide both production support measures and structural support to the development of appropriate downstream outlets. This will imply the mobilisation of the farmers through their representative bodies and the private sector through partnerships.

Further to the EU 2006 Accompanying Measures Sugar Protocol (AMSP) (EUR 4.098 million) intervention which started to rebuild the capacities of the Sugar Research Institute of Fiji (SRIF) and helped to establish the fair-trade certification through the setting up of farmers' associations, the EU 2011 AMSP programme will pursue these two activities as an indirect support to vulnerable farmers willing to remain in the sugar sector. Similarly, following the EU 2010 AMSP (EUR 8 million) that was used for providing income generating opportunities to farmers, the 2011 programme will pursue the strategy of social mitigation through the support of farm agricultural alternatives. The proposed EU approach is to work in partnership between farmers' organisations and existing private sector enterprises with an established track record in serving markets, being financially sustainable and having existing or potential surplus capacities. Support will be provided through the private sector to mobilise and train farmers or provide equipment, building on the lessons learned from the FACT<sup>7</sup> programme and in synergy

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<sup>7</sup> FACT: Facilitating Agricultural Commodity Trade, Regional EU funded programme (EUR 4 million) – Given the lack of success of public sector initiatives, FACT works directly through private sector ventures by providing marketing assistance, helping to produce planting material and small grading and packaging equipment.

with other regional agriculture projects<sup>8</sup> and mobilising resources available through regional organisations. In particular the programme will encourage networking through the different facilities available in the Pacific region like the phyto-sanitary diagnostic service centre which is among ACIAR projects portfolio. The programme will coordinate with the newly established Fijian Bio-security Authority for developing or reforming Bilateral Quarantine Agreements with Australia, New Zealand, Japan and US in order to promote the export of Fijian agricultural products.

### ***Lessons learnt***

The EU response strategy for Fiji's sugar sector reform endorses the views that the sugar sector could still play an important role in the economy and offers a basis for social stability in the concerned areas, through a comprehensive restructuring programme together with measures to diversify on farm income, considering the whole farm entity and not just sugar cane. The EU response strategy is a balanced option between assisting research and extension for sugar cane farming which has an immediate available market, and the development of new markets for other attractive agricultural products.

Drawing on lessons from the EU mid-term review<sup>9</sup> of the Multi-annual indicative programme (MIP) I, the Annual Action Programme (AAP) 2011 focuses on activities that will deliver a real impact on poverty reduction in the cane belt. The programme action plan has selected areas of interventions with the view of supporting developments that are likely to deliver useful results whatever is the scenario adopted by the sugar industry, focusing its support on research and extension on sugarcane and alternative crops, and on capacity building of producers' organisations for better service delivery. In the areas where sugar cane production would have to be given up or the income generated from cane is not sufficient to support the livelihoods, the programme will support the development of alternative for the farmers affected by the restructuring of the sector.

The positive response from the sugar cane farmers to the EU AMSP 2006 subsidized replanting programme is an indication of their willingness to continue to invest in sugar even under the current conditions. The Government of Fiji has pledged its support to the industry and the farmers by allocating FJD 6 million annually for the replanting effort. However, the increase in sugar cane yields performance has not reached the required level due to the poor quality of utilized seed canes. Therefore the EU AMSP 2011 assistance will assist SRIF to produce quality seed cane to be used for the future replanting schemes. The results of the Results Oriented

<sup>8</sup> Increasing Agricultural Commodity Trade-IACT(EU), 10th EDF Intra ACP Agricultural and rural development project, Market Development Facility and enterprise Challenge Fund (AUSAID) and research projects financed by the Australian Centre for International Agricultural Research (ACIAR) on facilitating private sector growth and agribusiness (Pacific Agribusiness Research for Development Initiative-PARDI), PHAMA (Pacific Horticultural Market Access), Food Security and Sustainable Livelihood Programme in the Pacific Island Countries - FSSLP (FAO/IFAD).

<sup>9</sup> Mid term review carried out for all ACP sugar Protocol countries. While MIP I was not implemented, and considering the impacts of the EU sugar reform on Fiji and the current political impasse, the review suggested alternative ways for delivering aid through social mitigation measures with MIP II.

Monitoring (ROM) of the EU 2006 AMSP have been integrated in order to structure the policy recommendations based on the latest studies. In particular, the project will ensure that growers have access to close farm advisory and specialised extension services through the farmers' organisations.

Only two rural development projects were implemented for Fiji in the early 1990's. They were partly successful and had limited achievements of results due to the excessive reliance on assumptions in the design stage (infrastructure, marketing and resource availability) and to the inadequate participation leading to weakness in the identification of beneficiary needs. Moreover the two projects failed to recognize and address the institutional weaknesses of the implementing Government agencies. Lessons have been drawn from those projects in order to mitigate risks and ensure good ownership and long term sustainability. The identification and formulation of this programme has strong focus on the capacity building of the existing implementing agencies and partnerships with existing Farmers' associations and private or cooperative entities which already have a good track record in delivering agricultural inputs (eg.: Natures' Way, Fiji Organic Association, Agrana ...).

#### ***Complementary actions***

The current EU funded regional programme FACT (2008-2011) implemented by SPC<sup>10</sup> is a successful example of a strategy that could be replicated to transform selected commercial ventures into market oriented, demand-driven enterprises that consistently supply domestic and overseas markets with competitive and good quality products. The project provides Technical Assistance support to identify market bottlenecks, to offer direct marketing assistance, or to achieve certification and target niche markets. FACT will be continued and expanded through the newly signed IACT programme (2012-2015). The EU AMSP 2011 programme will closely coordinate with IACT.

AUSAID is providing assistance to agri-business ventures and farmers through its Agricultural Market Development Facility (AUD<sup>11</sup> 14 million) covering Fiji, East Timor and Solomon Islands, which has just started and with which the present programme will develop synergies for supporting private agro-processors in expanding their supply capacities.

Talks have also been initiated with the Taiwan technical mission<sup>12</sup> providing technical advice in the western areas, in view of creating synergies in improving farm management practices.

Several other regional agriculture related assistance programmes are currently financed by different donors from which lessons and cooperation should be sought. PHAMA (AUD 14 million) Pacific Horticultural & Agricultural Market Access Programme is an AUSAID/NZAID

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<sup>10</sup> Mid term evaluation of FACT, 2010

<sup>11</sup> Australian Dollar; AUD

<sup>12</sup> Taiwan Technical mission is an assistance programme to Fijian farmers, funded by Taiwan for the last 20 years. It is based in Sigatoka and provides agricultural inputs and services to farmers

co-funded regional Programme which aims at supporting Pacific Islands Countries and Territories (PICT) governments and industry organisations working collaboratively to gain, maintain and improve access into key markets for selected high priority products. The EU 2011 AMSP will make use of the expertise being deployed by the PHAMA programme under the Secretariat of the Pacific Community (SPC).

#### **Donor coordination**

In line with the Paris declaration and the European Consensus on development, locally based Member States and bilateral agencies involved in Fiji (AUSAID and NZAID) as well as local stakeholders (Ministry for sugar, Ministry of Primary Industries, Non-governmental organisations (NGOs) and farmers organisations) have been closely associated in the design and formulation aspects of the EU AMSP 2011 programme. The coordination process will be ensured through Programme steering committees involving the local beneficiaries' representatives, the Ministries involved and the bilateral donors.

A fruitful collaboration has been initiated with AUSAID in the institutional framework of the EU AMSP 2010 Social Mitigation Programme and will be pursued with the EU AMSP 2011 programme, for sharing expertise and to ensure a smooth coordination with the Fiji Community Development programme (FCDP) support to Community Based Organisations (AUD 15 million) working in the sugar belt<sup>13</sup> and with the Agricultural Market Development Facility.

A steering committee shall be set up to oversee and validate the overall direction and policy of the project. The project steering committee shall meet twice a year at a minimum.

The project steering committee shall be made up of:

- a representative of the Head of Delegation
- a representative of the Secretariat of the Pacific Community
- a representative of the National Crop and Livestock Council
- a representative of the International Trade Centre
- a representative of the farmers fair trade associations
- a representative of the Sugar Research Institute of Fiji
- a representative of the Sugar Industry and Sugar Tribunal (observers status)
- a representative of the Fiji National Authorising Officer (observers status)
- a representative of AUSAID (observers status)

<sup>13</sup> FCDP Programme AUSAID (AUD 15 million) – is a support programme for building the capacity of Community Based Organisations (2012-2017)

A technical assistance team recruited under the AMSP 2010 and made of a Programme Coordinator and a technical manager will oversee the overall implementation of the programme until end of 2014. A new coordination team will take over the monitoring and steering aspects of the programme from 2015.

- Description

**Objectives**

The overall objective of the programme is to help to cushion the economic and social impacts of the sugar sector restructuring by supporting a diversified market driven agriculture. The programme is designed to alleviate poverty by increasing on farm income and generating opportunities in agriculture, and to help to maintain stability and sustain growth in rural areas.

The specific objective aims at improving key services to agriculture and at enhancing the supply capacities.

**Expected results and main activities**

The programme is designed to alleviate poverty for the most vulnerable groups in sugar dependent areas focusing on two main axes:

- 1) Direct support to farmers through agricultural diversification in horticulture
- 2) Indirect support to farmers by improving the sugar cane sector in supporting Research through SRIF and Extension services delivery through fair trade associations.

Poverty and the fall into poverty of groups at risk will be tackled by enabling the poor to take up opportunities through strengthening of farmers associations, development of partnerships with the private sector and through better agricultural research and extension service delivery. There are 3 results to be achieved:

**1) Horticulture/food crops value chains are supported and supply capacities are enhanced (component 1)**

In order to improve key services to agriculture and enhance the supply capacities, the programme will have to establish the conditions for quick starting the off take of horticulture and food crop production.

This will include structural interventions like promoting cooperation between farmers in order to better access domestic and international markets and supporting farmers groups to develop Small Medium Enterprises (SME) ventures at local level. The programme will support the newly established National Crop and Livestock Council by building and strengthening its capacities as well as providing guidance and support to commodity chains associations under its umbrella with the aim to have 25% of the farmers being members of the associations and to achieve self financing capacity by 2015. The programme will enable Nature's way cooperative and Fiji Organic Association to access funding through borrowing, as major

members of the National Crop and Livestock Council to expand and diversify their activities and services to their members in order to achieve 3,000 tons of fruits and vegetables export a year.

The development of alternative to sugar underlies the removal of key technical bottlenecks. The programme will enhance and sustain seeds and seedling production capacities (25t of mixed seeds and 200,000 papaya seedlings/year, as of 2015) through the development of partnerships with research stations present in the sugar belt and able to increase their supply chain. It will disseminate integrated farming techniques by developing a pilot demonstration cum training farm for vegetable production in the Ba area and supporting extension services through the Nature's way cooperative. It will tackle some of the logistics issues by initiating the establishment of a collection grading facility in Ba and revitalizing the existing collection centre in the Sigatoka east bank area. The programme will aim at doubling the pulse production and recapture 15% of imports for fruits and vegetables by 2015.

Activities include: Strengthening of the horticulture/Food crop farmers Organisations and supporting farmers group for small enterprises; enhancing of horticulture/food crops component, increasing seed & seedling production capacities

## **2) Cane variety research is strengthened and good quality seed cane is available to farmers (component 2)**

One of the major factors that may contribute to the rebound of the sugar industry and therefore to increase sugar cane farmers' income is a consistent investment in research to ensure a constant flow of improved cane varieties to farmers. SRIF (Sugar Research Institute of Fiji) has started laying the foundations for developing multi-annual research programmes of importance to growers and the industry in the years to come. It needs to be able to expand on these capacities and to be accompanied in order to plan and innovate. SRIF was granted an EU Intra-ACP funding<sup>14</sup> for pursuing applied research in 2011. Following up on the EU 2006 AMSP intervention, the EU AMSP 2011 programme will continue to build the capacities of the institute and to find ways to promote its financial sustainability as an independent non state agency, driven as a non for profit making entity. The future of the Fijian sugar industry is heavily dependent on the introduction of new high yielding varieties and disease free planting material at farm level. A specific component of the programme was prepared to develop a seed cane multiplication system in Fiji so that by 2016 sufficient quantities of improved and certified varieties can be replanted with a target of 4,000 Ha/year.

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<sup>14</sup> 2 research projects were granted in 2011 (EUR 800,000) by EU Intra ACP programme for Sugar Protocol countries

Activities include: Updating and streamlining of cane variety recommendations, support to growers to diversify their cane supply, strengthening cane research capacity, improvement of monitoring, seed cane certification

### **3) Fairtrade associations are replicated and operations strengthened (component 3)**

The current extension services are mobilised through FSC with only 23 extension officers serving 14,000 farmers and are totally industry driven. Growers regularly complain about the lack of effectiveness of the technical services and their farm management issues are hardly addressed. They are now being mobilised through the Fair trade mechanism into three associations and an umbrella federation<sup>15</sup>. The fair trade concept provides incentives to the farmers in the form of a premium remuneration to be collectively utilised and which has the potential to retain the farmers in the sugar cane business. The focus of this component will be to use the fair-trade associations' framework to support the emergence of demand driven advisory services for farmers. The EU AMSP 2011 programme will provide technical farming and management advice through growers associations federated at mills' level and in an umbrella Fiji Cane Producers Association (FCPA) thus supporting the fair trade organisational empowerment of smallholder organisations. Extension will be provided through the training of extension officers and field assistants of the growers mill level associations. All extension staff will receive regular backstopping through a technical assistance attached to FCPA which will streamline training, methodological support, extension aid and plan to monitor on-going activities together with the fair-trade internal control team. Close collaboration with SRIF and FSC will be promoted as events and demonstration plots are major vehicles to test and fine tune new innovative practices with growers. By end of 2015, the programme will have mobilised 1,150 growers' technology groups, trained 500 lead farmers and developed 64 demonstration plots. 8 growers centres would have been set up and operational and 35% of registered members would have been trained in farm management.

Activities include: Mobilisation of technical advisory services for sugar cane production, developing integrated farm advisory services, provision of adequate support services to all farm advisors and coordination

#### ***Risks and assumptions***

There are important assumptions that have been identified during the identification stage of this programme:

- SRIF should retain its Non State Actor status and independence from FSC. The non-profit non-state actor (NSA) status of SRIF is a precondition for the institution to qualify for continued support through EU grant funding (refer to MIP 2011-2013).

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<sup>15</sup> 1 association (Labasa Cane Producers Association was set up in 2010), 2 others associations (Ba and Nadi) are being established and will be operational end of 2011. The Fairtrade Cane Producers Association will be fully established by end of 2011.



- Closer collaboration is achieved between the various implementing agencies responsible for the extension services (Fiji Sugar Corporation, Fairtrade associations, Ministry of Primary Industries, Commodity Councils).
- Structural reform of the sugar industry as well as the agriculture sector at large, continues to be implemented according to the timetable, plans and recommendations made on the business orientation. A cane quality payment system is gradually introduced.
- The land lease renewal continues effectively.
- Fertilisers are readily available at an affordable price.
- Government of Fiji provides assistance through a revolving fund for cane replanting. A subsidy was provided in 2010 covering half of the replanting costs of 4,500 ha. In 2011, the government has set aside a grant of FJD 6 million as a credit line through SCGF to build up a revolving fund for replanting, interest free. Through the EU 2011 programme, the SCGF will make sure that growers are using good quality seed canes provided by SRIF.
- The private actors remain committed to form partnership with the programme.
- Domestic food prices remain attractive as compared to imported products and bilateral quarantine agreements are maintained.

There are risks to be considered and that can be mitigated:

- The institutional weakness of the stakeholders is seen as a high risk factor, but the aim of the project is to address this issue by building capacity and strengthening the institutions.
- The Fair trade Cane Producers Association model and its replication throughout the entire sugar cane belt with two new associations and an umbrella organisation, is not diminished by some members' vested interests and/or political interferences. There are weak signals to this effect. This is a risk having high impacts but with moderate probability. The programme will provide support to develop participatory process and to build the capacity of the associations to mitigate this risk and reinforce farmers' interest in fair-trade and provision of extension services.
- Government of Fiji does not interfere in the institutional set up of the newly established National Crop and Livestock Commodity Council as an apex body of the other farmers associations. This is a risk with high impacts but moderate probability. The programme will aim at providing assistance to conduct participatory workshops and promote strategic dialogue between farmers associations and line Ministries and by these means will mitigate this risk.

The sustainability of the programme will be ensured through a good ownership by the different stakeholders, being farmers associations, private partners or research institute. These actors have been associated since the beginning in the project design and will be directly involved in its implementation. The necessary conditions of sustainability will be established through the institutional strengthening and capacity building of the

stakeholders involved. Local partnerships between farmers associations and private entrepreneurs will be initiated and will remain beyond the EU assistance programme.

Economic viability will be systematically addressed in the procurement of equipment and financial sustainability will be ensured by the private sector involvement and by the annual recurrent budget of the Fair Trade associations. The financial sustainability of the commodity councils will have to be established before the end of the EU assistance scheme through commercial business plans possibly supported through a levy or a membership fee system.

The self-financing capacity of SRIF will be strengthened through the seed cane supply to farmers at a non-subsidised price. SRIF's capacity to conduct research-on-order will be enhanced.

Institutional arrangements and governance structure under farmers associations working in partnerships with the private sector will get a better chance to be sustained after the EU assistance. Government structures will be involved for the consultation process only and through linkages between Project Steering Committees and National Adaptation Strategy Steering Committee in order to ensure coherence with the government policies.

Social, gender and environmental issues will be systematically mainstreamed in building capacities within the farmers' organisations, in delivering extension services and technical packages with appropriate technologies, in considering both Indo-Fijian and Fijian farmers working in liaison with their immediate community.

#### ***Crosscutting Issues***

- Good governance will be reinforced by strengthening the political independence of farmers associations and building their capacities to lobby Government system and to better address their members' needs;
- The proposed programme will have positive environmental impacts and benefits from improved sugar cane farming system. The Strategic Environmental Assessment undertaken in 2010 has indicated few areas where potential mitigation should be addressed. These recommendations will be taken on board. The programme will systematically carry out an Environmental Impact Assessment when necessary. The Fair Trade programme will contribute to a great deal to mitigate the environmental impacts of sugar cane farming on the farm environment through the compulsory implementation of the Fair Trade Environmental Management Plan. The proposed crop diversification programme will partly replace the sugar cane monoculture and will avoid its negative impacts like burning and waste water pollution. Better farming practices through intercropping and crop rotation will have a positive effect on soil fertility and land erosion. The strengthening of farmers associations will contribute to build a more resilient agricultural sector and will prepare farmers to better face more adverse and severe climatic events.
- Gender equality will be systematically looked into through the capacity building activities. The expected increase in the overall farm income due to the increase of sugar

cane yields and the diversification into other food crops will bring benefits to women and children and to both communities, Indo-Fijians and Fijians, contributing to keep stability in rural areas and prevent conflicts between communities.

### **Stakeholders**

The target beneficiaries will be the 200,000 people living in the sugarcane belt's five provinces (an estimated 90,000 Indo-Fijians and 104,000 native Fijians) relying in whole or in part on sugarcane farming. The project addresses the needs of the farm households rather than farmers as such. Special attention will be given to the needs of women family members. Participation of women in farm livelihood activities and decreasing incomes tend to worsen gender conflicts and increase stress on women for income generation, in cash and kind.<sup>16</sup>

The segmented beneficiary population will be:

- sugar cane farmers and their families who are willing to continue sugarcane farming on renewed leases or are landowners but the cane income is not sufficient to support their livelihoods and for whom possible options will be offered like intensifying yields and combining intercropping with food crops or moving towards alternative crops.
- sugar cane farmers and their families who are willing to fully diversify into alternative production.

The stakeholders associated with the programme are:

- The farmers' associations and commodity councils representing crops industries (vegetable and fruit association, kava association, ginger association, root crop industry association...). The National Crop and Livestock Council was established in 2010 as an apex organisation of individual commodity associations that range from honey through root crops to the food processing sector. It is an initiative of few successful business people with vast and varied experience representing the voice of the farmers. However, the farmer association movement in the non-sugar sector is still fragile and the proposed interventions need to be introduced stepwise with focus on structural issues at the start.
- A first fair-trade cane producers association was established in the Labasa Mill area in 2010 with the support of Tate and Lyle and the AMSP 2006 programme. It is built around four layers: 4,000 farmers, 400 sugar cane gangs, elected gangs' representatives at the sector level and elected representatives at the mill level. The certification process was completed early 2011 and enabled the growers to benefit from fair-trade conditions for their sugar cane and to receive a premium at around FJD 12/t of sugar cane on the top of the sugar cane price. The association has

<sup>16</sup> In 2011, Fiji Bureau of Statistics has undertaken a poverty mapping showing that provinces where more than 50% of the inhabitants are poor are Ra, Macuata and Cakaudrove (northern sugar belt) and greatest concentration of poor people is in Ba - (western Sugar belt) - UNICEF survey on vulnerability (2011) has identified coping mechanisms in reaction to economic stress which include home gardening, eating cheaper food, moving children to cheaper schools or out of schools and giving them casual work outside school hours, not giving children a meal for school, an increase in domestic violence in times of economic stress was also mentioned by households - a review of food prices indicated that the price of rice has increased 100% over the last year

developed internal control systems in response to the Fairtrade Labelling Organisation certification requirements and internal procedures for managing the association<sup>17</sup>. The Labasa Cane Producers Association foresees to ensure proper and lasting technical support to its members to develop a more sustained cane production system based on environmentally sound farming practices. It lays the foundations for a comprehensive technical driven extension programme that will be streamlined by the Fairtrade certification standards. This successful model is to be replicated into the three other mills on Viti Levu by end of 2011.

- The research on sugar and associated intercropping crops was revamped with the creation of an independent Sugar Research Institute end of 2006. The technical capacity of the new established Institute is still weak (new staff) but good sprouts of solid capacity is building up as an outcome from the training component of the 2006 EU assistance.
- The extension services for sugar farming were in the past delivered by FSC which did not consider this service to belong into its core activities. The Act establishing SRIF transferred the extension services from FSC under SRIF's umbrella. However, in the turmoil around the decreasing sector performance the Government, in 2009, decided to return the extension services back to FSC. The uncertainty about the management of the extension services has resulted in loss of experienced human resources and advisory services to farmers. It is unlikely that they get the attention they would deserve amongst more burning operational challenges which FSC is facing at the mills. The extension services for other crops are devolved to MPI but the Ministry lacks capacity to structure and manage the operation and to deliver effective professional advisory support to the farmers. The programme will associate these stakeholders in the coordination of the different extension activities.
- So far only a few private agribusiness initiatives have been successful. Representatives of these businesses attended the programme's workshop on identification and formulation. Some of these private sector actors expressed an interest to be associated to the programme and serve as models to trigger multiplication of business concepts.
- The Secretariat of the Pacific Community is a regionally based organisation which has developed an extensive expertise in horticulture and food crops production in the Pacific. SPC is currently implementing EU FACT regional Programme and coordinates agricultural regional Programmes funded by AUSAID and NZAID.
- The International Trade Centre (ITC) is a UN body specialised in trade related issues and focussing its interventions on agriculture topics. ITC was identified for its strong expertise in agriculture value chain analysis and extensive staff resources with a pool of experts. ITC has undertaken similar work worldwide and has recently completed a sector development strategy for the Fruits and vegetables industry in Fiji under the framework of the All ACP commodities project (EU).
- Implementation issues

#### ***Method of Implementation***

**Component 2** of the project will be implemented through Direct Centralised management by the EU Delegation to Fiji. The EU will award a direct grant to the Sugar

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<sup>17</sup> Internal Management procedures: institutional compliance, premium management based on collective decision making, rules against child labour, good environmental practices, health and safety hazard.

Research Institute (SRIF) which occupies a de facto monopoly on research in the sugar sector in Fiji.

**Components 1 and 3** will be implemented through joint management with the Secretariat of the Pacific Community (SPC) and with International Trade Centre (ITC) who are working in Fiji and have extensive expertise capacities in the fields of the programme, both locally and internationally, in accordance with Article 53d of the Financial Regulation. The international organisations comply with the criteria provided for in the applicable Financial Regulation.

The EU will sign two Standard Contribution Agreements with SPC and with ITC respectively for the implementation of the activities under result 1 (Horticulture/food crop value chain is supported and supply capacities enhanced), and result 3 (Fairtrade associations are replicated and operations strengthened). ITC is covered by the Framework Agreement (FAFA) as a UN agency. SPC has successfully passed the institutional assessment and is able to sign contribution agreements with EU.

Activities related to monitoring, evaluation, audit, communication and visibility will be implemented through direct centralised management by the EU delegation to Fiji signing service contracts.

#### ***Procurement and grant award procedures***

##### **1) Contracts**

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by the DCI Instrument. Further extensions of this participation to other natural or legal persons by the concerned authorising officer shall be subject to the conditions provided for in articles 31(7) and (8) DCI.

##### **2) Specific rules for grants**

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the General Budget. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- **Financing in full (derogation to the principle of co-financing):** the maximum possible rate of co-financing for grants is 80%. Full financing may only be applied in the cases provided for in Article 253 of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the General Budget.

Under component 1 and 3 all contracts implementing the action are awarded and implemented in accordance with the procedures and standard documents laid down and published by the relevant International Organisation.

***Budget and calendar***

The total project cost is estimated at EUR 8 million, of which 8 million shall be financed from the MIP 2011-2013 in the framework of the General budget of the European Union. An in kind contribution worth approximately EUR 4.94 million will be provided by the Farmers/SRIF and private stakeholders own resources.

Budget Breakdown Categories	EU contribution	Contracting/ Paying authorities
	million EUR	
<p><b>Component 1 Horticulture/Food crop value chain is supported and supply capacities enhanced (see 3.2)</b></p> <p>Contribution Agreement with <u>ITC</u> : <i>Strengthening of the horticulture/Food crop farmers Organisations and establishing of the collection centres in Ba and Sigtaka</i></p> <p>Contribution Agreement with <u>SPC</u> : <i>Enhancing seed &amp; seedling production capacities for horticulture/food crops, farmers group support for small enterprises and Enhancing of horticulture/food crops component</i></p>	2.6  2.7	EU/EU
<p><b>Component 2 Cane variety research is strengthened and good quality seed cane is available to farmers (see 3.2)</b></p> <p>Grant to SRIF</p>	1.0	EU/EU
<p><b>Component 3 Fairtrade associations are replicated and operations strengthened (see 3.2)</b></p> <p>Contribution agreement with SPC (to be combined with component 1)</p>	1.0	EU/EU
<p>Monitoring and evaluation, audits (Service contracts)</p> <p>Communication/visibility (Service contracts)</p> <p>Contingencies *</p>	0.15  0.05  0.50	EU/EU

<b>TOTAL</b>	<b>8.00</b>	
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*The operational implementation period of the programme is 48 months starting from the date of the signature of the first implementing contract.*

***Performance monitoring***

The Commission will carry out annual Results Oriented Monitoring (ROM) via Independent consultants, starting from the sixth month of project activities, which will be finalised at the latest 6 months before the end of the operational implementation phase.

Monitoring the performance will be the responsibility of the EU Delegation in Fiji based on reports, steering committee meetings and monitoring visits. A monitoring system to measure on-going progress will be set up by the coordination TA that was set up under the EU AMSP 2010 support programme. The main Objectively Verifiable Indicators of the programme will take into consideration a without project scenario and will be: Total production of horticulture increased by 25% in 2015 as compared to 2006 level - sugar cane farmers gross margin/ha has increased to FJD 3,750 in 2015 as compared to FJD 1,181 in 2006 – 5,000 outgoing farmers have started alternative activities by 2015 as compared to no plan for exiting farmers.

***Evaluation and audit***

The Commission will carry out external evaluations (EUR 100,000) via Independent consultants, as follows:

- a mid-term evaluation mission;
- a final evaluation, at the beginning of the closing phase;
- possibly, an ex-post evaluation.

***Communication and visibility***

The communication and visibility of the 2011 Improvement of key services to Agriculture programme will be implemented in accordance with the EU's guidelines for external action (September 2005) and will be ensured through publications of Research and Extension bi-annual reports from SRIF, bi-annual reports from National Crop and Commodity Council and Fair trade farmers associations, quarterly and annual progress reports from the executing agencies and the Project Management Unit. Visibility is subject to the political context in Fiji (art. 96) and ad hoc considerations. Without any new political development, visibility should be restricted to promoting awareness of the EU assistance program through SPC/ITC support to diversification.



Annex	LOGFRAME	Key Messages	CVT	Indicators	Risk - Assumption
	MIP Objectives	The overall objective of the Program is to help to combat the economic and social impacts of the sugar crisis by supporting a diversified investment portfolio	<ul style="list-style-type: none"> <li>Average on farm + off farm income</li> </ul>	Increase on the on-farm + off farm income to PS 15,000,000 as compared to PS 7,500,000 in 2006	
	Purpose	Key services for agriculture are improved and supply capacities are enhanced	<ul style="list-style-type: none"> <li>Production (t/ha)</li> <li>Gross margin for the farm / ha</li> <li>% of new alternative activities</li> </ul>	<ul style="list-style-type: none"> <li>Total production of horticultural increase by 25% (44000 in 2006)</li> <li>Gross margin/ha has increased to 3750 PS (PS 3167 in 2006)</li> <li>5000 off-farm farmers have started alternative activities thanks to the program (concretely on plan for 2006 survey)</li> </ul>	<ul style="list-style-type: none"> <li>Political context enables to pursue the program</li> <li>Institutional weaknesses of stakeholders</li> <li>Structural reform of the industry is timely (supported by GEF) (both restructuring of FSC, ending subsidy is source of risk to acceptable levels, commercial farming development)</li> <li>Access to land and effective use of agricultural land</li> <li>Environmental ecological purposes</li> </ul>
	Result 1 Horticultural crops value chain is supported and supply capacities are enhanced	<ul style="list-style-type: none"> <li>1.1 Structuring of the horticultural crop farmers organizations</li> <li>1.2 Enhancing seed and seedling production capacities for horticultural crops</li> <li>1.3 Enhancement of horticultural crop component</li> <li>1.4 Support farmers' groups for small enterprise development</li> </ul>	<ul style="list-style-type: none"> <li>Nb of farmers members of associations</li> <li>Nb of farmers supplied with new improved seedlings</li> <li>Turnover of exports and imports</li> <li>Nb of farmers trained in alternative activities</li> </ul>	<ul style="list-style-type: none"> <li>Community rural functioning, 25 % farmers are members of the association</li> <li>25 % of mixed seeds and 200,000 polypropylene seedlings are produced/year and production is sustained by 2015</li> <li>Exports from a joint business, production of vegetables = 2000 t x 2, 15% of the import prices for horticultural crops products are maintained</li> <li>5000 people close to target group trained in new skills and engaged in alternative income generating activities, 50 % women</li> </ul>	<ul style="list-style-type: none"> <li>Interest and willingness of farmers to be organized in groups</li> <li>Farmers associations are not jeopardized by farmers' policies</li> <li>GEF does not hinder the Farmers' Associations and Community Capital (social skills)</li> <li>Community rural functioning continues as compared to improved products, better access to land will remain competitive, Horticultural and polypropylene by</li> <li>Characteristics Access to business market are maintained</li> <li>Private actors are keen and farmers committed to form partnership with the program</li> </ul>
	Result 2 On-farm variety research is strengthened and good quality seed cane is available to farmers	<ul style="list-style-type: none"> <li>2.1 Updating and streamlining of varietal selection criteria</li> <li>2.2 Support to growers to develop their own supply</li> <li>2.3 Development of suitable planting technologies to support replicating of sugar cane</li> <li>2.4 Improvement of the productivity of the varieties in the fields</li> <li>2.5 Seed cane production and evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Nb of varieties introduced</li> <li>Farmer satisfaction with GEF</li> <li>Specific funding mechanisms to promote a sustained replanting is found</li> <li>Number of farmers supplying new improved seedling</li> </ul>	<ul style="list-style-type: none"> <li>2 new varieties are introduced by 2015</li> <li>100% of the farmers are satisfied with GEF services</li> <li>4 mid level nurseries covering 110 Ha in total are operating and provide 700 Ha of seed cane to our growers</li> <li>At least 140 off growers are mobilized and produce seed cane and at least 75 % is sold to our growers</li> </ul>	<ul style="list-style-type: none"> <li>SRIF capacity for research is maintained by GEF and Extension services remain independent</li> <li>A cane quality payment system is gradually introduced</li> <li>Growers advisory services have variety diversification as a priority</li> <li>Stabilization of a long term seed cane subsidy reform</li> </ul>
	Result 3 Farmers associations are replicated and operations strengthened	<ul style="list-style-type: none"> <li>3.1 Mobilization of technical advisory services for sugar production</li> <li>3.2 Development of good farm advisory services to all farm actions</li> <li>3.3 Provision of adequate support services to all farm actions</li> <li>3.4 Continuation of the Farmer's component</li> </ul>	<ul style="list-style-type: none"> <li>Nb of Growers Technology Groups and Gings introduced</li> <li>Nb of Growers centers</li> <li>Nb of trained agronomist growers</li> <li>4 professional farmers' associations</li> </ul>	<ul style="list-style-type: none"> <li>at least 11 GTCs have been mobilized, 300 best farmers trained, 64 demonstration plots</li> <li>4 growers centers are set up and operational</li> <li>105 % of registered growers have been trained in farm management</li> </ul>	<ul style="list-style-type: none"> <li>Interest and willingness of farmers to be organized in groups</li> <li>Farmers associations are not jeopardized by farmers' policies</li> <li>GEF does not hinder the Farmers' Associations (social skills)</li> </ul>

Strategy Activities

# ANNEX 2A

## LogFrame (SPC)

## LogFrame SPC

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Overall Objective		To help cushion the economic and social impact of the sugar sector restructuring by supporting a diversified market-driven agriculture sector.	<p>OVI1 Total production of horticulture and livestock increased by 25% by 2015 as compared to 2010-2012 average</p> <p>OVI2 Sugar cane farmers' gross margin per hectare has increased to FJD 3,750 by 2015 as compared to FJD1,181 in 2010.</p> <p>OVI3 5,000 out-going farmers have started alternative activities by 2015 as compared to no plan for cane exiting farmers.</p>	National and Provincial agricultural production records contracted surveys on farmer incomes and activities.	<ul style="list-style-type: none"> <li>Analyse (MOV) National and Provincial agricultural production records (SOV)</li> <li>Analyse (MOV) contracted surveys (SOV) on farmer incomes and activities.</li> </ul>	None required at this level.
Specific Objective	5	Key services for agriculture are improved and enhanced.	<p>1 2 commodity councils are functioning and 25% of farmers are members.</p> <p>2 Total horticulture export value increases by 25% in 2015 compared to 2010-2012 average, in constant prices.</p> <p>3 Total production of horticulture increased by 25% by 2015 compared to 2010-2012 average, in constant prices</p>	<p>Agriculture surveys and Census Domestic market surveys</p> <p>Labour market survey (MOV)</p>	<p>Analyse (MOV) Agriculture surveys and Census</p> <p>Analyse (MOV) Domestic market surveys</p> <p>Labour market survey</p>	<ul style="list-style-type: none"> <li>Political context enables pursuit of program.</li> <li>Natural disaster.</li> <li>Institutional weaknesses of stakeholders.</li> <li>Expiring land leases</li> </ul>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			<p>4 15% increase in sales of Fiji produce into markets currently supplied by importers of horticulture and agri-foods.</p> <p>5 2 new sugar cane varieties are introduced by 2015.(SRIF)</p> <p>6 60% of the farmers are satisfied with SRIF and extension services.</p>			

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Result	5.1	Horticulture/food crops value chain is supported and supply capacities are enhanced.	<p>5.1.a At least 200,000 papaya seedlings/year are produced by 2015, i.e., after the start-up period of 2012 at least 33,000 per semester between 2013 and 2015.</p> <p>5.1.b 500 people from the target group are trained by end of the project</p> <p>5.1.c Doubling the pulse production compared with 2012 and recapture 15% of 2012 imports for fruits and vegetables at the end of the project as compared to the starting of the project</p> <p>5.1.d Export of fruits and vegetables reach 3000t/year at the end of the project</p> <p>5.1.e At least 25t on mixed seeds are produced by the end of the project</p>	<p>Project reports</p> <p>National Trade Statistics Project reports</p>	<p>Analyse (MOV) Project reports</p> <p>Analyse (MOV) National Trade Statistics</p> <p>Analyse (MOV) Project reports</p>	<ul style="list-style-type: none"> <li>Quarantine access to overseas markets is maintained and expanded.</li> <li>Farmers remain committed the programme.</li> </ul>
Result	5.2	Fair trade associations are replicated and operations strengthened.	5.2.a At least 3000 Grower Technology Gangs and 500 lead farmers have been mobilised by end of 2015.	Project Annual reports produced by FCPA	Analyse (MOV) Project Annual reports produced by FCPA (SOV)	Fair Trade Associations democratic election a pre-requisite for Fair Trade Labelling Organisation (FLO) accreditation; incorporation into the Fiji Sugar Council (FSC) or Sugar

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			5.2.b 35% of registered growers have been trained in farm management by end of project 5.2.c 75% Satisfaction with Fairtrade certified CPA services provided for the farmers by 2015			Growers Council (SGC) could prevent democratic elections
Activity	5.1.1	Enhance seed and seedling production capacities for horticulture/food crops.				•Community and private sector interest in facilitating distribution and production of seedlings. •Farmers are keen on the programme.
Activity	5.1.2	Enhance horticulture/food crops component.				•Community and private sector interest in facilitating distribution and production of seedlings. •Farmers are keen on the programme.
Activity	5.1.3	Support Farmers' Groups for Small Enterprise Development.				•Community and private sector interest in facilitating distribution and production of seedlings. •Farmers are keen on the programme.
Activity	5.2.1	Mobilize technical advisory services for sugar cane production.				•Interest and willingness of farmers to be organized in groups. •Interest and willingness of farmers to be trained.
Activity	5.2.2	Provide adequate support services to all farm advisors.				•Interest and willingness of farmers to be organized in groups. •Interest and willingness of farmers to be trained.
Activity	5.2.3	Coordinate the fair trade capacity building.				•Interest and willingness of farmers to be organized in groups. •Interest and willingness of farmers to be trained.
Activity	5.2.4	Communication & Visibility				

## ANNEX 2B

# LogFrame (ITC)

## LogFrame ITC

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Overall Objective		To help cushion the economic and social impact of the sugar sector restructuring by supporting a diversified market-driven agriculture sector.	<p>OVI1 Total production of horticulture and livestock increased by 25% by 2015 as compared to 2010-2012 average</p> <p>OVI2 Sugar cane farmers' gross margin per hectare has increased to FJD 3,750 by 2015 as compared to FJD1,181 in 2010.</p> <p>OVI3 5,000 out-going farmers have started alternative activities by 2015 as compared to no plan for exiting farmers.</p>	Contracted annual market enquiries. Annual contracted surveys on farmer incomes (costs) and activities.	Comparison of market enquiries with baseline (ITC/SPC) Analyse contracted surveys for changes in activities and incomes. (ITC/SPC)	None required at this level.
Specific Objective 5		Key services for agriculture are improved and enhanced.	<p>OVI1 2 commodity councils are functioning and 25% of farmers are members.</p> <p>OVI2 Export of fruits and vegetables reach 3000t/year at the end of the project</p>	Associations' membership records. National export statistics. Contracted annual market enquiries.	Annually calculate number FLC's members as a share of number of farmers (ITC). Comparison of market enquiries with baseline (ITC/SPC)	<p>The private actors remain committed to form partnership with the AMSP. Structural reform of the sugar industry, as well as the agriculture sector at large, continues to be implemented.</p> <p>The land lease renewal continues effectively. Domestic food prices remain attractive as compared to</p>



Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			<p>OVI3 Vegetable and pulses production doubled compared to 2012.</p> <p>OVI4. 15% increase in sales of Fiji produce into markets currently supplied by importers of horticulture and agri-foods.</p>			<p>imported products and bilateral quarantine agreements are maintained.</p>
Result	5.3	<p>Market orientation, problem-solving &amp; decision-making capabilities of men &amp; women and agri-food sector stakeholders improved.</p>	<p>5.3.a FCLC is established and providing services to members by Q4 2013.</p> <p>5.3.b At least 4 new market &amp; product opportunities, and/or opportunities to increase incomes are identified by Q2 2013 through participatory processes.</p> <p>5.3.c At least 2 roadmaps for selected value chains are defined and validated by stakeholders by Q2</p>	<p>FCLC personnel recruitment, financial &amp; operational performance records. Reports/outcomes of market opportunities workshops and studies. Roadmaps and project documents. Roadmap implementation reports</p>	<p>Qualitatively assess the functioning of the organization based on records (twice per year). Assess the number of new opportunities identified in each year. Quarterly assess records of progress against implementation plans.</p>	<p>• Stakeholders from all key stages of the horticulture value chain and communities engage fully in the process and are motivated to change their practices. • Human resources with adequate capabilities and experience are available when required. • Continuity is maintained of people in key counterpart organisations, agencies, communities associations. • Meeting participants represent their constituencies fairly. • Government agencies pro-actively contribute to the process and are empowered to implement recommendations. • FCLC</p>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			2013. 5.3.d Roadmaps are being implemented with leadership from the private sector by end of Q3 2013.			members and sector associations are willing to contribute to FCLC resource requirements.
Result	5.4	Horticulture & food sector services providers offer a range of services to support men & women in agri-food value chain growth.	5.4.a FCLC provides effective trade support and represents sector stakeholders concerns to policy makers by the end of the project. 5.4.b FCLC effectively shares international market opportunity and trade information data with its members by the end of the project. 5.4.c At least 50% of agri-food entrepreneurs that require HACCP/ISO certification under the Fiji Food Act have used food safety advisory services (assisted by the project) by the end of 2015.	FCLC documented communications with policy makers. Interviews with stakeholders and FCLC members. FCLC published information and notifications. Entrepreneur-approved service provider records. List of certifications awarded. Records of non-approved and approved financing applications. System-generated reports on usage and transactions. System user interviews re. system's usefulness and appropriateness. MOV: Tabulate number of users each month. Bi-annually perform informal assessments with users.	Qualitatively assess the effectiveness of FCLC's based on annual informal interviews. Qualitatively assess the effectiveness of information sharing activities. Bi-annually calculate the ratio of entrepreneurs using food safety advisory services. Bi-annually sum the number of new certifications. Bi-annually calculate ratio of approved to non-approved financing applications.	<ul style="list-style-type: none"> <li>• Representative member and beneficiary community engagement.</li> <li>• Stakeholders support the FCLC.</li> <li>• Incomes from service provision are sufficient to perpetuate service provision to the sector.</li> <li>• The financial sector offers financing at reasonable rates.</li> <li>• Policies and prices of telecom companies do not change adversely.</li> <li>• Trust and integrity of the Fijian market price and sales volumes data collected by MPI, mobile payments system is maintained.</li> </ul>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			<p>5.4.d At least 50% of agri-food enterprise financing proposals for upgrading are approved as eligible for funding by 2015.</p> <p>5.4.e At least 70% of farmers and communities assisted by the project regularly use mobile applications to find out domestic market prices, get market and sector information, or organize produce collection logistics by the end of the project</p>			
Result	5.5	<p>Selected new products &amp; market linkages are initiated: value chain performance to these markets improve and income &amp; unit value along the supply chain increase.</p>	<p>5.5.a At least two demonstration agri-food value chains are developed or upgraded for selected markets by 2015.</p> <p>5.5.b At least 50% of agri-food enterprises benefiting from the project have increased their incomes (or reduce</p>	<p>Reports on new products tested, value chain performance and working practice changes. Feasible replication plans. Revenue extrapolations from producers' costs and buyers' prices based on annual surveys. Bi-annually sum the number of new certifications. Annually survey enterprises and community organizations for efforts made in implementing improvement plans.</p> <p>Records of changes introduced, and feedback from buyers. Accreditation and certification</p>	<p>Qualitatively describe the level of upgrading/development of value chains annually. Revenue extrapolations from producers' costs and buyers' prices based on annual surveys. Calculate the profit increases of producers based on annual surveys. Bi-annually sum the number of new certifications. Annually survey enterprises and community organizations for efforts made in implementing improvement plans.</p>	<p>Seed multiplication expands to meet demand. • Produce supply increases sufficiently. • Ability of selected enterprises, communities, collection and conditioning facilities to finance changes required to become food safety compliant (i.e. financing is successfully obtained). • Stakeholders have the time to devote to direct communications and respond as requested/</p>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			<p>their costs) by more than 10% from selling more volume or higher unit value produce compliant with applicable standards in existing or new markets by 2015.</p> <p>5.5.c At least 50% of enterprises or community organisations benefiting from the project are implementing improvement plans to meet food safety and quality compliance standards by the end of the project.</p>	records.	Qualitatively interpolate results based on informal interviews with buyers (bi-annually).	<p>Suppliers honour agreements made by mobile phone (presentation for collection or delivery and sale). • The economic and political environment for agri-food business and land leases continues to improve.</p>
Activity	5.3.1	<p>Conduct stakeholder identification, analysis and consultation, incl. FCLC, and map their services, communities, networks.</p> <p>Establish a common work plan, roles and objectives with all stakeholders, incl. FCLC.</p>				<p>Human resources with adequate capabilities and experience are available when required.</p>
Activity	5.3.2					<p>All key groups of horticulture value chain stakeholders engage in, and take ownership of, the process and are motivated to</p>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Activity	5.3.3	Explore, in collaboration with stakeholders, market and product opportunities, analyse supply & value chain structural implications and start market orientation.				change. •SPC provides support to mobilise farm and community level participants. •Participants of meetings fairly represent their constituencies.
Activity	5.3.4	Define horticulture & agri-food value chain development road maps, identify resource needs & sources and get validation from the partners on the coordination framework;				• Accurate and complete market and agro-ecological information and baseline data are made available for decision-making. • Government agencies pro-actively contribute to the process and are empowered to implement its recommendations.
Activity	5.3.5	Establish a private sector led development road map coordination body, coach it, monitor its progress and communicate its outputs to all stakeholders.				• Continuity in coordination body members. • Skype conferencing is able to overcome insufficient budget for travel/meetings. • Willingness of the right calibre people to give their time and effort to the strategy and road map coordination body.
Activity	5.4.1	Strengthen management & trade support capabilities in FCLC and key food sector support associations, and engage				Absorption rate and human resource capacity to develop, maintain and promote a portfolio of services for the sector.

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Activity	5.4.2	women in business and community enterprise associations. Reinforce market analysis and trade information management capabilities and introduce producers and agri-food enterprises to ITC networks.				• Active engagement of sector stakeholders. • "Farming as a business" awareness is developed among producers by SPC.
Activity	5.4.3	Enable sector and community service providers to offer information and advice on food safety and quality technical requirements relevant to Fiji producers' target markets.				Agri-food chain enterprises obtain sufficient funding to implement improvement plans within the Programme's timeframe.
Activity	5.4.4	Strengthen value-adding finance and business development services through local partners to support sector and producer communities.				Financing institutions obtain financing at competitive rates for agri-food chain enterprises (despite exchange rate risks & financial crises).
Activity	5.4.5	Introduce mobile applications for commercial activities, market information and for coordination of				Telcos cooperate on messaging service pricing within range of affordability by farmers and communities

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
		collection and extension services.				
Activity	5.5.1	Establish demonstration agri-food value chains in Viti Levu for selected markets to demonstrate feasibility and new working practices, with a view to replication into other parts of the sugar belt.				Improved supply of produce and collection centres are spearheaded by SPC.
Activity	5.5.2	Advise and train selected producers on new markets, products, market links and mobile applications.				Stakeholders have the time to devote to direct communications and respond as advised.
Activity	5.5.3	Facilitate the advice & training on new markets & products and on food safety & quality compliance for enterprise and community services				Stakeholders have the time to devote to direct communications and respond as advised.
Activity	5.5.4	Facilitate market linkages, financing and commercialisation, and initiate food chain distribution and buyer/supplier development collaborations.				•Communities and producers honour agreements and contracts. •Improved supply of produce and collection centres are spearheaded by SPC.

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Activity	5.5.5	Communication &				



## ANNEX 2C

### LogFrame (SRIF)

## LogFrame SRIF

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Overall Objective		To help cushion the economic and social impact of the sugar sector restructuring by supporting a diversified market-driven agriculture sector.	<p>5,000 out-going farmers have started alternative activities by 2015 as compared to no plan for exiting farmers.</p> <p>Sugar cane farmers' gross margin per hectare has increased to FJD 3,750 by 2015 as compared to FJD1,181 in 2006.</p> <p>Total production of horticulture and livestock increased by 25% by 2015 as compared to 2010 - 2012 level.</p>	<p>National and Provincial agricultural production records.</p> <p>Contracted surveys on farmer incomes and activities.</p>	<p>Analysis of National and Provincial agricultural production records, and</p> <p>Contracted surveys on farmer incomes and activities.</p>	<p>None required at this level.</p>
Specific Objective	6	Cane variety research is strengthened and good quality seed cane is available to farmers	<p>6.0a A consistent investment in research to ensure a constant flow of improved cane varieties to farmers</p> <p>6.0b Promote its financial sustainability as an independent non state agency, driven as a non for profit making entity.</p>	<p>Agriculture surveys and Census</p> <p>Domestic market surveys</p> <p>Labour market survey SRIF</p> <p>media release about new certified varieties.</p>	<p>Analyze Agriculture surveys and Census, Domestic market surveys, Labour market survey, and SRIF media release about new certified varieties.</p>	<p>Political context enables pursuit of program. Natural disaster. Institutional weaknesses of stakeholders. Land tenure issues World sugar price</p>

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
			6.0c By 2016 sufficient quantities of improved and certified varieties can be replanted with a target of 4000 Ha/year. 6.0d 2 new sugar cane varieties are introduced by 2015.			
Result	6.1	The research technology is upgraded.	6.1a By the end of the project, SRIF operates a state-of-the-art seed-cane nursery and there is a demand of seed-cane that SRIF is producing	SAG (stakeholder action group) report on its visit to the seed-cane nursery.	SAG (stakeholder action group) report on its visit to the seed-cane nursery.	Extension services provide proper weeding technique and Crop management
Result	6.2	SRIF staff's capacity is enhanced.	6.2a By the end of the training measures, SRIF staffs propose to SRIF management how they will be using their newly acquired knowledge.	Staff reports on new knowledge acquired and their description on how they will contribute to SRIF research efficiency and effectiveness, approved by the SRIF CEO.	Staff reports on new knowledge acquired and their description on how they will contribute to SRIF research efficiency and effectiveness, approved by the SRIF CEO.	Staff remains with SRIF with a long term perspective i.e they don't leave straight after training
Activity	6.1.1	Initiate seed-cane nursery.				• Expertise Available. • Land & water availability. • Equipment available.
Activity	6.1.2	Acquire and breed new varieties of seed-cane.				• Expertise Available. • Land & water availability. • Equipment available.
Activity	6.1.3	Manage the Nursery & Mother plot seed-cane.				• Expertise Available. • Land & water availability. • Equipment available. •

Type	Reference Number	Intervention Logic	Objectively Verifiable Indicators (OVI)	Sources (SOV)	Means of Verification (MOV)	Assumptions
Activity	6.2.1	Staff participate in formal and informal studies.				Ground water presence. • Staff have minimum qualifications to enroll. • Staff available to attend.
Activity	6.2.2	Staff attend international conferences & workshops.				• Staff have minimum qualifications to enroll. • Staff available to attend.
Activity	6.2.3	Staff attach to training abroad and local.				• Staff have minimum qualifications to enroll. • Staff available to attend.
Activity	6.2.4	Introduce PRINCE2 project management.				Equipment Available.
Activity	6.2.5	Digitalise the SRIF library.				• Equipment available.
Activity	6.2.6	Communication & Visibility				

Republic of Fiji



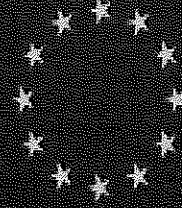
# ACCOMPANYING MEASURES 2011 FOR SUGAR PROTOCOL COUNTRIES (AMSP)

## MID-TERM EVALUATION

De-briefing:  
Presentation of preliminary results

Dr. Nico van Tienhoven  
Dr. Kessawa Payandipillay

16.02.2015



# OUTLINE

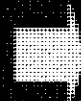
- Methodology
- 3 Components with 4 Result Areas
- Evaluation and Recommendations by Component
  - Component SRIF
  - Component SPC-FCU
  - Component SPC-IKSA
  - Component ITC-IKSA

# Methodology

Review of  
documentation

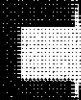


Stakeholder  
interviews



Site visits

(Farmers and farmer  
groups, entrepreneurs)



Provided by

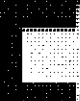
- EUD
- PCU
- IAS

• Viti Levu &  
Vanua Levu

- >70 interviews

• 4 Provinces

- >30 (sub)projects



Interpretation of received information by evaluators

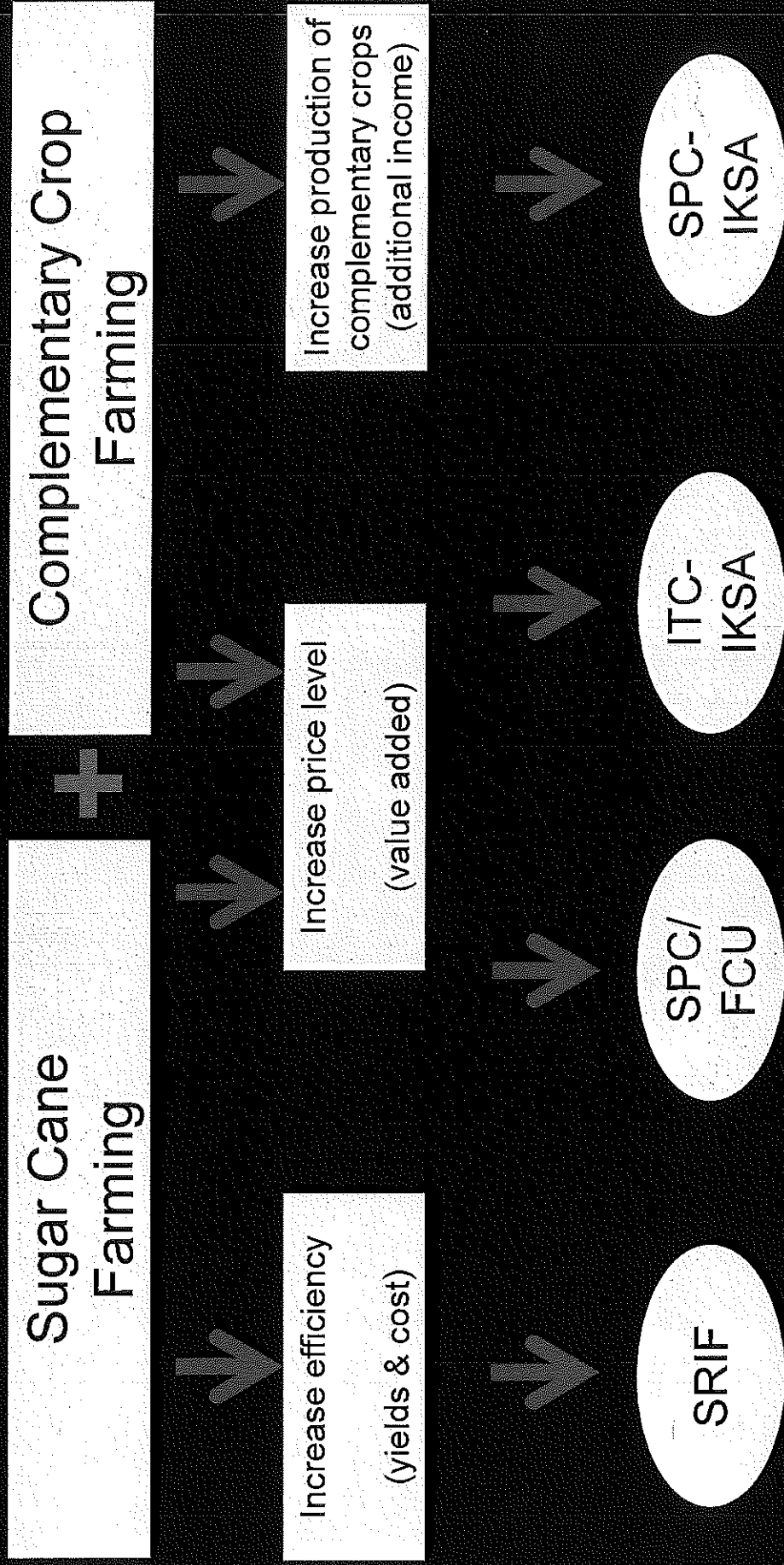
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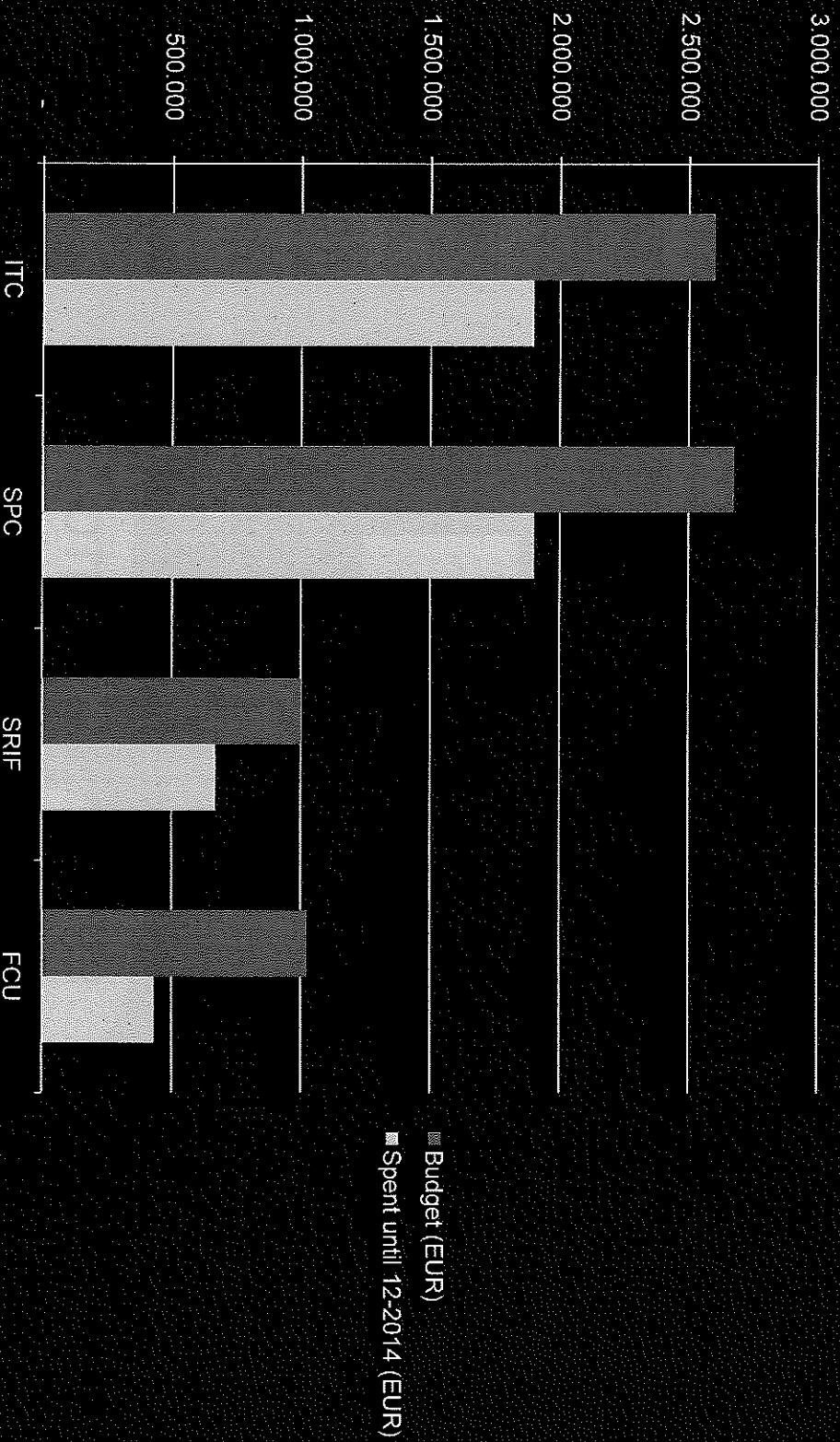
## 4 Result Areas

High relevance to stabilize economy in sugar belt



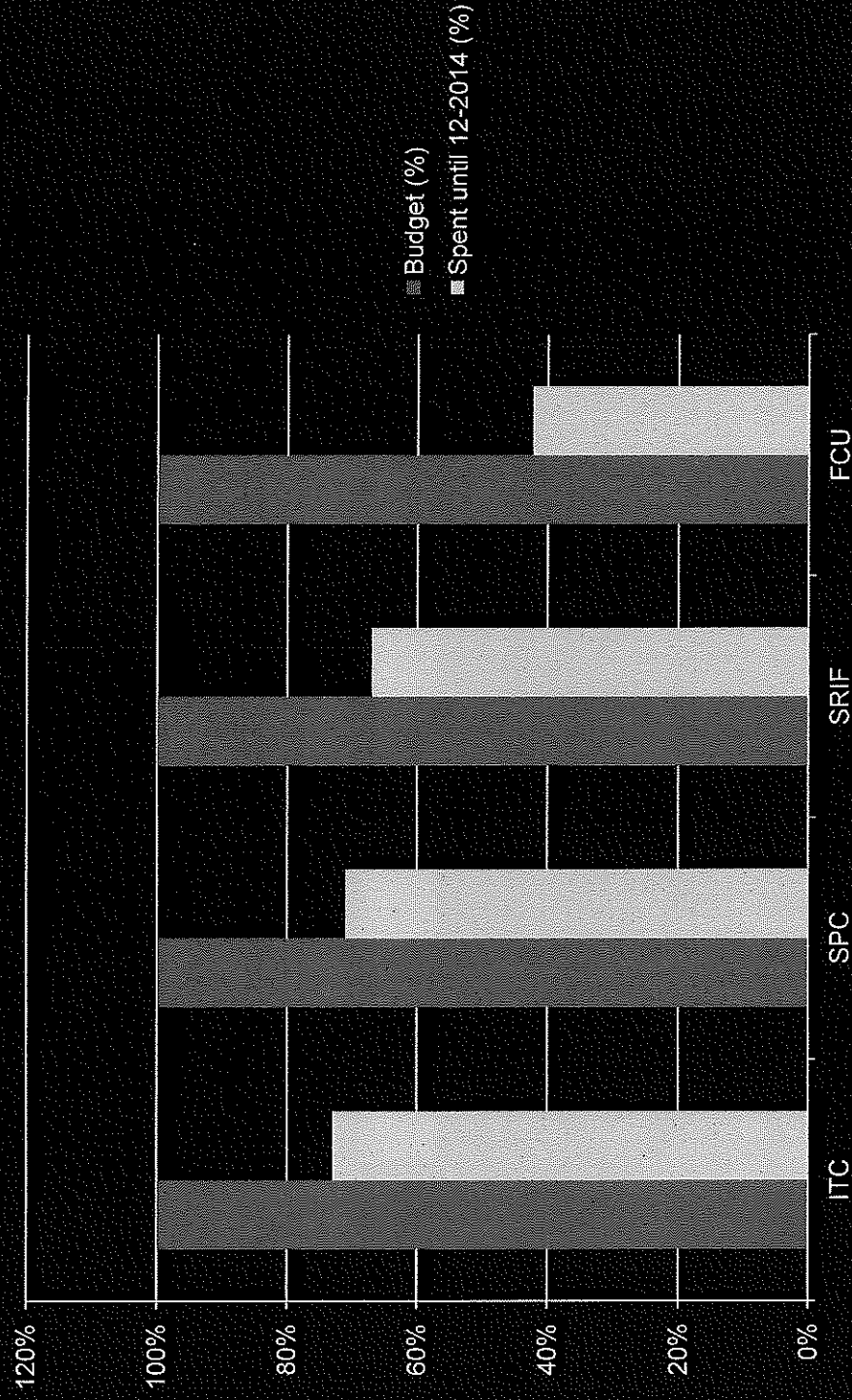
# Between 42% and 73% of Budget Disbursed

(by end of December 2014)



# An Average of 67% of Budget Disbursed

(by end of December 2014)



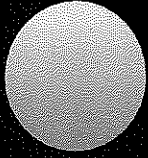
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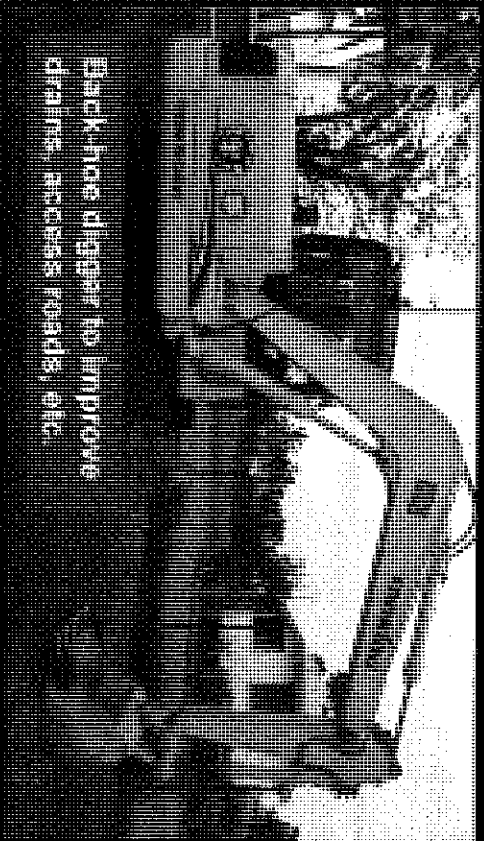
## OVIs – SRIF (1)

So far: Low to medium level of achievement

(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

OVIs	Achievements	Comments
A consistent investment in research to ensure a constant flow of improved cane varieties to farmers.		Capacity building & upgrade of equipment & facilities partially completed. TNA missing & more emphasis required on mgmt development

## Equipments acquired by SRIF IN AMSP 2011 (2)



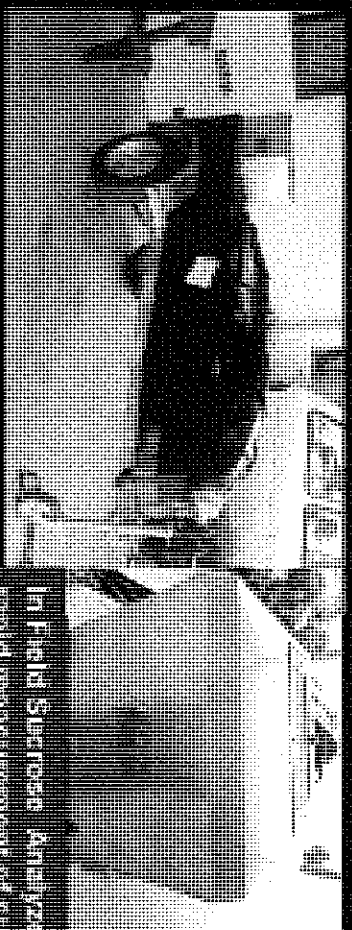
Backhoes digger to improve drainage, access roads, etc.



Tractor leveled for GPS equipped tractor for field layout and farm planning



Flow Injection Analyzer to improve analysis of soil samples

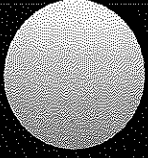

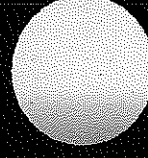
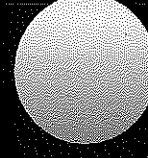


Field Success Analyzer for rapid measurement of seedling in vegetables under test

# OVI – SRIF (1)

## So far: Low to medium level of achievement

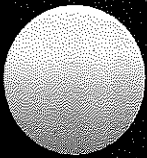
(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

OVI	Achievements	Comments
A consistent investment in research to ensure a constant flow of improved cane varieties to farmers.		Capacity building & upgrade of equipment & facilities partially completed. TNA missing & more emphasis required on mgmt development
Promote its financial sustainability as an independent non state agency, driven as a non for profit making entity.		Building more credibility required to attract additional funding. Sale of new varieties to be explored.
By 2016 sufficient quantities of improved and certified varieties can be replanted with a target of 4,000 Ha/year.		Will be partly achieved in 2015 and fully achieved in 2017.
2 new sugar cane varieties are introduced by 2015.		2 new varieties released in 2014.

## OVIs – SRIF (2)

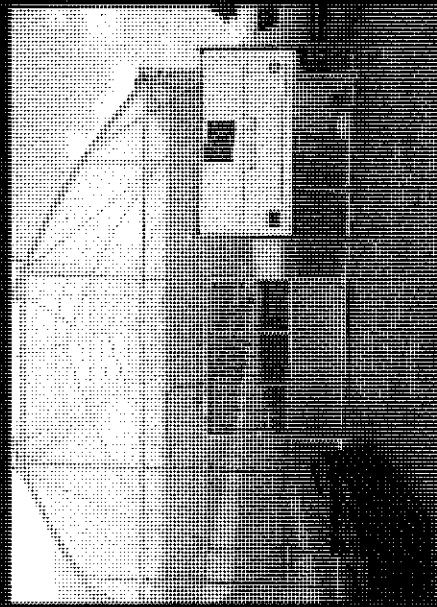
### So far: Low to medium level of achievement

(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

OVIs	Achievements	Comments
By the end of the project, SRIF operates a state-of-the-art seed-cane nursery and there is a demand for seed-cane that SRIF is producing.		2 nurseries operational & 2 more by end 2015. Demand to be stimulated (extension)



# SRIF is capable of producing disease-free seed cane



Greenhouses in Davao and Butawan



Production of seedlings from one-eyed cuttings



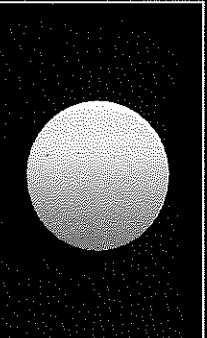
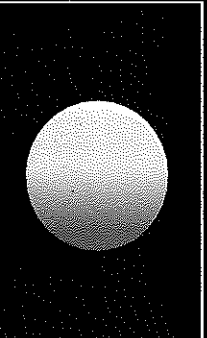
Transplantation in the mother plot in Davao

## Production of pure and disease-free seed cane

# OVIs – SRIF (2)

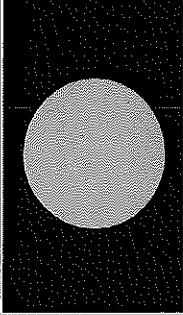
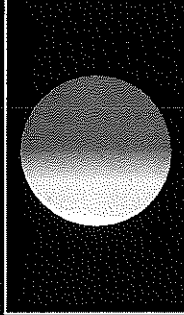
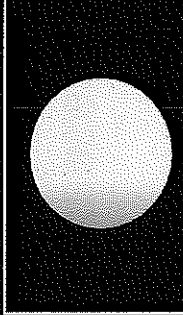
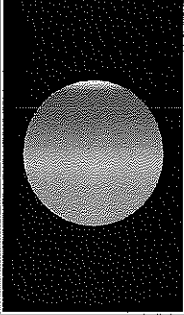
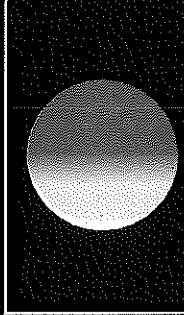
## So far: Low to medium level of achievement

(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

OVIs	Achievements	Comments
<p>By the end of the project, SRIF operates a state-of-the-art seed-cane nursery and there is a demand for seed-cane that SRIF is producing.</p>		<p>2 nurseries operational &amp; 2 more by end 2015. Demand to be stimulated (extension)</p>
<p>By the end of the training measures, SRIF staffs propose to SRIF management how they will be using their newly acquired knowledge.</p>		<p>Research plans proposed, but yet to be incorporated into strategic research concept linked to the SAP &amp; implemented.</p>

# DAC-Criteria – SRIF

(green=very good / high; yellow=medium level; red=major deficiencies)

Relevance / Design		Highly relevant with respect to national strategy and on-farm needs. Appropriate design and priorities.
Efficiency		Late take-off & lack of clear direction by the Board (lack of professional staff & incentive system to motivate researchers; know-how transfer to farm level). Decision taking & operational management not focused enough.
Effectiveness		Expertise acquired through training done already incorporated in on-going work plans / research activities. Equipment and facilities purchased a bit late and is in process of being completed.
Impact		Released varieties not yet widely spread. But farmers seem to be positive, also due to awareness of new payment system for cane. Deficient management structure leads to demotivation.
Sustainability		“Unsettled” management and unsecure financial perspectives. Enhanced research capacity needs better focus on farmers’ immediate and long-term needs.

# Recommendations SRIF (1)

## Observation

SRIF has not yet positioned itself with a clear focus, which can be used as a key argument to attract future funding.

SRIF research is not yet sufficiently linked with the farming community. This hampers research focus on needs and implementation of research results

## Recommendation

Positioning of SRIF as a renowned interlocutor between international research centres and Fiji cane farmers: Emphasis on applied research and farmers' needs.

Intensify cooperation with FSC extension services and Farmers Associations

# Recommendations SRIF (2)

## Observation

Still beyond AMSP, SRIF will continue to depend on additional funding to complement its core budget. Otherwise, SRIF will not be able to maintain or improve its standards.

A clear strategy of incentives for motivation of young researchers is not yet in place. Staff turn-over endangers the benefits from SRIF- financed training.

## Recommendation

SRIF needs to strengthen credibility and fund raising capacity: Comply strictly with “donor” procedures (including reporting). Training in PCM and proposal writing to be intensified.

An innovative HR management strategy should be urgently developed, approved & introduced. Urgent decisions to be taken with respect to working conditions and remunerations

# Recommendations SRIF (3)

## Observation



Management not sufficiently pro-active.  
Board lacks technical expertise detrimental to SRIF activities.  
CEO needs guidance for demand-driven research

Major constraints to improved production:

- Lot of gaps in commercial fields
- Poor weed management
- Irrational use of fertilizers

## Recommendation



Nomination of Board members with adequate specialist(s) with appropriate scientific background /reputation. CEO to focus at excellence in terms of research output and clientele satisfaction.

Intensify studies on good farm management practices: Planting, weed management and rational fertilization. Train field extension staff / farmers on safe handling and application techniques.

## Recommendations SRIF (4)

### Observation



Emphasis is not laid on harvest according to maturity behaviour of commercial varieties.



### Recommendation



Crucial with the coming into operation of the cane quality payment system.  
To be enhanced with the acquisition of infield sucrose analyzer to confirm the maturity behavior of commercial varieties

# Multiplication of seed cane according to maturity behaviour and harvesting period

Varieties	Production potential (Sucrose / cane)	Harvesting period			% Area currently planted	Targeted area %
		Early June - Aug	Middle Sep - Oct	Late Nov - Dec		
BEQA	Mod	←→			0.1	5*
MANA	High		←→	←→	70	30
RAGNAR	High		←→	←→	6.6	5*
AIWA	Mod	←→			0.2	5*
NAIDIRI	High	←→	←→	←→	10	15*
LF91-1925	High	←→			0.5	10*
KIUVVA	High / Mod		←→	←→	0.2	5*
VIWA	High / Mod		←→	←→	Released in 2014	10*
QAMEA	High	←→	←→	←→		15*
Targeted % per harvesting period		30	40	30	99.5	100

Early harvest  
 Mid harvest  
 Late harvest

\* Varieties to be multiplied in nurseries to achieve the target of 4000 ha replanted annually under new and better performing varieties



# Recommendations SRIF (5)

## Observation

Methodology for seed cane development is labour intensive and costly.  
Need to save on resources.

Technology transfer is very weak.

## Recommendation

To resume the production of tissue-cultured plantlets  
To improve direct planting with HWT cane sets.

Should be improved.  
FSC will need to revisit its extension support.  
SRIF should reinforce research-extension linkage and improve the capacity of field technicians.

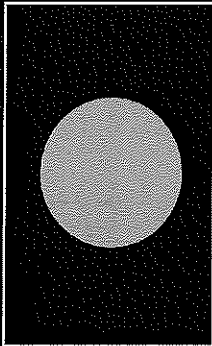
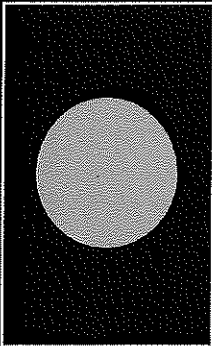
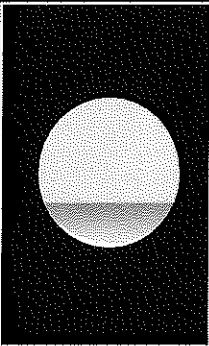
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# OVis – SPC-FCU (1)

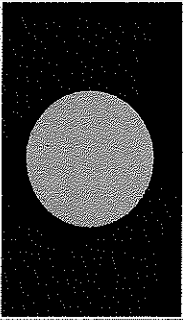
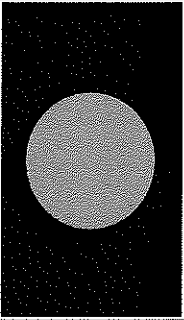
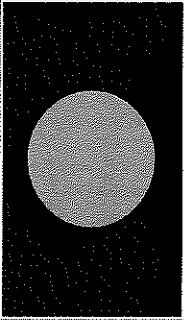
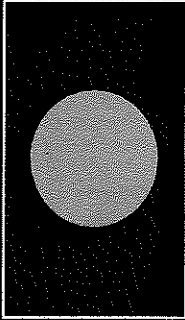
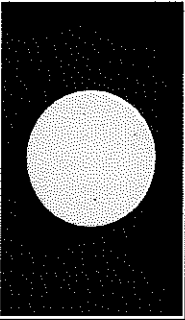
So far: Very good level of achievement

(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

OVis	Achievements	Comments
At least 3,000 Grower Technology Gangs and 500 lead farmers have been mobilised by end of 2015.		Will be achieved
35% of registered growers have been trained in farm management by end of project.		Will be achieved
Satisfaction with Fairtrade certified CPA services provided for the farmers by 2015.		No data available yet. But: Evaluators' on-farm interviews indicate high degree of satisfaction.

# DAC Criteria – SPC-FCU

(green=very good / high; yellow=medium level; red=major deficiencies)

Relevance / Design		High economic and social relevance. Design has already proven to be appropriate and successfully tested during predecessor programme.
Efficiency		So far, targets have been achieved on time. Tight budget control allows for budget-neutral extension.
Effectiveness		Targets as planned in the LogFrame will be achieved.
Impact		Improved farm income. Mitigation of social challenges. Improvement of inter-institutional cooperation (FSC, SRIF). Successful organisation of farmers (CPAs)
Sustainability		Institutionally sustainable, although hijacking by 'egos' likely to be a challenge. Only 1 buyer and challenges if Fairtrade quota further reduced and less funds available ('fight for resources' ...).

# Recommendations SPC-FCU (1)

## Observation

Structures are in place and activities are being implemented as scheduled. Further internal consolidation of CPAs and training of Lead Farmer Groups would benefit from more time.

Power games and ego positioning is a usual phenomenon in not-for-profit organisations and can endanger their viability.

## Recommendation

A budget-neutral extension is recommended.

Now, FCU is mediating. A clear mediation responsibility for the time beyond AMSP-funding has to be established.

## Recommendations SPC-FCU (2)

### Observation



Currently, the Fairtrade quota and corresponding payments have been reduced (by approximately 50% as compared to 2013). This might demotivate farmers.

Joint participation of SRLF field officers and FSC extension officers in Fairtrade field days and trainings is regarded as a major achievement.

### Recommendation



Identify complementary funding to increase leverage effects through co-financing opportunities (like AMSP-2012 Micro Projects).

Further consolidate this interaction between research (SRLF) and extension (FSC).

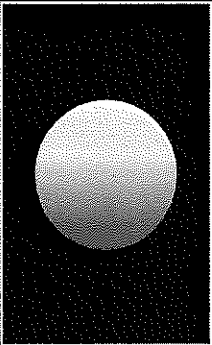
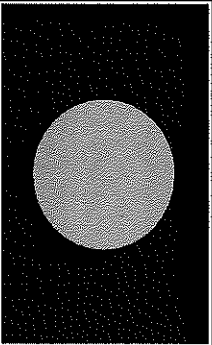
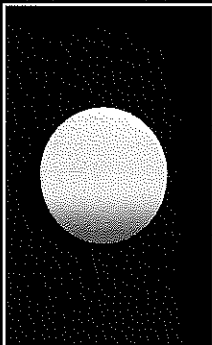
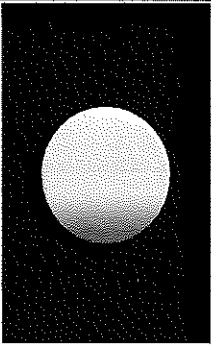
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# OVis – SPC-IKSA (1)

## So far: Low to medium level of achievement

(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

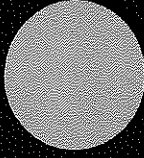
OVis	Achievements	Comments
At least 200,000 papaya seedlings/year are produced by 2015, i.e., after the start-up period of 2012 at least 33,000 per semester between 2013 and 2015.		So far: 26,000. By end 2016 challenging. Risks: Markets absorption capacity and farmers' willingness to plant 200 ha.
500 people from the target group are trained by end of the project.		Likely to be achieved. Until 12-2014: 391
Doubling the pulse production compared with 2012 and recapture 15% of 2012 imports for fruits and vegetables at the end of the project as compared to the starting of the project.		Should refer to the Sugar Belt only. Not feasible until 12-2015. Possible until 12-2016.
Export of fruits and vegetables reach (additional) 3,000t/year at the end of the project.		Not feasible until 12-2015. Possible until 12-2016. (papaya alone = >50%)



# OVis – SPC-IKSA (2)

So far: Low to medium level of achievement

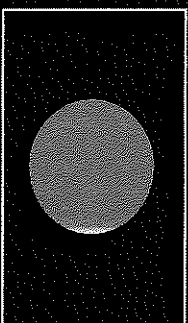
(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

OVis	Achievements	Comments
At least 25t on mixed seeds are produced by the end of the project.		Possible by 12-2015. High probability of achievement until 12-2016.

# DAC-Criteria – SPC-IKSA

(green=very good / high; yellow=medium level; red=major deficiencies)

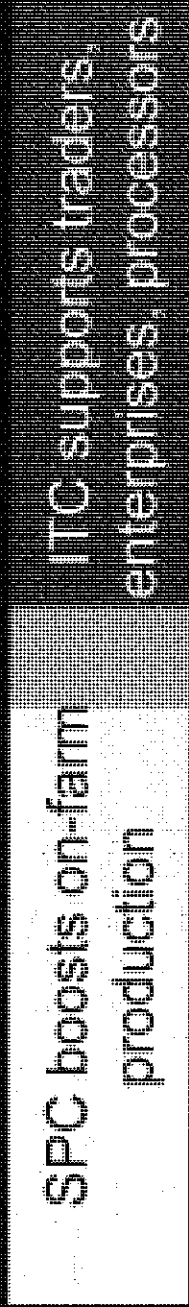
Relevance /  
Design



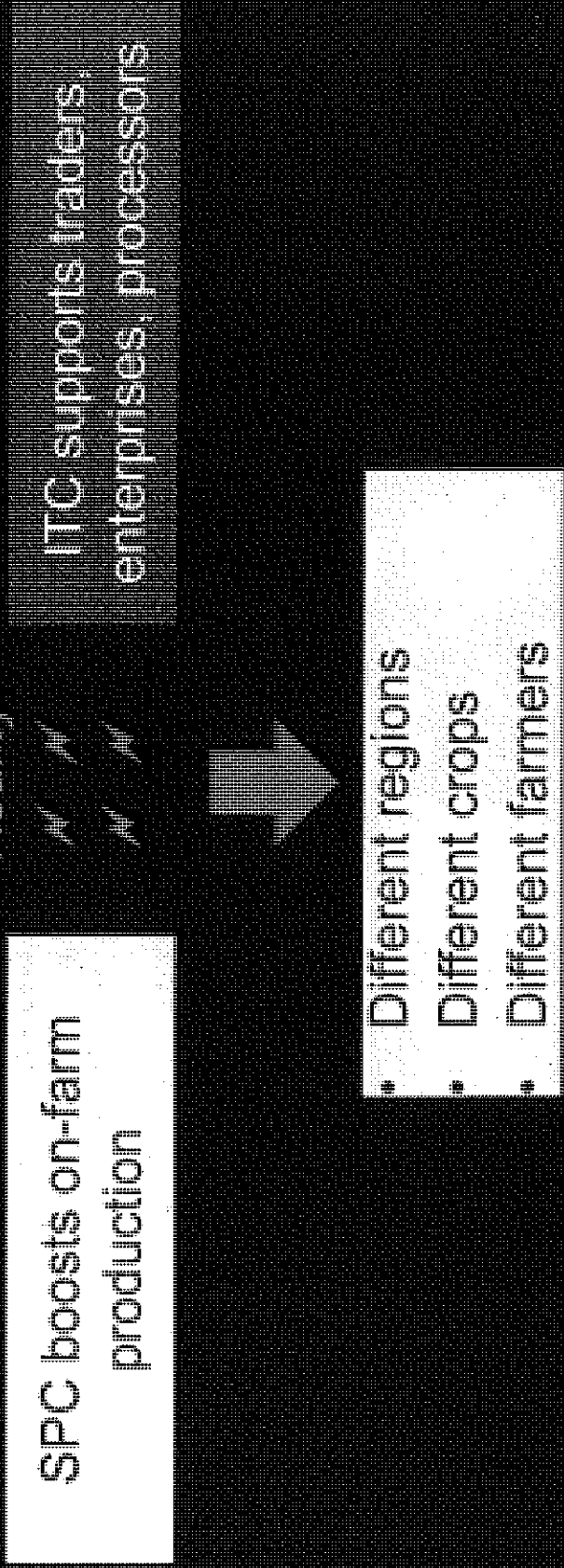
High relevance on farm level and on national level.  
Design appropriate, but interface with post harvest component not well implemented.

# Component 1 (IKSA): Major Implementation/Coordination Problems

Plan

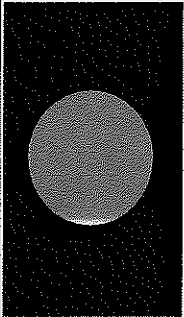
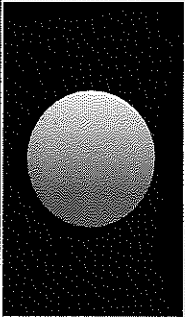
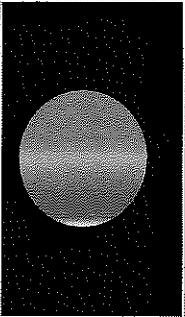
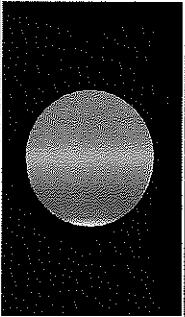
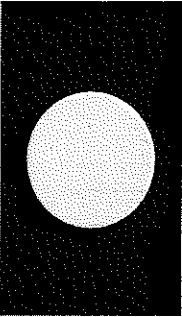


Reality



# DAC-Criteria – SPC-IKSA

(green=very good / high; yellow=medium level; red=major deficiencies)

Relevance / Design		High relevance on farm level and on national level. Design appropriate, but interface with post harvest component not well implemented.
Efficiency		Extreme delays at beginning. Multiple delays resulting from procurement. Late take-off of seed multiplication (further aggravated by drought in 2014)
Effectiveness		Low to date. But most targets could still be met by end of 2016. However, this would require strong target oriented management and realistic medium/long term planning.
Impact		Very low to date. But high potential impact on farm level (income up & risk down) & on national level (improved trade balance through additional export & import substitution).
Sustainability		High demand for seeds at farm level. Nurseries respond to demand. Marketing part is still problematic & farmers' willingness to buy seeds still uncertain.

# Recommendations SPC-IKSA (1)

## Observation

After huge delays at the beginning, SPC has finally embarked.

Most targets are still achievable until 12-2016, but this requires a very tight planning and a very focused management.

## Recommendation

A budget-neutral extension of the SPC IKSA component is recommended.

Set clear targets per Field Technician with milestones. Monitor on a monthly base.

## Recommendations SPC-IKSA (2)

### Observation



Lengthy procedures and decision making processes in procurement of goods and services have caused significant delays.

Concentration on increase of production without assuring absorption capacity of markets could entail price erosion and endanger sustainability.

### Recommendation



Revise SPC's internal procedures.  
Initiate procurements timely (planning process!)  
"Package" procurements and go for "framework contracts".

Increase efforts to link farmers with buyers and assure sufficient demand is identified. Close cooperation with ITC is essential

# Recommendations SPC-IKSA (3)

## Observation

Handout mentality of farmers endangers the seed multiplication targets set by SPC.

Seed multiplication targets depend on farmers sticking to their commitments.

## Recommendation

Increase training and sensitization activities to motivate farmers to buy seed (instead of waiting for seeds to be supplied for free).

Make sure that seeds handed to farmers for free will be paid back to SPC in kind (yield)!  
Insist on Field Technicians to enforce corresponding targets.

## Recommendations SPC-IKSA (4)

### Observation

In some cases, farmers have received funding for new equipment or upgrading of their facilities without clear need.

### Recommendation

Intervention / activity should aim at developing “show cases” and restrain from financing “windfall profits” for already advanced farmers.



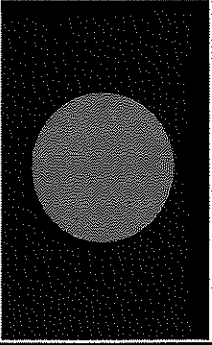
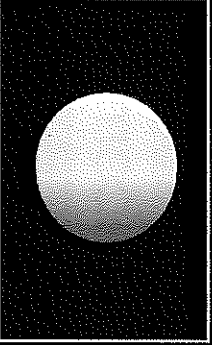
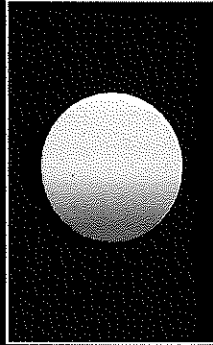
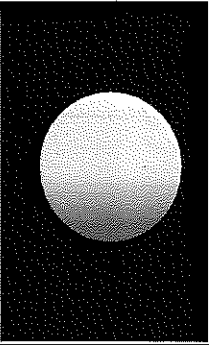
# OUTLINE

- Methodology
- 3 Components with 4 Result Areas
- Evaluation and Recommendations by Component
  - Component SRIF
  - Component SPC / FCU
  - Component SPC-IKSA
  - Component ITC-IKSA

# OVIS – ITC-IKSA (1)

## So far: Low level of achievement

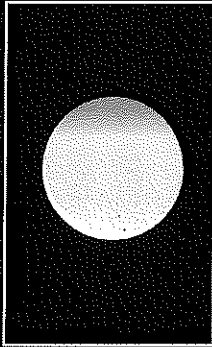
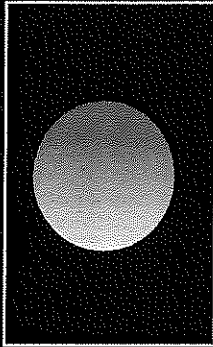
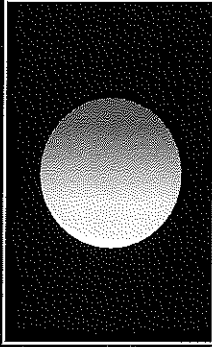
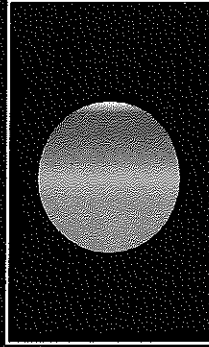
(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

Ovis	Achievement	Comments
FCLC is established and providing services to members by Q4 2013.		Formally established. But still poor management capacity and services. Strained relationship FCLC-ITC
At least 4 new market & product opportunities, and/or opportunities to increase incomes are identified by Q2 2013 through participatory processes.		Done, although later (Cocoa, Cassava, Taro, Kava). Not coordinated with SPC
At least 2 roadmaps for selected value chains are defined and validated by stakeholders by Q2 2013.		4 roadmaps prepared (June 2014), but yet to be fully validated in practice
Roadmaps are being implemented with leadership from the private sector by end of Q3 2013.		Implementation is still in an early phase

# OVis – ITC-IKSA (2)

## So far: Low level of achievement

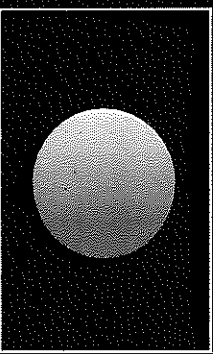
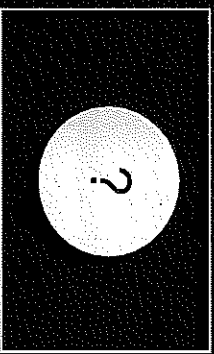
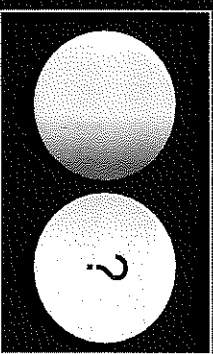
(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

OVis	Achievement	Comments
FCLC provides effective trade support and represents sector stakeholders concerns to policy makers by the end of the project.		Advocacy on policy level is FCLC's main achievement. But weak membership base benefiting
FCLC effectively shares international market opportunity and trade information data with its members by the end of the project.		Not yet established.
At least 50% of agri-food entrepreneurs that require HACCP/ISO certification under the Fiji Food Act have used food safety advisory services (assisted by the project) by the end of 2015.		So far, only 3 certified and further 6 have received services.
At least 50% of agri-food enterprise financing proposals for upgrading are approved as eligible for funding by 2015.		Low absolute number of enterprises supported by FMCs (12). Of these, 9 received funding. NO new activity after 2013.

# OVIS – ITC-IKSA (3)

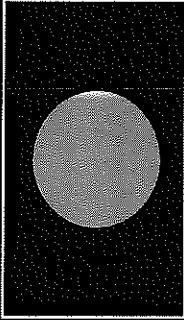
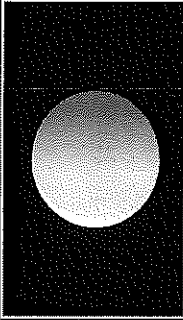
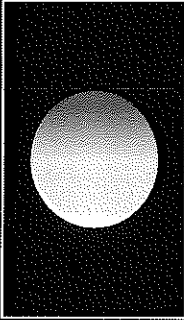
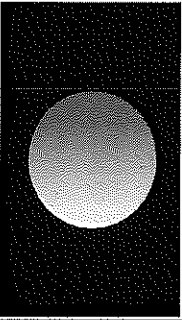
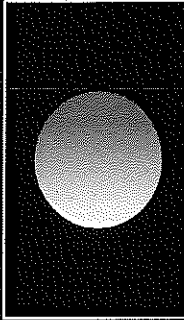
## So far: Low level of achievement

(green=achievable; red=NOT achievable; yellow=PARTLY achievable)

Ovis	Achievement	Comments
<p>At least 70% of farmers and communities assisted by the project regularly use mobile applications to find out domestic market prices, get market and sector information, or organize produce collection logistics by the end of the project.</p>		<p>To date, the systems are still in development and no roll out has been started.</p>
<p>At least 50% of agri-food enterprises benefiting from the project have increased their incomes (or reduce their costs) by more than 10% from selling more volume or higher unit value produce compliant with applicable standards in existing or new markets by 2015.</p>		<p>No data available.</p>
<p>At least 50% of enterprises or community organisations benefiting from the project are implementing improvement plans to meet food safety and quality compliance standards by the end of the project.</p>		<p>Data still to be provided</p>

# DAC-Criteria – ITC-IKSA

(green=very good / high; yellow=medium level; red=major deficiencies)

Relevance / Design		High relevance on farm level and on national level. Design appropriate, but interface with SPC production component not well implemented.
Efficiency		Delays at start (>6 months to establish office, 2 years for Road Maps) and in mobilising STEs. Major delays in consolidation of FCLC. Remote management highly problematic.
Effectiveness		Most outputs are still in a premature or testing phase, except for some show cases.
Impact		FCLC: Negative impact (frustration). Farmer-buyer relationships in positive development in Ra province
Sustainability		FCLC: Very low (low skills base, no other funding). Value chains not yet consolidated. FMCs & FSC s not yet being contracted by clients. Mobile apps development & hosting not yet assured

## Recommendations ITC-IKSA (1)

### Observation



FCLC is financially still completely dependent on ITC and institutionally not consolidated.

Institution building and coaching requires close-by and hands-on support.

### Recommendation



ITC to intensify and accelerate capacity building activities to enable FCLC to develop into a functioning sector representing organization: Financial Management, Membership base. Services.

Remote support is not suitable to facilitate a smooth development.

# Recommendations ITC-IKSA (2)

## Observation

Only small / weak interaction and complementarities with SPC's activities (type of crops, regions, category of farmers, etc.).

Financial MCs still 100% subsidized through AMSP funds, without any contribution from clients / beneficiaries

## Recommendation

Lot more cohesion required at leadership level.  
Liaise with SPC and identify need for marketing / post harvest support.

Neither financial institutions nor Micro/SMEs are likely to pay for these services. Consequently, FMCs need to be embedded in a "MSME supporting structure".  
FCLC is not (yet) prepared for it.

## Recommendations ITC-IKSA (3)

### Observation

Food SCs still 100% subsidized through AMSP funds, without any contribution from clients / beneficiaries.

Mobile applications have not been rolled out .

### Recommendation

Clients should at least partially pay for the service. Especially now, with the new food security act becoming effective, this is an achievable target.

Applications to be rolled out asap. Hosting of the different applications and their financing beyond the Programme to be defined and needs to be done with priority.



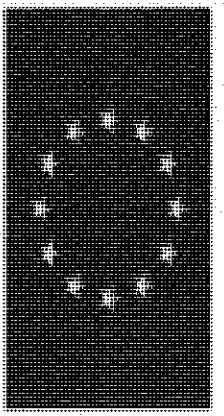
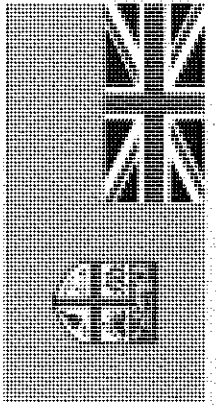
# Recommendations ITC-IKSA (4)

## Observation

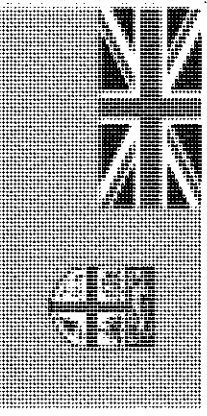
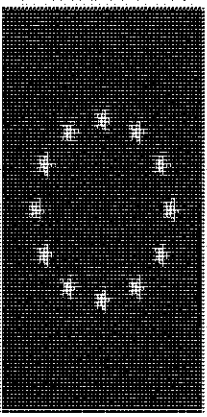
Planned set-up of two food processing units has not yet started.  
Planned ownership & operation of the Rakiraki unit by a youth club is a risky organisational set-up.

## Recommendation

Private operator in Ba seems to be reliable.  
For Rakiraki, a preferable option for a private ownership should be evaluated.



Thank You !



# Meetings with stakeholders / visits to farmers

Farmers working in close collaboration with SPC



Group of farmers (sugar cane, other crops) in Sarobu Village, RA



A sugar cane (other crops) farmer, Marhawa Village in Es. Family is closely involved in the farm activities



A sugar cane (vegetables) farmer and his son in Luwu Village, Lantoka

XXXXX



Group of sugarcane farmers (Mahanandi Gram) Mahabub Village, RAJ.



Sugar cane farmer in Pakhal (managing a cane nursery with his wife) with SRIE Officer.



A sugar cane farmer in Bakhlevu Village in Kovvur is also managing a private nursery.



Group of sugarcane farmers (Ninth Farm) in Dabhalavu, Pakhal.



Group of farmers (vegetable and crop) in Darul Village, Id.



A group of farmers (vegetable and crop) in Darul Village, Id. Family is closely involved in the farm activities.

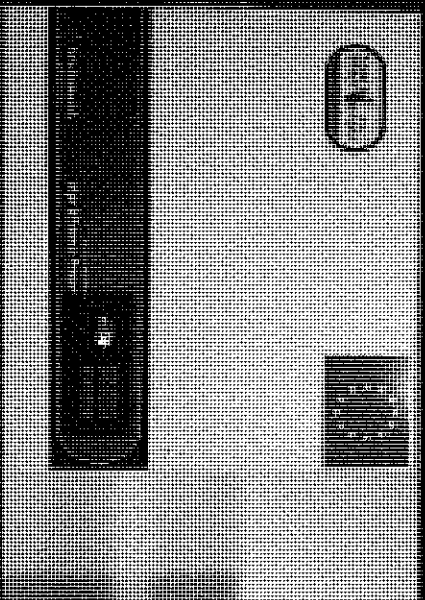


A group of farmers (vegetable and crop) in Darul Village, Id.



A group of farmers (vegetable and crop) in Darul Village, Id.

## Equipments acquired by SRF IN AMSP 2011 (3)

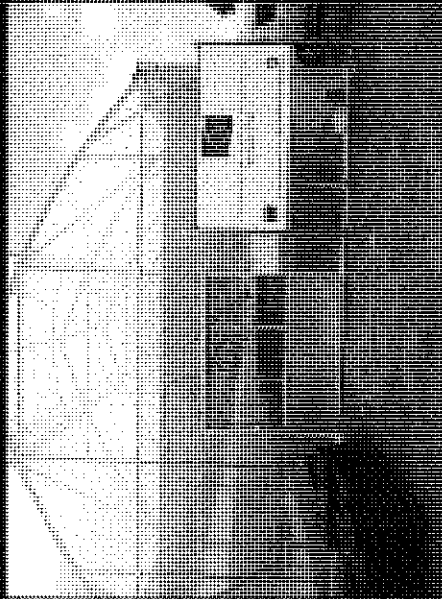


High Energy Fritzer and SMA Extractor for identification of diseases and hybrid genotypes and disease diagnostics

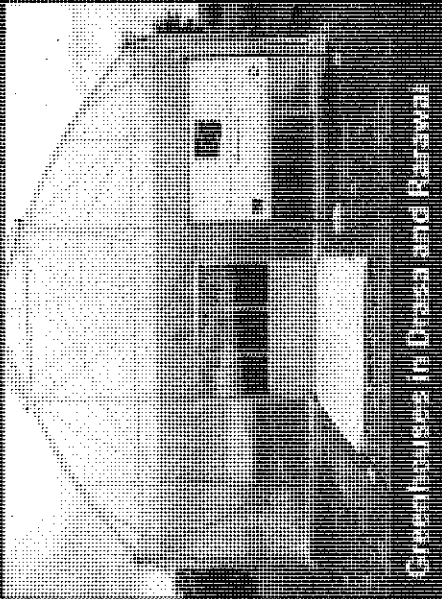


Other equipments purchased: Primo Star microscope, etc.

# SRIF is capable to produce disease-free seed cane



Greenhouses in Dussa and Rawwat



Production of seedlings from one-eyed cuttings



Transplantation in the another plot in Dussa

## Production of pure and disease-free seed cane





# **ANNEX 9**

## **Comments on Draft Final Report**



# **ANNEX 9A**

## **Comments from PCU on Draft Final Report**



1. **Summary of Critique:**

Excellent analysis. The report summarises very accurately the main weaknesses. I agree with the findings & recommendations.

2. There are some highlighted corrections all the way through the report which may be useful for the monitors.
3. P. 13 Component 1a – ITC
  - ITC to should intensify and accelerate capacity building activities to enable FCLC to develop into a functioning sector and capable of offering various services to its members in such as financial management and food safety.
4. P. 19 It is felt that the design does not make enough space to engage the sugar cane farmers and the extension staff of FSC in the research activities being undertaken by SRIF as at the end of the day, additional efforts need to be devoted in convincing the farmers to accept and adopt new sugar cane varieties coming from research

I suggest that this cooperation would be the natural way forward led by the management of the two organisations. However management is weak & therefore a design that 'forced' them together would have been useful.

5. P. 20 Relevance 5.1 General. Mention needs to be made here of the importance of the project in terms of contributing to import substitution. This is not been mentioned at all so far in the report and he would be a good place to include it. The value of imported food is about the same as the value of sugar sold. Fiji could grow most of the food it needs and this is one of the main intentions of this IKSA project.
6. P. 21 Also it is reported that in 2010, the price paid to the farmers has decreased from € 24.4 to € 18.4 per tonne of cane during the 2010 crop season

More up-to-date figures are available. MH kindly insert here for 2013 & 2014 please.

Consequently farm revenue is less and the sugar cane farmers need to be offered other complementary crops to boost up revenue and improve livelihood, hence the high relevance of the action. It can also be argued that at the national level, this action is of high relevance.

The complementary crops are also often needed to enable the farmers to feed themselves in order to stay on the sugarcane farm.

7. P. 31 **Indicator 1.4:** Export of fruits and vegetables reach 3000t/year at the end of the project.
  - ➔ This target will not be achieved by end 2015, but may probably be met by 2016. It is appropriate to report here that papaya exports alone may represent more than 50% of the 3000 tonnes targeted yearly

However it is likely that the papaya exports are mainly due to Nature's Way activities.

8. Different as compared to the other components, SRIF has defined in its Logframe its own Specific Objective / Programme Purpose and consequently, own OVIs on this level

This is incorrect; the objective, purpose and OVIs were developed by EUD.

9. P. 40 Establishment of a solid financial and operational management.

- 10.

# **ANNEX 9B**

## **Comments from SPC on Draft Final Report**





## Respond to Mid Term Review

### SPC Component

#### 1. Nursery establishment- Para 1, Line 2 on Page 12

"Even now (30 months after start of the project) only a part of the nurseries is operational. An unusual drought in 2014 contributed further to the considerable delays".

*Our response : There's no denial that sufficient nursery weren't set up in time. A concerted effort is required from us to speed up outstanding nurseries. This would be our top priority in order to provide allowance for most of the crops that need nursery raising to be produced.*

#### 2. Drought –Paragraph 1, Line 3 Page 12.

"An unusual drought in 2014 contributed further to the considerable delays...."

*Our Response : Drought (5 months) created a domino effect on the momentum of our project implementation and caused widespread calamity on all stakeholders*

#### 3. Procurement issues with SPC - Bullet Point 3 on Page 13

"SPC should revise its internal procedures by initiating procurements timely through a good 'planning process'. Procurements should be packaged and framework contracts be privileged".

*Our Response: SPC admittedly had some procurement issues especially with the informal stake-holders. However, this has been identified and rectified. The difficulty faced initially with this arrangement are that, farmers have differing needs and have different stages of development which are unique to each other. However, we will explore using packaging and framework contracts where applicable as recommended.*

#### 4. Seed Multiplication Strategy ( Bullet Point 5 on Page 13)

"To avoid that the hand-out mentality of farmers endangers the seed multiplication targets, SPC should increase training and sensitization activities to motivate farmers to buy seed (instead of waiting for seeds to be supplied for free)".

*Our Response: The seed supplied to farmers was merely to try and boost our seedlings multiplication; farmers had no discretion to buy seeds in bulk. Seed supplied is a motivation to them rather than endangering the seed multiplication targets stated by the reviewers. It is quite difficult to play a waiting game for farmers to buy seeds given the limited seasonal period to plant and of course*

*the project duration itself. We have set to get back some 10 percent of the seeds given from farmer's harvest.*

#### **5.The recommendation (Bullet Point 1on Page 14)**

**“The intervention/activity of SPC should aim at developing *show cases* and should restrain from financing *windfall profits* for already advanced farmers.”**

**Our Response** : *Surrounding and nearby farmers have very little capacity to build their own nursery thus strengthening the existing one was a feasible option given his ‘Lead Farmer’ (referred farmer) status. He already had farmer networks where farmers are well informed on the seeds available, the type of seeds available and in what quantity. The initial gap assessment with the farmer before our intervention identified his real needs, which is water supply availability and capacity for his nursery in the height of a very long drought. This could have spelled disastrous if we did not assist and will definitely affect those farmers who rely on him for seedlings.*

#### **6.SPC-ITC partnership (Bullet Point 2 on Page 17)**

**“A crucial element of the design foresees a close cooperation with the on-farm production component of the IKSA activities, which is managed by a different Implementing Agency, SPC (see Figure 1). Unfortunately, such close collaboration has not been established during most of the planning and implementation period.”**

**Our Response** : *“Our partnership is working well now though there are some pertinent / minor issues between us still to be addressed. The differences we believe are triggered by the initial weak interface with market component.*

#### **7. Efficiency Issues ( Paragraph 1 on page 24 )**

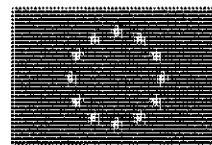
**“Especially concerning the IKSA activities (Component 1a and 1b), the very late take off of the projects has caused severe delays, and it will be impossible to regain the lost time within the implementation period until 31 December, 2015”:**

**Our Response** : *Efficiency issues were the direct result of late implementation (systemic issues - both procedural and operational - it's completely an exogenous issue).*

# **ANNEX 9C**

## **Comments from ITC on Draft Final Report**





**Mid-term evaluation of the Accompanying Measures for  
Sugar Protocol Countries (AMSP) AAP 2011 in Fiji  
DCI SUCRE/2012/291944**

**ITC Table of detailed responses in relation to the Draft Evaluation  
Report N°2014/351748**

31 March 2015

## Summary

Pages 3 to 14 of this document contain a table recording ITC's detailed comments on the draft evaluation report showing the Page and paragraph reference and the report extract to which the comment relates.

We have preceded each comment by remarking whether we "Agree", "Partially agree", or "Disagree" with the Report extract, or if there is a specific factual, with: "Error".

## Key findings of the evaluation

The three findings below are those that ITC considers to be the most important areas that it needs to address under the remaining time before the end of the project, now foreseen to be December 2016.

1. Addressing the management capacity-building, usefulness and membership building of the Fiji Crop and Livestock Trust (FCLT) to better serve the interests of the Council (FCLC);
2. Assuring the sustainability beyond the end of the project of the support services created by ITC, namely: the Food Safety and Farm Management Counsellors and the mobile applications;
3. Doing our utmost to help the farming communities involved in the demonstration value chains in Ra Province and other agri-food clusters to continue to benefit from the higher incomes and new markets they have found in 2014.

Whilst we generally agree with the overall recommendations for ITC's Component 1a contained in Section 11 of the draft report on page 46, we have added our comments to both refine the recommendations and indicate the actions that ITC will take, or has taken to address the Observations made.

Throughout the other sections of the draft report, ITC has recorded in the table that follows:

- 15 findings that we fully agree with and are addressing;
- 6 findings that we partially agree with and provide an explanation of our opinion;
- 18 findings where we disagree and provide an explanation of our opinion, and;
- 5 findings in which there are factual errors that should be corrected.

The ITC comments are being sent in both MsWord and .pdf format to support the process of consolidation.

ITC takes the independent project evaluation process very seriously and constructively. We would like to take this opportunity to thank the evaluator for the candid exchange of findings and opinions experienced during the preparation for, and progress of, the evaluation mission and in the preparation of the draft evaluation report.

ITC will provide a Response Action Plan and will comment further on the findings of the evaluation in its Management Response to the final report, when this is received.

**ITC Table of detailed responses of 31 March 2015 to the draft mid-term evaluation of AAP2011 Improvement of key services to agriculture DCI SUCRE/2012/291944**

Reference	Report extract	ITC comment
1 - Page 11 Component 1a: (ITC) - Project Purpose:	“The main weaknesses of the four Result Areas of the AMSP 2011 Programme are summarized here below.” <u>“Horticulture/Food crop value chain is supported and supply capacities enhanced”</u>	<u>Error:</u> ITCs project is called: Improvement of key services to agriculture. The project document foresees the establishment of agriculture commodity councils, rehabilitation of infrastructure to facilitate market access, and to enhance tourism, agriculture and export linkages to provide alternative sources of income for marginal sugar cane farmers and labourers.
2 - 7 <sup>th</sup> Paragraph	“Although the Programme aims at increasing vegetable and fruit production...”	<u>Error:</u> Note this is not the stated purpose of the ITC project. ITC’s indicators relate to increasing exports or import substitution in agriculture – not necessarily vegetables or fruits.
3 - Page 11, Final paragraph	“Most of ITCs activities are not sufficiently coordinated with SPC...”	<u>Partially agree with comment:</u> In Ra, SPC and ITC field teams have worked well with each other and indicators are being met. In other areas where SPC is operating with its IACT enterprises or focusing on building nurseries, there are limited opportunities for operating synergies to be derived until next season when seeds produced in SPC nurseries should be distributed to farmers. In Page 12, Paragraph 6, of the Inception Report of December 2012 SPC and ITC agreed to focus on different areas as “the original planned ITC-SPC approach may only be appropriate for suppliers of domestic markets and tourism outlets that have predictable demand.” “...this is rarely the case..”. SPC continued to maintain “exclusive agreements” with its FACT/IACT partner F&V enterprises limiting openings for ITC or FCLC assistance. Response to fruit and vegetable tourism and export markets requires hybrid seeds and/or nursery development to increase farm inputs for growing the required varieties and volumes of produce. As nursery and seed development take more than two years ITC settled on assisting farmers with crops that did not require such inputs – namely root and tree crops. MAFF requested ITC to focus on one of the poorest production areas in Fiji: the Ra Province, as a way of reducing the risk to the economy of a cyclone hitting the Sigatoka valley and assisting the poorest cane belt populations. In addition, SPC cannot support farmers without land title. Most of the farmers and communities that ITC is working with in Ra Province do not have land title and fall into the category of “the most affected population” under sugar restructuring, which are the project’s stated target beneficiaries.
4 - Page 13 Recommendations Component 1a (ITC)	“. It is accepted by all stakeholders that the remaining implementation period ending December 2015 for ITC and SPC respectively and August 2015 for SRIF would only allow partial implementation”	<u>Agree with comment:</u> At the invitation of the EUD in Suva, ITC is in the process of requesting a budget neutral extension to Dec 2015.

Reference	Report extract	ITC comment
5 - Page 13	<ul style="list-style-type: none"> <li>•ITC should intensify and accelerate capacity building activities <i>to enable FCLC to develop into a functioning sector and capable of offering services in financial management and food safety</i>"</li> </ul>	<p><u>Disagree with the phrase in italics:</u>  FCLC is meant to be a Producer organisation it was never intended that FCLC would offer Financial Management and Food Safety Services. It is not mandated, registered, nor equipped to do that. From 25 March ITC has engaged a full time consultant organisational development specialist in Fiji to work alongside the FCLT CEO and staff to coach the team on how to work effectively and efficiently on the tasks required to complete their agreed work plan and respond to their members' needs.</p> <p>The FCLT Board did not include support to the Financial Management and Food Safety Counsellors in its Strategic Operational Plan in November 2014. FDB has taken over temporarily FMC hosting and ITC has provided office space for FMC's and FSC's in Suva and Lautoka.</p> <p>The Government of Fiji has timetabled a Cabinet discussion before Easter on how to host these services separately. The operations of the National Centre for Small SME Development (the original choice) are currently suspended by MIT – this was one option to host FMC's and FSC's that was mentioned in the Inception Report.</p>
6 - Page 13	<ul style="list-style-type: none"> <li>•ITC should provide close-by and hands-on and not remote support to facilitate smooth development of FCLC"</li> </ul>	<p><u>Agreed with comment.</u> This was planned in the original ITC draft Contribution Agreement of August 2011 valued at Euro 5.5Mn. When the budget was reduced in November 2011 to Euro 2.6Mn, the Fiji-based ITC International Project Coordinator was removed. Since then we have resorted to other ways to provide hands-on support and a total of 13.5 w/m of in office support was provided between November 2013 and Dec 2014.</p> <p>Our evaluation of the original problem at FCLT is that it is not linked to the close presence of ITC. In fact, on several occasions FCLT has not been available for close full-time assistance. As a result of the mid-term evaluation the Chairman has agreed to more closely monitor and evaluate the performance of the FCLT CEO and staff. Regional and Fijian specialists will work directly alongside FCLT staff and will also implement weekly targets and performance indicators.</p> <p>ITC now has the ability to recommend termination of contracts of FCLT personnel who are un-willing to perform and to stop paying personnel involved in any financial mismanagement.</p>
7	<ul style="list-style-type: none"> <li>•Food Safety Counsellors (FSCs) should become more autonomous and be able to offer paid (at least partially) to clients. Renaming of FSC should be considered to avoid confusion with the Fiji Sugar Corporation (FSC)</li> </ul>	<p><u>Agree with comment.</u> FSCs have made their first independent proposal for paid services in March 2015. They now have office space rented till end 2016 and are being assisted by a Fijian services development specialist. FSC's are creating now their own Association of Food Safety Advisers (AFSA) and will join with FMC's, MAFF, MoH, MIT, FCLC in coordinating the provision of development services.</p> <p>There are more than 5 institutions in Fiji with the abbreviation "FSC". The choice of acronym came from the team after considering all other options.</p>



Reference	Report extract	ITC comment
8	<ul style="list-style-type: none"> <li>•Beyond AMSP funding, Financial Management Counsellors (FMCs) should be embedded in a Micro/Small/ Medium Enterprise (MSME) supporting structure”</li> </ul>	<p><u>Partially agree</u>. A coordinated FMC, FSC, MAFF, MoH, MIT, FCLC arrangement was planned from the beginning. ITC has raised it to Cabinet level and achieved a budgetary provision in the November 2014 national budget. During 2015 a host organisation should be designated and budgeted for by Cabinet.</p>
9	<ul style="list-style-type: none"> <li>•Mobile applications should be launched as soon as possible and the hosting of the different applications and their financing beyond AMSP has to defined in priority.”</li> </ul>	<p><u>Agreed</u>: delays have been beyond the control of ITC: Launch is now timetabled with MAFF for May 2015. Usage depends on data in the database of mobile numbers, names and farmer categorisation being maintained by FCLT. Two other Government agencies (FDB &amp; MAFF) have agreed to support FCLT now to do this work.</p>
10	<ul style="list-style-type: none"> <li>•The set-up of a food processing unit in RakiRaki should preferably be conferred to private ownership instead of a youth club.”</li> </ul>	<p><u>Partially agree</u>: Having researched options with reputable Fijian specialists and institutions ITC plans a mix of community and private ownership. The “Youth Council” has successfully managed a provident fund for 3,000 people and other commercial activities for more than 7 years. It is supervised by the District Commissioner, HLTB and FDB. The business model calls for user enterprises and MAFF to be on its Board with advisory support from FNU and FDB.</p>
11	<ul style="list-style-type: none"> <li>•ITC needs to strengthen partnership / liaison with SPC to identify marketing /post-harvest support for the farmers.”</li> </ul>	<p><u>Agreed</u>: This activity is underway and planned. ITC FSC’s and FMC’s already working with 12 agri-food enterprises (4 in partnership with SPC) to prepare their supply chains (additional pack houses, BAF audit, etc) to be compliant with market requirements when new crops and additional volumes come on stream. ITC market information and demand-supply survey completed in 2014 with SPC for 17 crops grown in sugar belt. Next phase of joint work is scheduled in time to find buyers for crops grown out of market compliant varieties that will be ready for harvest (Q4 2015). Buyers sent a clear message at the start of this project: “Fix the supply side issues (varieties, quantity and quality continuity) and we are ready to enter into contracts.”</p>
12 - Page 16 Final paragraph: Programme environment and background	<p>→Improvement of key services for agriculture (IKSA) with focus on the <u>improvement of the value chains for vegetable and fruit crops</u> and institution building support to the Fiji Crop and Livestock Council (FCLC).”</p>	<p><u>Disagree/Error</u>: ITC is not restricted to fruits &amp; vegetables. This point was reinforced in ITC’s Inception Report. Page 6 of ITC’s Contribution Agreement states: “This Programme will initially focus on market orientation and the potential for producing more agri-foods (eg: horticulture, root crops, pulses, cereals and nuts), reducing wastage and expanding or improving crop harvest, collection, conditioning, logistics, food safety and food processing value chains.”</p>

Reference	Report extract	ITC comment
<p>13 - Page 17 Design concept Component 1A (ITC)</p>	<ul style="list-style-type: none"> <li>The lack of a Fiji-based team leader with all corresponding competences has proven to be a major cause for the drawbacks, which this component is facing. The “remote management” of the project as practised by ITC (with the team leader and the sub-component managers being based in Geneva, Switzerland), and the almost exclusive dependence on short-term interventions has clearly proven to be inappropriate for this kind of projects. This is particularly obvious concerning institution building and strengthening activities for the FCLC, which require, at least during an initial phase, a close by full time available support.</li> </ul>	<p><u>Partially agreed:</u></p> <p>The original draft ITC project Contribution Agreement of August 2011 valued at Euro 5.5Mn included provision of Fiji based full time international support staff from ITC – namely an ITC Project Office with full time Senior Technical Advisor with scope to cover Viti Levu and Vanua Levu.</p> <p>When the ITC project budget was reduced in November 2012 to Euro 2.6Mn the full-time Senior Technical Adviser had to be removed and replaced with a Fijian National Project Technical Coordinator (NPTC) and the project scope reduced. The NPTC has been in place since 2012 sharing the offices of FCLT since November 2013.</p> <p>The role of the ITC project is to build the capacity of local partners to achieve mutually agreed objectives and to provide “technical assistance” to local partners, not to substitute international staff for Fijian capabilities. A distance-based technical assistance arrangement was tailored to the available budget. It pre-supposes that partners’ are willing to cooperate and align their development objectives with those of the project. Whilst this appeared to be the case at the start FCLC’s priorities changed in February 2014.</p> <p>Despite having recruited an experienced and highly paid CEO who benefited from close ITC support, financial irregularities occurred. ITC was directed by the EU to continue to pay the personnel who were responsible for the irregularities. The degree of international support required to work out from this position without changing the FCLT staff was not originally budgeted in the project. FCLT has benefited from 13.5 w/m of full time support in their offices from national and regional capacity-building consultants from November 2014 till December 2015. These consultants have reported their frustration due to a lack of responsiveness, task focus, budget optimisation and follow-on work ethic by FCLT and its Board.</p> <p>At the start ITC was the employer of the FCLT team and could encourage performance against contracts. Under the Grant MoU ITC is no longer the employer of the FCLT team and we have no legal right to supervise them directly. In hindsight the early transition to a Grant MoU was inappropriate despite the insistence of FCLC.</p> <p>With other national association partners in Fiji we have had a better response. Sustainability requires local partners to take on increasingly greater independence and this has happened with the FSC’s and FMC’s and MAFF extension services that have been project assisted. ITC is requesting budget neutral amendments to its Contribution Agreements (IKSA &amp; IKSL projects) to extend the end date of the IKSA project to 31 December 2016, record the additional staffing levels and costs at FCLT and agree the required additional level of direct supervision under IKSL that is being requested for FCLT by this evaluation report.</p>

Reference	Report extract	ITC comment
14 - Page 18 Component 1b (SPC) [ITC implications] Final paragraph	"According to the Project Purpose, SPC should support the development of Horticulture and Food crop value chain and enhance supply capacities in the sugar belt. For the production side, the project design is appropriate as it aims to identify other crops that could be exploited either in association with sugar cane, or in rotational lands or on lands which are no longer viable for sugar cane."	<u>Disagree with Comment:</u> FSC has vigorously defended the loss of any sugar land to alternative cultivation. The level of resistance was not foreseen and this has had an impact on FSC / SPC / ITC cooperation and farmers land availability for both SPC and ITC projects. ITC understands that the farmers needed to show title to the land they farm before they would be eligible to receive SPC assistance. Where title exists in most cases it applies to sugar cane and not to other crops. Most farmers do not have any title deeds. For this reason ITC focused on crops not propagated through seeds.
15 - Page 18 : [ITC implications] Final paragraph	"The design approach to provide initial seeds to selected farmers and subsequently multiply them on farm level (and in farmer-managed nurseries) is appropriate."	<u>Disagree with Comment:</u> Farm level nurseries only work for crop varieties destined for low value-addition domestic markets. Replication in small scale nurseries may take two seasons at least to produce enough seeds to plant out. Hotel, catering chefs and export buyers require hybrid varieties (as shown in the joint ITC/SPC/PARDI market study). These seeds/seedlings cannot be grown from previous year's crops or domestic varieties and need to be imported. This point was not included in SPC's original project design.
16 - Page 21 Relevance 5.2. Component 1a (ITC)	« This component targets to improve key services for agriculture through 3 major lines of activity: Improvement of farmers' access to market information through mobile phone applications."	<u>Partially agree:</u> The Contribution Agreement states that improved Access to market information in the sugar belt will be achieved through FCLC, media and mobile applications, ie: through many channels and partners in Fiji (MIT, NCSMED, MAFF, AMA, NWC, PT&I etc.).
17	Improvement of value chains in order to achieve a higher and homogeneous quality of agricultural products through <ul style="list-style-type: none"> <li>o Improvement of on-farm post-harvest activities.</li> <li>o Improvement of food processors and exporters' quality management through Food Security Counselling (FSC) system.</li> <li>o Improvement of agri-food enterprises' access to finance through Financial Management Counselling (FMC) system.</li> <li>o Facilitation of business contacts for exporting agri-food exporters."</li> </ul>	<u>Partially agree:</u> The Contribution Agreement definition is broader, eg: It calls for implementation of upgrading activities with the help of MAFF, FCLC, FSC's, FMC's mobile apps, market information and other development agencies in up to two demonstration value chains that would then act as a model, which could be replicated throughout Fiji. FCLC's latest Strategic Operations Plan does not include field assistance to poor farmers in association with the project, nor its participation in the demonstration value chain work foreseen in this project. An alternative for the rest of the project would be to build up the services of MAFF extension to cover the gap left by FCLC.

Reference	Report extract	ITC comment
18 - Page 24 Efficiency 6.1 Timing	<p>...“Especially concerning the IKSA activities (Component 1a and 1b), the very late take off of the projects has caused severe delays, and it will be impossible to regain the lost time within the implementation period until 31 December, 2015:</p> <p>-&gt; In case of ITC (Component 1a), this will result, undoubtedly, in several planned activities not being finished and OVIs not being achieved under AMSP 2011 funding. Fortunately, ITC is also implementing the follow-up IKSL project, which will allow the financing - and hopefully finalizing – of the unfinished activities.</p> <p>The remaining budget for this Component does not allow for a budget neutral extension of the implementation period.”</p>	<p><u>Disagree</u>: The project is currently proceeding according to budget, and in March 2015 there was approximately Euro 600,000 available till the project end. ITC is requesting a budget-neutral extension till December 2016. The graph in Figure 3 in the draft report below this extract also shows that approx. Euro 600,000 is left in the project funds for ITC.</p>
19 - Page 29 7.3 Envisaged results – Component 1a (ITC)	<p><b>Result 1:</b> ...” This result area refers to activities related to the establishment of FCLC and the development of roadmaps for the development of selected value chains of vegetable and fruit products. Hereby, the development of FCLC is – so far - a complete disaster, whereas the development of roadmaps has achieved at least some initial results.”</p>	<p><u>Disagree</u>: This is a subjective judgement and not an observation. Later in the report, the evaluator talks of the “successes notched up by FCLC”. These include advocacy and policy changes, subsidised farm inputs and reduced interest rates of farm equipment and vehicles that greatly benefit farmers and food processors being assisted by the project.</p>
20	<p><b>Indicator 1.1:</b> FCLC...”The establishment of a fully operational FCLC has been a key task for this component, because it has been foreseen to host numerous other services under this organization. <i>It now seems to be almost impossible to develop the FCLC towards a fully functioning and operational entity within the scope of AMSP 2011.</i>”</p>	<p><u>Disagree with the comment in italics</u>: As above this is a subjective judgement. FCLC is fully operational. It is also only 18 months old. The EUD in Suva has agreed staffing changes to FCLC to increase their capacity and professionalism. We expect it to achieve full functionality by the end of the project, now in December 2016.</p>
21 - Page 30 Envisaged results Component 1a (ITC)	<p><b>Indicator 1.2:</b> Furthermore, ITC's corresponding activities show a clear bias towards export crops, as compared to SPC which has a stronger focus on import substitution and local consumption. Also, ITC is limiting its activities to Viti Levu, while SPC is covering the whole sugar belt, including Vanua Levu.</p>	<p><u>Disagree</u>: Of ITC's 4 crops, Dalo, Cassava, Kava and Cocoa are all sold first to local Fijian processors after community conditioning and some value addition. The resultant products are exported or sold on the local market (approx.50:50 split). For example: Cassava varieties for the local market are encouraged to spread risk and other varieties are grown for export of frozen cassava.</p> <p>The ITC focus on Viti Levu was agreed with EUD in the Contribution Agreement after the initial budget allocation to ITC was reduced before conclusion of the ITC project design. There were insufficient funds to cover the travel and establishment costs for ITC to work effectively also in Vanua Levu as was the case with the larger SPC project.</p>

Reference	Report extract	ITC comment
22	<p><b>Indicator 1.3:</b> At least 2 roadmaps for selected value chains are defined and validated by stakeholders by Q2 2013.</p> <p>-&gt; Four roadmaps have been proposed, albeit with a one year delay In June 2014. At the time of the mid-term review, the roadmaps have not yet been fully validated</p>	<p><u>Disagree:</u> ITC has provided evidence of the validation in public meetings of the Road Maps by all stakeholders Including more than 500 farmers. The validation and work planning meetings were publicised by national media as well (TV, Radio, Press, etc)</p>
23	<p><b>Indicator 1.4:</b> Roadmaps are being implemented with leadership from the private sector by end of Q3 2013.</p> <p>-&gt; Implementation is still in an early phase and roadmaps are not yet validated in February 2015. Although a pilot implementation has started in the Rakiraki, the success is still not assured and there will be no time left to roll out the corresponding experience in a wider scale.</p>	<p><u>Disagree:</u> This is Incorrect as mentioned in ITC comment 22. Four demonstration value chains have already made their first season's sales and more than 250 farmers have received incomes many times higher than previous years. The project started the field activities after the 2013 planting season- so 2014 is the first harvest resulting after ITC assistance started and has delivered excellent results. AMA and MAFF have publicly stated they will replicate the ITC approach across Fiji and have received budgetary support in the November 2014 budget to do that. An ITC extension till end 2016 would enable accompaniment to continue for another 2 seasons, proving the sustainability of ITC's approach.</p>
<p><b>24 - Result2:</b> "Horticulture &amp; food sector services providers offer a range of services to support men &amp; women in agri-food value chain growth"</p>	<p>Summarizing, this result area has been the most problematic one. The envisaged institutional strengthening of the FCLC does hardly show any relevant results, taking into consideration a 2.5 years Institution building and coaching support by ITC. It cannot be expected that the FCLC will be institutionally stabilized and operation within the scope of AMSP 2011.</p>	<p><u>Disagree:</u> In the Contribution Agreement only one out of 5 components under Result 2 relates to FCLC. The evaluator's remark ignores the excellent services now being provided by the FSC's and FMC's. Therefore it cannot be deduced that this result area is "the most problematic one".</p>
25	<p><b>Indicator 2.2:</b>FCLC effectively shares International market opportunity and trade information data with Its members by the end of the project.</p> <p>-&gt; A systematic platform to share international market opportunities and trade information has not yet been established and the membership base benefitting from occasional information published in a newsletter is not yet sufficiently developed.</p>	<p><u>Partially Agree with Comment:</u> FCLC staff received complete training from ITC, but MIT, MAFF and PT&amp;I reacted more quickly and put up access to international market information on their own sites. FCLT did not apply the same priority to this activity, and has just completed recruitment of the necessary staff to support a market information service. Institutional authors of information are currently reluctant to disseminate through FCLC because they have improved their own channels in the last two years. ITC will now focus on helping FCLC to provide Commercial farming and agri-food market information, membership and association development.</p>

Reference	Report extract	ITC comment
26 - Page 30/31	<p><b>Indicator 2.3:</b> At least 50% of agri-food entrepreneurs that require HACCP/ISO certification under the Fiji Food Act have used food safety advisory services (assisted by the project) by the end of 2015.</p> <p>-&gt; So far, only three companies have been certified and further six have received I services. It is very unlikely that 50% of agri- food entrepreneurs that require HACCP/ISO certification under the Fiji Food Act have used food safety advisory services until the end of 2015.</p>	<p><u>Disagree:</u> Only those enterprises targeting specific markets require HACCP certification. Out of the 10 enterprises in the sugar belt requiring certification, 3 already had it and 7 applied to the ITC project, One dropped out due to bereavement. 3 passed in 2014. The remaining 3 have scheduled HACCP audit visits in April 2015. ITC's FSC's have thus focused their efforts on helping agri-food enterprises, municipal markets and their suppliers to attain Fiji Food Act compliance (legislated for all enterprises involved in the food chain by Dec 2015), and on advising enterprises on facilities investments so that they will be compliant with HACCP should they require it.</p>
27 - Page 31	<p><b>Indicator 2.4:</b> At least 50% of agri-food enterprise financing proposals for upgrading are approved as eligible for funding by 2015.</p> <p>-&gt; Formally, the targeted percentage has been achieved. However, the low absolute number of enterprises supported by FMCs (twelve), of which altogether nine received funding puts this observation in a considerably critical light. And also the fact that since 2013, no new activities have been started and no major further activities are foreseen to be financed through AMSP 2011 funding</p>	<p><u>Disagree:</u> This comment is incorrect and ITC has provided the evaluator with additional FMC and FDB reports for 2014 and Q1 2015, which were missing at the time of his visit to Fiji. RBF, FDB, Empower Pacific and the AusAID funded MDF have acknowledged the success of the FMC's, which is reflected in Government's commitment to support them from 2015 onwards. More than FJD 900,000 has been disbursed with greater than 90% repayment rate so far.</p>
28 - Page31	<p><b>Indicator 2.5:</b> At least 70% of farmers and communities assisted by the project regularly use mobile applications to find out domestic market prices, get market and sector information, or organize produce collection logistics by the end of the project</p> <p>-&gt; To date, the systems are still in development and no rollout has been started. Consequently, it cannot be expected that a relevant number of farmers and communities will regularly use mobile applications by the end of the project.</p>	<p><u>Disagree:</u> We are confident that the mobile applications will be fully utilised from May this year. The systems were fully developed and piloted in 2014. Updates were proposed by MAFF for the mCollect and mPrices apps. after piloting and have been completed. Roll-out is scheduled for 12 municipal markets early May 2015. FCLC decided not to focus on building the database of names, numbers and farm activities as originally planned and so there is now only a limited number of recipients to which services can be channelled (3,900) through the mobile apps. This is being rectified with assistance from MAFF, FDB, BAF and others entering their own data in 2015.</p>
29 - Result 3: "Selected new products and market linkages are initiated: value chain performance to these markets improve and income and unit value along the supply chain increase".	<p>Summarizing, this result area has been problematic, because only very few pilot enterprises have so far benefitted from the project. Therefore, the envisaged qualitative and financial improvements on company level are limited to these isolated cases and even for these ones, the corresponding data has not been available on project level.</p>	<p><u>Error:</u> The evaluator could not download the ITC data and there was insufficient time to send additional data before the evaluation mission (7 days' notice period) Only two demonstration value chains were foreseen in the Contribution Agreement. As AMA and MAFF now expand the demonstration chain approaches across Fiji, more examples should come on stream.</p>

Reference	Report extract	ITC comment
30	<p><b>Indicator 3.1:</b> At least 50%" of agri-food enterprises benefitting from the project have increased their incomes (or reduce their costs) by more than 10"from selling more volume or higher unit value produce compliant with applicable standards in existing or new markets by 2015.</p> <p>-&gt;To date, the systems are still in development and no roll out has been started and It is doubtful that a significant number of agri-food enterprises will benefit from the Programme within the foreseen Implementation period. Also, It has to be mentioned that this indicator is problematic: It refers only to a percentage of benefitting enterprises without requiring a minimum absolute number. Consequently, this OVI would be achieved if only two enterprises were benefitting from the project, and one of them with the envisaged positive result.</p>	<p><u>Disagree:</u> The indicator has been substantially met in 2014. More than 250 out of 500 farmers and their communities in Ra Province have already benefited from significant increases In their incomes after just one season (2014). The results have been noted by both MAFF and ITC field staff and there are accounting records kept at community level.</p> <p><u>We agree</u> that work remains to be done to ensure that the results attained are sustainable and continue.</p> <p>ITC understands that the evaluator only visited one out of the four crop sites and one enterprise.</p>
31	<p><b>Indicator 3.2:</b> At least 50% of enterprises or community organizations benefitting from the project are implementing improvement plans to meet food safety and quality compliance standards by the end of the project.</p> <p>-&gt;There is no date available as regards the status of achievement for this indicator. Similar as mentioned for the previous OVI, this indicator is problematic: It refers only to a percentage</p>	<p><u>Disagree:</u> The indicator has been met, but ITC continues its efforts with the FSCs to increase the number of enterprises they work with to assure their sustainability. The data has been provided by ITC after the evaluators visit. It was assumed in 2014 that publicity from the Government about the deadline for attainment of Fiji Food Act certification would drive more business to the FSCS. Government has not yet launched its promised publicity campaign.</p>
32 - Page 39 8. Impact, 8.2 Component 1a(ITC)	Summary	<p><u>Disagree with comments:</u> Please note ITC's preceding comments in association with the areas mentioned below and update the report draft accordingly.</p>

Reference	Report extract	ITC Comment
<p>33 - Page 42 9. Sustainability, 9.1 Component 1a (ITC)</p>	<p>Altogether, activities realised in the context of this IKSA component show a very low level of sustainability. In detail, this can be summarized as follows: FCLCs still far from being sustainable (Low skills base, no major other funding except from IKSA) and it cannot be expected to drastically change this within the scope of IKSA project activities (only EUR 50.000.- remain available for this sub-component for the entire year of 2015). It would still need considerable efforts financed through the follow-up IKSL project to develop FCLC into a sustainable institution, which would be qualified (among others) to attract and successfully manage future project funding. Main constraints are:</p> <ul style="list-style-type: none"> <li>• Establishment of a solid financial management.</li> <li>• Substantial improvement of the membership base.</li> <li>• Development of viable business concepts and plans for services to be provided to members and non-members, and subsequent roll-out of these services.</li> </ul>	<p><u>Error in budget figure noted:</u> We agree with the comment but the figure for the budget remaining in 2015 is incorrect. Note, as well, that in May 2014 the funding of FCLT/C capacity building was transferred entirely to the ITC IKSL project. As at 31 March 2015, approximately Euro 600,000 remains in the ITC budget. The Euro 50,000 mentioned is an unspent balance from the FCLT 2014 allocation. Due to financial mismanagement at FCLT these funds were not used as planned. More than Euro 20,000 are being repaid to the project, having been misused by FCLT staff. These mismanagement issues were hidden from both the local project managers, accountants and auditors, even during an investigation lasting more than 9 months so would not have been picked up by a more prolonged international presence. FCLT has now engaged a fully qualified Finance Officer that is expected to improve the situation. FCLT and its Board have re-planned twice, so far, business plans developed under the project. They are on their third plan. Their ambitions will be measured against their capabilities.</p>
<p>34</p>	<p>Institutional embedding and financial sustainability for the different services, which were (or are still being) developed by the project, are still not resolved:</p> <ul style="list-style-type: none"> <li>• Financial Management Counsellors.</li> <li>• Food Safety Counsellors.</li> <li>• Mobile apps and market information systems.</li> </ul>	<p><u>Disagree and comment:</u> ITC organised alternative arrangements with Government to provide for sustainability of FSC's and FMC's since mid-2014. If FCLC do not take on their responsibilities in mobile applications, then other Fijian agencies will take over. FDB is currently supporting part of the budget of the FMC's and its IT services are ready to support the national agriculture database, currently started with FCLT.</p>
<p>35 - Page 42</p>	<p>"Value chains are not yet consolidated and the planned establishment of a processing plant near Rakiraki together with a local youth group is a very risky management model, which should rather be reconsidered and the option of a private investor / operator should be further pursued."</p>	<p><u>Agreed:</u> This comment is taken on board. The VC consolidation drive is to a certain extent seasonal. Hence ITC request for a budget-neutral extension of the project till Dec 2016.</p>



Reference	Report extract		ITC Comment
36 - Page 46 11 Recommendations	The FCLC is financially still completely dependent on EU-funding through ITC.	ITC needs to intensify and accelerate capacity building activities to enable FCLC to develop into a functioning sector representing organisation: Financial Management and development of FCLC's membership base and services.	<u>Agreed</u> . This is being applied with a further period of intense direct capacity building.
37	Institution building and coaching requires close- by and hands- on support.	Remote support is not suitable to facilitate a smooth development. Consequently, a full-time support should be envisaged for the remaining implementation period.	<u>Agreed</u> . New measures are in place since March 2015 - Further support is available and will be brought in rapidly if initial efforts do not show signs of being effective. The issue is one of cost- effectiveness.
38	Food Safety Counsellors are still 100% subsidized through AMSP funds, without any contribution from clients / beneficiaries.	Clients should at least partially pay for the services. Especially now, with the new Fiji food security act (FFA) becoming effective, this should be an achievable target.	<u>Agreed</u> : FSC's received their International certification in November 2014. In March 2015 they also started using dedicated offices allowing them to produce now publicity materials and launch their new service coordinated with the FMC's and MAFF. FSC's are just concluding their first full cost recovery proposal to a Fijian enterprise. Government assures ITC that FFA compliance will be promoted after Easter.
39	Financial Management Counsellors (FMCs) are still 100% subsidized through AMSP funds, without any contribution from clients / beneficiaries.	Neither financial institutions nor Micro/Small/Medium Enterprises (MSMEs) are likely to fully pay for these services. Consequently, FMCs need to be embedded in a MSME supporting structure. FCLC is not yet empowered / prepared to assume this responsibility.	<u>Agreed- alternative measures are being applied</u> : FCLC will not take on the responsibility to host the FMC's. This was decided when the FCLT Board approved their new Strategic Operational Plan in November 2014. Government has now stepped in and will debate the hosting of this service at Cabinet level before Easter 2015.
40	Mobile applications have not been rolled out.	Applications should be made available as soon as possible. The hosting of the different applications and their financing beyond the Programme is yet to be defined and needs to be done with priority.	<u>Agreed with comment</u> : Application design and development has been completed. Before mass SMS messaging can be completely effective more categorised recipient names and mobile numbers are required on the database. Currently there are some 3,900, but this is below the target of 20,000. Other agencies are ready to step in to enter their own digital data. We are currently addressing the hosting question and will finalise that and the full roll-out by May 2015.

Reference	Report extract		ITC Comment
41	Planned set-up of two [community] food processing units has not yet started. Planned ownership and operation of the Rakiraki unit by the youth club is a risky organisational set-up.	Private operator In Ba seems to be reliable. For Rakiraki, a preferable option for a private ownership should be evaluated.	<u>Agreed with comment:</u> The Ra Youth and Community Council has successfully managed a provident fund and small scale agricultural sales for the community for more than 7 years.  We are taking advice from appropriate authorities and qualified bodies on the most appropriate arrangement to pursue. Participation of enterprises, FNU and FDB is planned.
42	Only small/ weak Interaction and complementarities with SPC's activities (type of crops, regions, category of farmers, etc.).	ITC should immediately liaise with SPC and identify concrete needs for marketing and post-harvest support.	<u>Agreed:</u> now that new sources of seeds and seedlings are becoming available and SPC is assisting non-IACT enterprises support from ITC to address supply chain issues, post-harvest and marketing support will be appropriate. ITC will agree with SPC which enterprises merit support.
43	Weak partnership with SPC.	Much more cohesion is required at leadership level of ITC and SPC to strengthen collaboration and partnership.	<u>Agreed with comment:</u> The situation in the field is much improved from 2013. Cooperation is working well in areas where both organisations need to work together with beneficiaries.

ITC Final page

# **ANNEX 10**

## **Evaluators' response to comments on Draft Final Report**



## Response to Comments on Draft Final Report

### Response to comments received from PCU.

This Table refers to the comments as submitted by the EUD on 29 April, 2015.

Number of comment	Evaluators' response to comments
1	Noted and agreed.
2	Noted and agreed.
3	Changed accordingly in the Final Report.
4	Changed accordingly in the Final Report.
5	Changed accordingly in the Final Report.
6	Changed accordingly in the Final Report.
7	Changed accordingly in the Final Report.
8	Changed accordingly in the Final Report.
9	Changed accordingly in the Final Report

### Response to comments received from SPC.

This Table refers to the comments as submitted by the EUD on 29 April, 2015.

Number of comment	Evaluators' response to comments
1	Noted and agreed.
2	Changed accordingly in the Final Report.
3	Noted and agreed.
4	Noted and agreed. No contradiction seen to the evaluators' findings as outlined in the Final Report.
5	Changed accordingly in the Final Report.
6	Changed accordingly in the Final Report.
7	Changed accordingly in the Final Report.

## Response to comments received from ITC

This Table refers to the comments as submitted by the EUD on 29 April, 2015.

Number of comment	Evaluators' response to comments
1	Changed accordingly in the Final Report.
2	Changed accordingly in the Final Report.
3	Noted and agreed.
4	Noted.
5	Changed accordingly in the Final Report.
6	Noted and agreed.
7	Noted and agreed.
8	Noted.
9	Noted and agreed.
10	The evaluators retain their recommendation that a commercially operating food processing unit should preferably be conferred to private ownership.
11	Noted.
12	Changed accordingly in the Final Report.
13	Noted.
14	The evaluators do not refer to replacing cane where it is still viable - instead they are referring to bring more value to existing cane lands by encouraging interline cropping or exploiting fallow cane lands!
15	Changed accordingly in the Final Report.
16	Noted and agreed.
17	Noted. The corresponding passage in the Final Report refers to major lines of activity, which implies that this listing does not include the complete range of activities.
18	Changed accordingly in the Final Report.
19	Changed accordingly in the Final Report.
20	The evaluators are still convinced that it seems to be almost impossible to develop the FCLC towards a fully functioning and operational entity within the scope of AMSP 2011 until end of 2015. However, it may be the case later on, if ITC seriously puts more efforts and additionally draws on inputs from the follow-up

	IKSL-project.
<b>21</b>	It is the intention of this passage to explain that a different regional and target group focus complicates the cooperation and creation of synergy effects between ITC and SPC activities.
<b>22</b>	The evaluators are convinced that validation of full value chains “on the ground” is still deficient.
<b>23</b>	Changed accordingly in the Final Report.
<b>24</b>	This passage has been adapted in the Final Report. Nevertheless, it needs to be mentioned that (a) the key interviewed stakeholders regard the strengthening of the FCFLC as a key objective of the IKSA-component, and (b) the demand for services provided by FMCs and FSCs has been very limited until the date of the midterm review.
<b>25</b>	Noted.
<b>26</b>	Changed accordingly in the Final Report.
<b>27</b>	The additional information has been received on March 24, which was after submission of the Draft Final Report. Although this additional information does not change the substance of the evaluators’ findings, the corresponding passage has been modified.
<b>28</b>	Even with ITC’s new efforts, the evaluators remain sceptical that the targets (“At least 70% of farmers and communities assisted by the project regularly use mobile applications”) can be achieved within the IKSA project.
<b>29</b>	Although with major difficulties, the evaluators were able to download most of the files. Nevertheless, the fact that major information was not available in Fiji, but only at the Switzerland-based project management complicated the evaluators’ task. The corresponding passage in the Final Report has been accordingly amended.
<b>30</b>	This indicator refers to agri-food enterprises (i.e. food-processing enterprises) and not to farmers. In this context, the evaluators’ findings remain valid. Contrary to ITC’ s comments, the evaluators visited altogether four food processing enterprises (including the Youth Council project in Ra, which is still in a planning phase). Also, they met representatives of seven farmer groups and visited several farms in the RA area.
<b>31</b>	The corresponding passage in the Final Report has been

	accordingly amended.
<b>32</b>	The corresponding passage in the Final Report has been accordingly amended.
<b>33</b>	The incorrect figure concerning the budget has been removed from the Final Report.
<b>34</b>	Changed accordingly in the Final Report.
<b>35</b>	Noted. Appropriateness of budget neutral extension seems to be questionable. If original tasks remain being financed through IKSA, without being transferred to IKSL funding, the remaining funds hardly justify such an extension
<b>36</b>	Noted and agreed.
<b>37</b>	Noted and agreed.
<b>38</b>	Noted and agreed.
<b>39</b>	Noted and agreed.
<b>40</b>	Noted and agreed.
<b>41</b>	Noted and agreed.
<b>42</b>	Noted and agreed.
<b>43</b>	Noted and agreed.