



Balancing Quick Wins with Sustainability: Feed the Future's NAFKA Project in Tanzania

Presentation Transcript

May 22, 2012

Presenter:

**Lee Rosner
ACDI/VOCA**

Sponsor

United States Agency for International Development

Female:

I'm very excited this morning to have representatives and managers and so forth and COP of the NAFKA Project in Tanzania. This is an FTF program, an FTF project. I think many of you know that FTF has launched a series of projects in Africa especially, but Latin America and Asia as well. NAFKA is one of the early ones to really get off the ground so we're really excited to have Lee Rosner here who is the chief of party from ACDI/VOCA.

NAFKA is a staple food, value chain project. Lee is going to share with us today some of the challenges of implementing facilitation. I think we all think of no facilitation is considered best practice in implementation.

Lee and I had a good conversation yesterday about what are the real challenges of doing this and how much experience does U.S. AID have in facilitation and why should we be doing facilitation anyway. I think these are some of the things that we'll be discussing today.

I'd also like to introduce Maby Palmisano. Maby is the M&E expert and she is working with indicators for NAFKA and can present to us some of the results that are coming out of it after year one. With that, I'll turn it over to Lee.

Lee Rosner:

Thanks, Jean. I just wanted to give you a little overview of the Feed the Future program and the value chain project which we call NAFKA. Before we get into the main topic for discussion and that's striking the balance between the facilitation value chain approach and the pressure everybody is under for quick wins, quick implementation, increasing burn rates, those kinds of things.

It's probably the main challenge that we face when we're on the ground. I'm thinking now that it's the main challenge we face 'cause I've been away from it for almost a month since I've been on R&R. Once I go back to the office on Monday all the other pressures will present themselves again.

But when we take a step back and think about what is the big challenge of this project and it happens to be that. I know that Jean is a value chain guru and I

know was very instrumental in designing NAFKA. The value chain facilitation approach is written all through our contract.

So it's not that we don't have a choice. We have to implement this using the value chain facilitation approach, but also because it's the right way to go. There is a body of research which provides evidence that this is a way to sustainability. I think all of us have been involved in projects in the past where we spent a lot of time chasing after numbers because we had to. We're contractually bound to achieve results and we hire armies of extension agents.

One of the predecessor projects in a previous country I worked in had like 300 extension agents. They did a great job of achieving all the results, but once the funding levels dropped and the project ended there was no sustainability. There was nobody left out there to provide those services.

So how do you address that. How do you make sure that those services remain sustainable over the long-term while at the same time, accommodating all of the other pressures we're facing for results and quick wins. That was the first thing I heard from Tom Hobka, the first meeting when Gvorg and I arrived in Tanzania was quick wins. We need to have quick wins.

We understand the pressure that the mission's under because the pressure they're under becomes the pressure that we're under, becomes our pressure.

We as a good implementing partner, as a good contractor, we want to do both. I don't think we can be in the position of telling the mission, well look, sorry, you can only have one or the other. If you want sustainability, then you're going to have to sacrifice something. You're going to have to sacrifice the results. That would go over real big with the mission wouldn't it.

So that's our challenge is making sure that we do both. That we're faithful to the value chain facilitation approach, while at the same time delivering the results, delivering the quick wins, doing the quick implementation.

I don't know. I wanted to start off by framing this presentation with that, Jean, because that's what you and I discussed yesterday. I just wanted to make sure that I articulated that in a way that seems clear because as we go forth, we finished our first year of implementation.

We've got four years left. Have we been entirely faithful to the value chain facilitation approach in the first year. I know Jean and her team are going to be coming out to evaluate us at some point. I think she'll see that well, there's some things that we've done that haven't been entirely faithful to it, but we're trying. We're aware of it. We're getting there.

One of the issues is getting our own staff to understand it. It took me some time to understand it with some of the initial discussions that Liz Eckerd and I had about how we implement. It wasn't until Steve McCarthy, who's one of our value chain gurus back in the home office who came out and did a training for our staff. It was designed to introduce to our staff the value chain approach.

What he ended up doing was switching a light on in my mind about what we were really supposed to be doing.

Now, when you look at what the value chain facilitation approach is and I'm going to go over that in a little bit, things like the light touch and ownership, leveraging resources, demonstrate scale up and exit, those kinds of things.

On an intellectual level, we all know that. If we were to be given some kind of an exam, a university exam, we'd be able to ace it because we know those things, but when it comes to actually doing the implementation and how you apply them, that's where it gets sticky.

So Steve, again, thanks for – if we want our staff to fully embrace this, it's pretty important that the chief of party does also. I think our home office and I think

the aid missions are pretty confident now that at least the chief of party has embraced it. So now, the trick is to get everybody else to, but we are.

Just briefly, what I'd like to discuss, just to give a brief overview of Feed the Future Tanzania, the value chain project, which is our project, otherwise known as NAFKA. Then just a brief overview of the geographic focus and then discuss another results framework and our M&E approach, which is what Maby will spend just a few minutes discussing.

Then the challenges and constraints in implementing the value chain approach, some of which I've already mentioned. Then just an update of where things are with NAFKA after the first year. Some of the specific activities that we're doing, some of the quick wins that we've been able to achieve and then where we go from here after the first year. We've been a year into this. It feels like it's been longer than a year 'cause it's been that intense, but I think we're in a good place.

In fact, as I told Eric, Eric and I were discussing before I left, if we had to project where we wanted to be after a year, I think where we are is where we wanted to be. We're in a really good place. We're off to a fast start.

The issue now is to scale it up, sustain it, build on it and make sure that people are still saying nice things about the Feed the Future program after year two and after year three and after year four. It's nice that they're saying it after year one, but there's still a long way to go. Although a year into this, we're 20 percent into the program. It's really kind of hard to believe.

Anyway, just briefly, the overall Feed the Future program in Tanzania. There are eight projects. There are two value chain projects. One is for rice and maize and that's us. We're the prime organization, prime contractors, ACDI VOCA and we have ten subcontractors that do various things for us, like association development and input supply, agri dealer networks, vulnerable groups, behavior change communications, policy, but we're the main contractor for the rice and maize value chain project, which is again called NAFKA.

There's another value chain project for horticulture. So the Feed the Future program in Tanzania involves three value chains: rice, maize and horticulture.

There's a nutrition project, which is also known as Monzo Bora. That's being implemented by Africare. I think their subcontractor is the Manoff Group.

Then there's the processing project. The prime contractor for that is Abt and Associates in collaboration with TechnoServe as a subcontractor. Their project name, believe it or not, is something called Tuboreshe Chakula, which I think means something like let's eat more food. Let's improve food, is that what it means?

Their main focus is fortification working with millers and fortifying maize and fortifying sunflower. Those are the two. You're also involved to some extent in rice, but maize and sunflowers are the major crops. It's because there are no standards for fortifying rice in Tanzania. There are standards for maize.

So one of the challenges that this has meant for us is how do we collaborate closely with that project because approximately 80 percent of our resources are dedicated to rice and if rice is not one of the main activities of the Tuboreshe Chakula project or the Abt project, then where is the collaboration. We're still working on that.

There's a policy project, which is called the Sara Project. Sara in Swahili means policy implemented by Booz Allen. They're looking at advising the government of Tanzania through U.S. AID on how best to address food security needs without resorting to export bans because there has been an export ban in place or there was an export ban in place that's recently been lifted. We're collaborating closely with that project on one of those studies I'll discuss in a minute.

There is an infrastructure project which is being implemented by CDM. They're doing reconstruction and rehabilitation of irrigation schemes. My understanding is that they'll also be doing some road maintenance a little bit later on, but their main focus right now is reconstruction and rehabilitation of one irrigation scheme in particular that we're also working with very closely, which I'll describe in a minute.

There's a research and training project, which is being implemented by a consortium led by Ohio State University, which is my alma mater by the way. It's called the iAgri Project. They're working in collaboration with the Ag University. So Koena University.

Then there's a monitoring and evaluation contract that's being implemented by the Mitchell Group. Their main role is monitoring and evaluation of the overall Feed the Future indicators. They also provide technical assistance to the rest of the projects on our own PMPs and our own M&E.

That's the program. That's the Feed the Future Program in Tanzania. It's all supervised by the mission, by U.S. AID Tanzania. As you can see it's complex, politically charged, a lot of high level attention, as you all know. Secretary of State Clinton came last June and inaugurated the program. I don't think you can get much higher level than that.

We understand that Secretary Clinton and Administrator Shaw are regularly asking for updates on the Feed the Future Program. So we feel the pressure pretty acutely. We fully understand and are with the mission on the pressure that they feel.

Of course, with the relationship between a mission and an implementing partner like us, the pressure comes right down the line. We're at the bottom. We have ten subcontractors. We can always lay the pressure on them, but we're the ones that are out in the field. We're the ones doing the direct implementation. So we feel the pressure that the mission gets from Washington. We feel it acutely.

These are the eight contracts. Now there are others also on this map. There are some that we really don't have that much collaboration with. The Food for Progress dairy development program, we really haven't had that much interaction with that.

I only recently discovered that something like 80 percent of the mission's resources are Pefar resources. That came as a real surprise to me with all the attention that Feed the Future in Tanzania is getting, I thought that the preponderance of the resources were Feed the Future. They're not. It's still mostly Pefar.

There are two areas that we, NAFKA, are working in. The Morogoro region, which you can see there in the lower right hand corner there, that's the main rice growing area. We're working in two districts there; Mvomero district and Kilombero district.

The maize growing area is in Monera and Dodoma that we still have not fully geared up into those areas yet because our marching orders during the first year or most of the first year was gear up in rice and gear up in the southern agricultural growth corridor. So one of our challenges for year two is really gearing up in maize.

So anyway, without going into too much detail and I understand you all have copies of this presentation. This is a diagram of a map of where all the Feed the Future activities are in Tanzania.

In general, NAFKA. So I'll move off of the overall Feed the Future program and begin the focus on NAFKA. Now although there's a lot of what we do which involves collaboration with the other projects, we're 5 years \$30 million investment by U.S. AID to develop the rice and maize value chains in Tanzania.

NAFAKA means grain in Swahili, in key Swahili. When I first saw the name of this project I googled NAFAKA to see what it means in other languages. All I could come up with is that in Turkish it means alimony. Don't ask me. So I'm glad we're not implementing this program in Turkey.

So our focus regions, again, are we're dedicating approximately 80 percent of our resources to the Morogoro region, which is Mvomero and Kilombero to the rice value chain and that's part of SAGCOT, the Southern Agricultural Growth Corridor, which is the corridor that the government of Tanzania has identified as highlighted for agricultural development in Tanzania. It's highlighted that for a number of reasons.

It's located along critical transport corridors, roads as well as rails. Its proximity to Dar es Salaam. It's interesting. I was telling Liz, Jean. This morning I came in early as I was preparing for this. There's language in our contract that allows us to work in other areas under certain conditions. Every time I read that task order there's something new that I discover that I either forgot or didn't realize. We can work in other areas.

Eighty percent of our resources to rice and in the SAGCOT area and the remaining 20 percent in the maize value chain, which is in Dodoma and Morogoro regions, more the central regions, as well as some rice activities on Zanzibar. Again, NAFAKA is just part of the mission's overall Feed the Future Program.

The Southern Agricultural Growth Corridor is the area right along here. Again, it's mostly the southern highlands. Most of that is a mountainous area. The roads, there is a paved road that goes through to the border, but most of the other roads, they're murrum roads and they're graded during the dry season, but during the rainy season they can become impassable. So if there are constraints to private investment, that's one of the major constraints is road maintenance.

Again, the Southern Agricultural Growth Corridor, SAGCOT, is the reason it was identified by the government of Tanzania for attracting investment to Tanzania because it seems a highly productive area mostly for rice, although there's

maize and horticulture and a number of other crops that are produced there. So that's why we've been asked to dedicate 80 percent of our resources to _____.

Now, I understand that last Friday – I've been on R&R so I've been out of touch with just about everything and everybody for the last three weeks, but I understand that at the G8 Summit last week on Friday that Administrator Shaw met with the presidents of Tanzania, Ethiopia and Ghana at a panel discussion on agriculture and food security.

Three major points that's came out of that discussion were the need to continue focusing on small holder production, the need to continue targeting and supporting women, and the need to integrate nutrition and taking a comprehensive approach to development.

Well, when you look at those points that came out of that discussion and then you look at the objectives of NAFKA, they're all very consistent with each other. That's what we're doing.

Four overall objectives: improving competitiveness and productivity of the rice and maize value chains, facilitating improved domestic and regional trade. I'll get into some of the constraints for regional trade in a minute.

Increasing benefits to women and youth. I'm very pleasantly surprised when we receive reports from our team and we go out to monitor activities. The large percentage of women that are involved in our program. I think that in terms of the numbers of beneficiaries that we've reached so far, more than half of them are women or at least close to half of them are women. A little bit under? Maybe a quarter? No. It's a little bit under 50 percent.

We have a gender expert on our team who works closely with all of our field people to make sure that gender considerations are fully accommodated in all of our programs. So we're taking that very seriously.

Just one thing about gender and the need to increase benefits to women. A couple of months ago there was a representative from Administrator Shaw's staff that came to Tanzania to visit the Feed the Future Program. It was on a Sunday and she was kind enough to take some time on a Sunday to visit with our staff.

We got our whole team together in our Morogoro office 'cause it was past the time when she needed to go back to Dar, but she met with our staff for about an hour and the staff was very appreciative of it, but one of the things she said was that – and apparently Secretary Clinton is acutely aware of this – there is mass migration that's taking place of males from the rural to the urban areas. Males for economic reasons are moving to the cities. They're moving to the capital cities and to the regional centers.

In 15 or 20 years most of the agriculture is going to be done by women. So this is no longer a garden-variety gender issue. We want to have more women involved in economic development. This is now a full-blown food security and political stability issue. Who's going to be feeding the country. Now this is probably true in other countries also, but that comment really had an impact on us.

It was obviously really good for our staff to hear because I think it really drove home for them the importance of highlighting gender integration in our program. So we take it very seriously.

Also, enhancing rural household nutrition by promoting women focused value chain development. We have a whole component, CRS, Catholic Relief Services, is a component on vulnerable groups and they're active on things like family gardens and nutrition training.

Just very briefly, this is our abbreviated results framework. This is part of the larger Feed the Future results framework, but we just wanted to give you a glimpse of what our own results framework is.

The reason was asked Maby to join us is that we are taking very seriously, we're making a major investment in our approach to M&E. Not only because we feel the responsibility to evaluate ourselves because we're using public funds, but also because we need it as a management tool.

We want to collect data so we know when we have to change strategy or what's working and what isn't to help us make better strategic decisions. It's something that we're really proud of. We spent a lot of time, a lot of resources on it. We just completed a very sophisticated baseline study and just wanted to give Maby a chance just to talk very briefly about the approach we're using on M&E.

Maby Palmisano:

Well, I'll try to be as brief as possible. I have copies of the Feed the Future results framework in case people are interested, but NAFKA focuses mostly on the first level objective, which is inclusive agriculture sector growth. We have developed a set of intermediate results.

From the intermediate results, we have developed an extensive performance-monitoring plan. We had 63 indicators that would have allowed us to monitor the project.

Because of a series of circumstances, we don't have as of now results, but we have conducted, as Lee said, a baseline. We just have the results from the baseline. The baseline has confirmed the assumptions that we had when we wrote the technical proposal.

We're ready to the value chain project that NAFKA is, we have identified that there is very low adoption in terms of technologies and practices. There is very low diversification of crops among our beneficiaries. Also, that there is – 'cause one of the components of the project is working with vulnerable groups. Very, very few households have gardens, home gardens. So really to address the issue of nutrition.

But I wanted just to step back and underline what Lee has said. _____
_____ and NAFKA more specifically pay a lot of attention to monitoring evaluation as a management tool. We have for this reason, one of our ten partners is Kimetrica. Kimetrica is a South Africa based firm, monitoring evaluation firm. They are the ones who have had tasks to conduct the baseline.

We conducted a baseline following the valuation policy published in 2011 where we really want to be able to report on results and so do treatment and control groups. So we have conducted a baseline. Our sample of 2000 households in the 4 districts where NAFKA is implementing.

The sample has been divided into three actually groups, a complete treatment group, a control group and a semi-control group in the sense that those are people where we expect to have some sort of spillover effect. So they're not pure control group because NAFKA will work with SMS and radio broadcasting, but we cannot really control because the penetration of cell phones in Tanzania is 63 percent. So it's quite high. This is where we're working, but we expect that there will be certain spillover effect.

So we have really taken seriously monitoring at this point. As _____ concluding, I have here the results from our baseline if people are more interested in seeing details of the results, but one other point that I want to make clear is that the Feed the Future Tanzania has hired a contractor, Mitchell Group, to really focus on what Feed the Future hypotheses and understanding if we are achieving those results.

The developmental parties of Feed the Future is really working on agriculture and nutrition in parallel and see the reduction of hunger and poverty. So they will conduct an impact evaluation. They're conducting a baseline as we speak for all the ten projects and they will conduct a final evaluation at the end of the project. They are providing us with some sort of support for the PMP and for all the 58 Feed the Future indicators that we are requested to monitor.

NAFKA specifically is monitoring 30 of those 58 because they are related to the agriculture productivity side of the results framework, but the other projects, as

a whole, the 10 projects that compose Feed the Future Tanzania are monitoring all the 58 indicators. So the Mitchell Group is providing these impact evaluations really measuring the results.

I can keep going, but I try to be in three minutes. If you have any questions, I have all the information from the baseline. We have a very strong – that's the last thing – we have a very strong monitoring evaluation team. We have six people that are monitoring the project. An _____ manager specialist and four assistants. They are in the field.

We, lastly, Kimetrica has provided us with a web-based database _____ projects where we can see all the – we have a beneficiary _____ database 'cause we are really going down to measure individual household level and individual level data will be reported on this web-based database that people will have access to different level of accesses.

Finally, we also are doing extensive user GIS so we can plot information that we collect at the beneficiaries' level on the maps. This _____ project will be a management tool for Lee and for Martin _____ chief of party, as well as for all the senior technical people. Thank you.

Lee Rosner:

Thanks Maby. Okay. Key systemic constraints. This was something we put in there, Jean, based on the discussion we had yesterday. I'll just go over this quickly.

Policy and regulatory involvement. Obviously export bans, import tariffs which artificially increase prices. The need to expand markets. Now that the export ban is lifted, it's still very difficult to get export licenses. So it's almost as if the export ban is still in place.

Working with processors to make sure that quality is maintained. Production and productivity for quality purposes. Post-harvest handling storage and collection. Farmers can't hold their – they don't have any place to store their grain so they can sell it when the prices are higher. They're pretty much forced

to sell it immediately at the farm gate at minimal prices. So it's the traders that end up making the margins.

Infrastructure and transport costs. Irrigation schemes, roads. Access to finance. Banks are reluctant to lend the farmers to former socialist economy. Loans in the past were subsidized.

Access to inputs. Only about ten percent of farmers use certified seeds. We need to look to provide improved seed, fertilizers, agri chemicals.

Relationships with Yaras and Sengenta. Agri-dealer networks to where we're working with that. Mechanization. We need to expand the use of tractors. They're pretty much now only used for plowing. We want to expand that for planting, weeding, harvesting, threshing, multiple uses. Then expand the use of mechanization through lease financing.

Challenges to implementation. The major challenge is how to deliver quick wins and numerical results without undermining sustainability. So how do we do that? There were two specific examples that I'd like to site.

One is one of the major investors, private investors, the Kilombero Rice Plantation, which has already invested 35 million. We understand they're going to be investing up to 75 million in a large farm that was previously derelict that they've renovated. Our work is with the out growers, about 5,000 out growers.

KPL, that's what we call the Kilombero Rice Plantations, they have committed to buying up all the rice that the out growers can produce. So we hired a number of extension agents, five or six extension agents that are working with the out growers with the understanding that KPL will eventually absorb those extension agents into its own program. So that we hope will be the sustainability. It won't happen this year. It won't happen next year. It may not even happen after year three, but there will eventually be a transition. That's the idea so that they will absorb the extension agents.

The other is we're working with companies like Yara and Sengenta to provide input so that we don't have to buy inputs and we don't have to fight getting waivers to purchase fertilizers and agro-chemicals and those kinds of things.

These are business opportunities for these input suppliers. So we're working with them so that they'll do the demonstration plots, they'll provide the extension agents, they'll provide the inputs. Our job is to facilitate and strengthen those relationships so that by the time the project ends, we can withdraw and those relationships will be established.

Those are the two major ways that we're dealing with it, but balancing the pressure for the quick wins, results, aggressive implementation, burn rates, these are real. These are real pressures that the mission is facing and we have to pay attention to it. AT the same time, the value chain facilitation approach is slower, it's more deliberate. It takes time to develop relationships. It takes time to leverage resources. So the criticism is that well, then the numbers are going to be lower earlier on in the project. Well, we have to work so that the numbers aren't lower. We have to do both and that's our big challenge.

Coordinating activities on the ground with multiple Feed the Future activities. That's a major challenge, which I'm sure Rod will attest to. Again, to be provocative, these compliance, U.S. AID compliance requirements are driving us crazy. They serve sometimes to hinder us in responding quickly to business opportunities.

I'll give you an example. KPL came to us late last year for the first 265 out growers. They needed a credit facility for the first 265 out growers. This was two months before the growing season so it didn't give us a whole lot of time to go through a full-blown competition. It would have taken us months to get that done.

So we work closely with our contracts office in the home office and they helped us find a way. Now it was a relatively small amount, but as that gets bigger over

the course of the project, we're going to have to find a way to respond quickly. We didn't want to disappoint KPL. It's a major investor. We didn't want to give them any reason to complain that we weren't collaborating fully with them, but at the same time, we understand that the compliance requirements are there for a reason. We don't want to put our organization into a vulnerable position. So again, we've got to do both.

I was thinking about not even including that because complaining about the compliance requirements is like railing against the rain. There's nothing you can do about it. You just have to find a way to deal with it.

Again, I've mentioned all this previously. We're committed to using a facilitation approach characterized by a light touch meaning we mentor, we facilitate. We're not value chain actors. We're not going to be providing credit services ourselves. We're going to be facilitating relationships between farmers and other actors along the value chain and credit providers.

Ownership. Helping farmers and other value chain actors feel ownership of the activities. Developing relationships, leveraging other resources, building sustainability and on things like demonstration plots, doing them for maybe for one year, developing lead farmers so that they can do it in the out years.

Then we're working with various organizations developing relationships –

[End of Audio]