

# **Vietnam**

## **Mid-Term Evaluation**

**Thematic window: Development and the Private Sector**

**Programme Title: “Green production and trade to increase income and employment opportunities for the rural poor”**

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## Prologue

The current mid-term evaluation report is part of the efforts being implemented by the Millennium Development Goal Secretariat (MDG-F), as part of its monitoring and evaluation strategy, to promote learning and to improve the quality of the 128 joint programs in 8 development thematic windows according to the basic evaluation criteria inherent to evaluation; relevance, efficiency, effectiveness and sustainability.

The aforementioned mid-term evaluations have been carried out amidst the backdrop of an institutional context that is both rich and varied, and where several UN organizations, working hand in hand with governmental agencies and civil society, cooperate in an attempt to achieve priority development objectives at the local, regional, and national levels. Thus the mid-term evaluations have been conducted in line with the principles outlined in the Evaluation network of the Development Assistant Committee (DAC) - as well as those of the United Nations Evaluation Group (UNEG). In this respect, the evaluation process included a reference group comprising the main stakeholders involved in the joint programme, who were active participants in decisions making during all stages of the evaluation; design, implementation, dissemination and improvement phase.

The analysis contained in the mid-term evaluation focuses on the joint program at its mid-term point of implementation- approximately 18 months after it was launched. Bearing in mind the limited time period for implementation of the programs (3 years at most), the mid-term evaluations have been devised to serve as short-term evaluation exercises. This has limited the scope and depth of the evaluation in comparison to a more standard evaluation exercise that would take much longer time and resources to be conducted. Yet it is clearly focusing on the utility and use of the evaluation as a learning tool to improve the joint programs and widely disseminating lessons learnt.

This exercise is both a first opportunity to constitute an independent “snapshot” of progress made and the challenges posed by initiatives of this nature as regards the 3 objectives being pursued by the MDG-F; the change in living conditions for the various populations vis-à-vis the Millennium Development Goals, the improved quality in terms of assistance provided in line with the terms and conditions outlined by the Declaration of Paris as well as progress made regarding the reform of the United Nations system following the “Delivering as One” initiative.

As a direct result of such mid-term evaluation processes, plans aimed at improving each joint program have been drafted and as such, the recommendations contained in the report have now become specific initiatives, seeking to improve upon implementation of all joint programs evaluated, which are closely monitored by the MDG-F Secretariat.

Conscious of the individual and collective efforts deployed to successfully perform this mid-term evaluation, we would like to thank all partners involved and to dedicate this current document to all those who have contributed to the drafting of the same and who have helped it become a reality (members of the reference group, the teams comprising the governmental agencies, the joint program team, consultants, beneficiaries, local authorities, the team from the Secretariat as well as a wide range of institutions and individuals from the public and private sectors). Once again, our heartfelt thanks.

The analysis and recommendations of this evaluation report do not necessarily reflect the views of the MDG-F Secretariat.

**MID-TERM REVIEW OF THE JOINT PROGRAMME “*GREEN  
PRODUCTION AND TRADE TO INCREASE INCOME AND  
EMPLOYMENT OPPORTUNITIES FOR THE RURAL POOR*”**

**FINAL REPORT**

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**TUAN PHAN PHAN**

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## PROGRAMME CHECK-LIST<sup>1</sup>

Programme title	“Green Production and Trade to Increase Income and Employment Opportunities for the Rural Poor”		
Programme ID	MDG-F 2065		
Basic data	Starting date : 02/2010	Expected closure date : 02/2013	Budget (\$) over 36 months
Implementing United Nations Agencies : FAO, ILO, ITC, UNIDO, UNCTAD Government partners agencies : Vietrade, Provincial , selected districts & communes authorities NGO: Vietcraft			
Covered area: Provinces of Hoa Binh (4.663 km <sup>2</sup> ), Thanh Hoa (1.116 km <sup>2</sup> ), Phu Tho (3.528 km <sup>2</sup> ), Nghe Han (16.487 km <sup>2</sup> ) 25 communes within 14 districts (6.293 km <sup>2</sup> ) are directly benefitting from the programme			
			<i>Agency budget<sup>2</sup></i> 4.120.000
<b>Outcome 1 : <u>Improved understanding of the handicrafts and small furniture value chains in 4 provinces</u></b>			
<b>Output 1.1</b> baseline and monitoring studies in 4 provinces: good practice cases on raw material producers, collectors & suppliers	<b>Indicator</b> availability of studies and economic data at provincial, district and commune levels; good practice cases of other projects	FAO	108.000
<b>Output 1.2</b> baseline and monitoring studies in 4 provinces: good practice cases on grass-roots crafts & small furniture producers, collectors, buyers & exporters	<b>Indicator</b> availability of baseline data survey at grass-root crafts producer & SME levels; good practice cases of other projects	UNIDO	77.000
		ILO	14.000
		Sub-total	91.000
<b>Output 1.3</b> Integrated value chain baseline and monitoring studies & dissemination	<b>Indicator</b> number of VC studies published, integrated JP monitoring data framework available, n° of dissemination workshops held; n° of participants in dissemination workshops	ITC	81.120
<b>Outcome 2 : <u>Environmentally and economically sustainable increase in craft material growers', collectors' income in 4 provinces</u></b>			
<b>Output 2.1</b> Improved production capacity of farmers (quantity & quality)	<b>Indicator</b> new plantation areas, improved existing plantation areas, improved quality of seedlings & raw material, % increase in production	FAO	385.100
<b>Output 2.2</b> Improved farmer sales capacity	<b>Indicator</b> price information system accessible to farmers	FAO	35.000
<b>Output 2.3</b> International and national links established	<b>Indicator</b> n° of new partnerships	FAO	40.000
<b>Outcome 3 : <u>Sustainable increase of crafts related rural households' and enterprises' incomes in 4 provinces</u></b>			
<b>Output 3.1</b> Improved offer of market intelligence, market linkages and design services to rural crafts buyers and crafts producing communities / SMEs	<b>Indicator</b> n° and quality of improved services offered; availability of feasibility study for design centre; organisation of trade fairs participations and buyer delegations; training workshops	ITC	269.360
		ILO	81.000
		Sub-total	350.360
<b>Output 3.2</b> Improved market knowledge and market links of key crafts enterprises for the 4 provinces	<b>Indicator</b> increased export turnover; increased n° of household suppliers and factory workers of SMEs	ITC	220.320
<b>Output 3.3</b> Improved business management and business plan implementation capacity of SME crafts and small furniture producers	<b>Indicator</b> n° of SMEs and producer groups trained; n° of business plans developed and implemented; turnover development of trained SMEs & producer groups; n° of producers ; n° of additional jobs created at SME and	UNCTAD	290.500
		ILO	59.000
		Sub-total	449.500

<sup>1</sup> As per original PRODOC

<sup>2</sup> As per original proposal

		producer group levels ; improved labour conditions		
<b>Output 3.4</b> Improved production and clean design capacity of SME crafts & furniture producers and SME raw material processors		<b>Indicator</b> volume of crafts sold, average turnover by product group & by province, solid waste generated, hazardous chemicals used	UNIDO	144.000
<b>Output 3.5</b> Improved business management skills and business representation of grassroots crafts and furniture producers		<b>Indicator</b> n° of poor grassroots producers trained, application of improved business skills	ILO	424.000
<b>Output 3.6</b> Improved green production capacities of grassroots crafts & furniture producers		<b>Indicator</b> volume of crafts sold, average income per HH by product group & by province, solid waste generated, hazardous chemicals used	UNIDO	468.000
<b>Outcome 4 : <u>improved policies and regulatory frameworks at the provincial and national level that meet the needs of rural small enterprises, in particular raw materials and craft producers, processors and traders</u></b>				
<b>Output 4.1</b> Provincial action plans for crafts and small furniture sectors in each province developed and backed by the public and private sector		<b>Indicator</b> n° of commune officials trained, n° of PPD-workshops organised, n° of provincial action plans developed	ILO	61.000
			ITC	38.480
			Sub-total	99.480
<b>Output 4.2</b> Policy recommendations for the national and international level for the sustainable development of income generation for the poor		<b>Indicator</b> availability of policy recommendations for sustainable crafts production	UNIDO	15.000
			ITC	20.280
			Sub-total	35.280
<b>Outcome 5 : <u>JP formulation, management, coordination, monitoring &amp; evaluation</u></b>				
<b>Output 5.1</b> effective coordination and monitoring of the delivery of all programme components at provincial levels		<b>Indicator</b> JP implemented in accordance with agreed-upon work plan, on-time and on-budget (staff & coordinators, travel, MTR)	ITC	787.158
	Programme costs (US\$)	Indirect support costs (US\$)	%	Total per agency (US\$)
<b>ITC</b>	1.416.718	99.170	38%	1.515.888
<b>ITC (JP actual activities)</b>	629.560		(±17%)	(±675.000)
<b>FAO</b>	568.100	39.767	15%	607.867
<b>UNIDO</b>	724.000	50.680	19%	774.680
<b>ILO</b>	639.000	44.730	17%	683.730
<b>UNCTAD</b>	390.500	27.335	10%	417.835
<b>TOTAL</b>			100%	4.000.000
<b>Vietrade</b>		In-kind	<1%	20.000
<b>Vietcraft</b>		In-kind	2,5%	100.000
<b>TOTAL</b>				4.120.000

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## **THANKS**

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## EXECUTIVE SUMMARY

Over the past 10 years, Vietnam has achieved sustained high economic growth rates which resulted in a substantial decrease of the poverty level from 30% to 10%. This reduction has been uneven being lowest for rural households, populations living in mountainous areas and/or of ethnic minorities.

More than 1.3 million people (out of a population of 85 millions) are involved in the handicraft and small furniture sectors; it is a significant source of income for the poorest part of the population. The Government has been supporting these sectors through various initiatives including the creation of handicraft villages resulting in Vietnam being now renowned internationally for its handicraft sector – in particular for bulk exports -. The country has experienced a double digit growth in export value of handicrafts, with a subsequent ever increasing demand of raw materials and semi-final products. This has put pressure on Vietnam's natural resources basis resulting in imports of raw materials from neighbouring countries and a change in attitude towards improved land use management.

Suffering from major weaknesses limiting its development both in terms of quality and quantity but with a growth potential matching only the international market, the handicraft sector has always been high on the agenda of the Government. 5 UN agencies – ILO, ITC, FAO, UNIDO, UNCTAD – together with Vietcraft and Vietrade submitted to the MDG-f in 2009 a 4,1M\$ programme proposal focussing on strengthening 5 handicraft value chains: bamboo/rattan, natural lacquer ware, handmade paper, sericulture and seagrass.

The objectives of the programme are to understand better the handicraft and small furniture value chains, sustainably increase the incomes of rural households, enterprises, raw material growers and collectors, and improve the regulatory frameworks and policies at provincial and national levels so that the above mentioned stakeholders' needs are being met.

The programme started in early 2010 and is due to be closed by February 2013 – 3 years -. As per MDG-f requirements, a mid-term assessment of the programme has been planned in October/ November 2011.

The objectives of the review were to provide relevant information to the direct stakeholders and MDG-f Secretariat through an independent assessment of the programme performance. Both consultants were requested to pay attention to the design quality and coherence of the programme components, the management model, the programme effectiveness and its contribution to increasing the income of the final beneficiaries and reaching the MDGs.

The evaluators used a combination of direct and indirect data acquisition techniques ranging from documentary review to focus groups and individual interviews. Most of the evaluation was spent on programme sites and nearly all stakeholders were involved in the evaluation process.

### **Findings:**

The programme idea comes from ITC and the Government; it takes advantage of funding opportunities offered by the MDG-f with an emphasis on private sector development. Initially ITC, FAO, UNIDO, ILO, UNHABITAT were interested in the joint programme but early on UNHABITAT

withdrew itself and UNCTAD came on-board instead. The selection of the agencies according to their core expertise matches the technical requirements to achieve the main outputs of the programme. 2 agencies, ITC and UNCTAD, are non-resident including the lead agency, ITC. ITC therefore needs to rely on human resources present in Vietnam to follow-up its activities through the Senior Technical Advisor of the Programme Management Unit who is expected to support as well the Programme Owner (Vietrade). This double function is not clear for the remaining agencies which consider that the Advisor should dedicate its time exclusively to the PMU and leave the monitoring of ITC activities to HQ staff.

In terms of relevance, the programme follows up on several key recommendations of the 2007 Arts and Crafts Sector Export strategy from the Ministry of Trade and Industry. The rationale behind the programme including the selection of beneficiaries (rural poor, ethnic minorities), the most potential areas (around Hanoi), follows this strategy and is complemented by other Government circulars forming the regulatory framework of the sector. In particular, the 5 selected value chains but lacquerware were already targeted in the strategic document.

The operationalization of this document into a joint programme was innovative in the sense that a top-down approach combined while a comprehensive support of all stakeholders was to be adopted: the programme covers all levels of each value chain from the growers' right up to the exporters. The formulation process was essentially an internal UN exercise but most stakeholders were consulted prior to MDG-f Secretariat submission. Vietrade is the owner of the programme and therefore chairing the Programme Management Committee. It was initially reluctant to take this role without any financial leverage as the funds were to remain under each UN agency's control.

The programme was formulated in a way as to benefit the members of Vietcraft, an association of companies active in the handicraft sector, through direct support to its members or indirect support to the supplier sides.

An initial list of companies to be supported by the UN agencies was circulated but proved quite restrictive for some UN agencies. The initial list of final beneficiaries was elaborated by the selected communes' officials and took considerable time to be handed over to the JP, resulting in some delays as well for the baseline studies.

A Programme Management Committee which is being fed with information by a Programme Management Unit has been set up: it functions as the sole structure to discuss operational and strategic issues, given the fact that the National Steering Committee is not functioning as a strategic decision taking body.

The programme conceptual framework follows the MDG-f principles but there is little evidence of joint implementation: planning is being done by agency based on the initial baseline surveys and without neither much input from Governmental authorities nor interaction with other UN agencies; implementation is done on an individual basis with little coordination efforts with provincial authorities through direct execution and/or subcontracting of national institutions.

In terms of efficiency, the Programme Management Unit was set up quickly and the UN agencies started the implementation of their respective activities within 3-6 months after programme signature. This process is swift for some agencies (ITC, ILO, and UNCTAD) because the trainings and methodologies were relatively standardized and required few adaptations.

An initial baseline survey was carried out by UNIDO and ILO. To operationalize its activities, FAO needed to carry out as well a baseline study (through a PRA) which came later and resulted in a one year delay for FAO's activities due to the agricultural calendar constraints. For both UNIDO and FAO more time was necessary to operationalize their components.

At the time of the evaluation, the programme was being implemented at a faster pace resulting in a disbursing rate compatible with the timeframe of the programme.

The planning process is viewed as inadequate: it does not involve enough the national authorities (Vietrade and Provincial Coordinators) and is piloted individually by each agency. The Programme Management Unit synthesize each agency's plan and then sends a global plan to the Provincial Coordinators for review; feedback is marginal. It is not a participative process. One important element of MDG-f programmes is to bring agencies together for improved efficiency: on the one hand, the JP required requires a wide array of expertise and skills which is being reflected in the selection of the agencies but on the other hand, the programme was formulated in a way as to minimise agencies interactions (few on-site synergies and complementarities); this enabled each agency to implement its activities at its own pace. There has not been any reflexion on how to reduce the agencies transaction costs and bureaucratic processes that slow down programme implementation.

The joint programme had produced a comprehensive web site; at provincial level, there is little visibility because the programme sites are dispersed over a wide area (26.000km<sup>2</sup>).

In terms of most prominent results, ITC has supported SME and larger companies mainly in handicraft design, market linkages and fairs; the results are promising because these activities create awareness among the most proactive enterprises leading to enlarging their customer bases. Still, it needs to address more vigorously SMEs active at national level; market linkages remain very weak. UNCTAD's Empretec package has been positively received by the trainees with a high adoption rate of techniques; still very small and large companies seem not to have taken much advantage of the training (the former because many other marketing issues remain outstanding and the later because its involvement on the international market implied it already had some kind of organizational planning process already established. ILO supported the creation of Local Economic Development groups that comprise a selection of stakeholders vertically down the value chains to discuss its development and Business Groups made up of people with common interest (e.g. bulk purchases) within the value chains. As initiatives arise, these groups need backing of the agencies to some kind of incentive or support to have their ideas carried through. So far, ILO has had difficulties in persuading other UN agencies to respond to their concerns. Occupational Safety and Health training result in several key techniques being widely adopted and transferred to other beneficiaries by the trainees but the actual rate of adoption is uncertain and there are signs that knowledge transfer is not necessarily systematic when there is a contractual relationship between the trainee and its workers (above all when they work at home).

FAO support was basically delayed by one year due to a late decision to eventually carry out a baseline survey in order to facilitate the operationalization of its core activities. It also evidenced the complexity of FAO's tasks due to the numerous value chains, the limited time available (2 years instead of 3), and the dispersion of the final beneficiaries in 4 provinces, all of which was not matched by financial resources. Additional planning difficulties resulted in effectively subcontracting relatively late 2 institutions to deliver FAO's main activities which adopted dissimilar approaches with different results. At the time of the evaluation, these institutions were actively implementing the activities.

UNIDO is promoting cleaner production activities in all 5 value chains through various partners. As with FAO, the task is particularly complex, requiring detailed analysis of the handicraft traditional / industrial processes, researching potential solution and testing them before dissemination; time is in this case a major limiting factor which will require the agency to limit itself to the most swiftly and simple solutions and avoid long testing procedures. The evaluation mission discovered that actually many beneficiaries are in need of simple technical support that could be offered by UNIDO, e.g. through ILO's business groups and Local Economic Development groups.

The impact of the programme is positive: many agency activities met the initial expectations of the beneficiaries and resulted in more demands of support; there is a need to complement what has been so far achieved – consolidate instead of expand – to ensure the sustainability of activities; this should require interagency dialogue through PMU as a coordinating body. One of the main challenges for the remainder of the programme is how to attract the Government into empowering itself with the programme results: less than 5.000 people benefit from the programme while over 1 million families are involved in the handicraft sector nation-wide.

Overall, as demand far exceeds supply, many activities are actually sustainable by themselves as soon as they are adopted (most of the activities related to market knowledge, increased productivity & quality of growers and collectors, organisational management of SMEs, etc.) ;

#### **Lessons learned:**

There are considerable implementation level differences between agencies because the approaches vary widely: the implementation is difficult for FAO and UNIDO, both of which need to resolve complex issues; for the other agencies, the process is relatively smooth because their delivery methods have been tried and tested prior to the JP. A better assessment of delivery capacities should be made prior to JP approval.

The planning and implementation processes are individual per agency; a more thorough analysis of inter-agencies linkages, complementarities should be carried out before a JP is being approved so that there is a verifiable added value by combining the expertise of several UN agencies into a single programme.

This JP takes little advantages of GOV human and financial resources through the Provincial Coordinators, starting at the planning stage, while they could and showed interest into adding value to the JP. National resources should be systematically integrated into future joint programmes.

The PMC is unable to exert its authority as an interactive management structure; the decision making process is based on consensus but it is up to the agency itself to decide eventually which course of actions to take as it has financial control of the activities; agencies are not accountable to the PMC nor the NSC. The current JP decision making structure should be revised so that implementing partners are more accountable to the donor and Government.

#### **Conclusion:**

The joint program is innovative through the adopted approach promoting pro-poor economic growth, exchanging experience among stakeholders and raising quality standards. Still, the pilot nature of the joint program has not been properly acknowledged by the participating agencies which remained rigid in implementation and procedural, and with few efforts made to increase collaboration between agencies.

Most of the implementation issues can be traced back to deficient internal processes like a result framework no longer in line with the reality or design flaws at formulation stage ; in both cases, the

UN agencies do not react swiftly enough to avoid minor implementation difficulties turning themselves into major bottlenecks jeopardising the outcomes of entire programmes.

**Recommendations:**

- For PMU: the planning approach should be overhauled with the Provincial Coordinators at the centre of the planning process through a much more participatory planning exercise so that both the JP and provinces take advantages of each other's resources and establish operative synergies. Y3 should focus on consolidation instead of expansion through complementarities between agencies; the working modalities of JP implementation should be turned into an official MoU between agencies ; a periodic meeting between the agencies and with the Provincial Coordinators should be institutionalized on-site (in the provinces) so that all stakeholders are given the opportunity to discuss the JP implementation progress. Staff of the Ministry of Trade and Industry should be convened to monitoring trips in a way as to raise awareness of the Ministry on the JP results, entice follow-up on actions for future appropriation and empowerment. The PMU should coordinate with the MDG-f knowledge management unit run by UNIDO so that lessons learned are adequately documented for the GOV.
  - For agencies: greater efforts should be made to strengthen the institutional capacities of cooperatives and related institutions so that their bargaining power is increased. More (ex-post) follow-up of activities is necessary through more coaching and mentoring. LOA and TORs should be systematically handed over to the Provincial Coordinators so that they are more adequately informed of subcontracted JP components. The hand-made paper value chain is too costly in relation to the number of beneficiaries; support should be stopped and resources redirected into consolidating existing activities. UNIDO and ILO should combine efforts so that legitimate requests of capital goods are met and Business Groups needs relayed towards microfinance institutions. PMU should facilitate the creation of a mechanism allowing both DARD and DOIT at provincial level to participate into the JP monitoring. The UN agencies should be allowed to attend these periodic meetings.
  - For ITC: its leadership should be re-established by clarifying the role of PMU Senior Technical Advisor or through a stronger presence of ITC HQ staff (e.g. through video-conferencing). Whenever possible, ITC should monitor quantitatively its JP results. ITC through Vietcraft or VCCI should support SMEs in expanding their customer base.
  - For FAO: NOMAFSI and VIRI should review together their methods for harmonisation. The LOAs should be amended so that exchange visits between farmers are being organised. The FAO subcontracting procedures are too long, resulting in agricultural calendar issues and should be reviewed (shortened).
  - For UNIDO: the agency needs to reduce the duration of vocational trainings and review its CP activities, focussing only on short term technical solutions so that there will be still time for dissemination by the end of the JP. UNIDO needs to assess where its support might be most useful to complement other agencies' support and support lacquer branding in Tam Nong.
  - For ILO: it needs to find support from other agencies to keep active LEDs and BGs, follow-up more systematically the results of the trainings, including OSH activities assessing whether there is indeed a multiplication effect, above all for trainees who have a contractual relationship with rural households.
- For UNCTAD: green elements should be integrated into the Empretec trainings.

## LIST OF ACRONYMS AND ABBREVIATIONS

AECID	Agencia Española de Cooperación Internacional / Spanish Agency for International Cooperation
ASAP	As soon as possible
BG	Business Group
BGF	Business Group Formation
CP	Cleaner Production
CPC	Commune People's Committee
DARD	Department of Agriculture and Rural Development
DOIT	Department of Industry and Trade
FAO	Food and Agriculture Organisation
FFS	Farmer Field School
GOV	Government Of Vietnam
HQ	Headquarters
HRPC	Vietnam Handicraft Research and Promotion Centre
ILO	International Labour Organisation
IPSARD	Institute of Policy and Strategy for Agriculture and Rural Development
ITC	International Trade Organisation
JP	Joint Programme
LED	Local Economic Development
LOA	Letter Of Agreement
MARD	Ministry of Agriculture and Rural Development
MDG-f	Millennium Development Goals Achievement Fund
M&E	Monitoring & Evaluation
MDTF	Multi Donor Trust Fund
MOU	Memorandum Of Understanding
NGO	Non-Governmental Organisation
NOMAFSI	Northern Mountainous Agriculture and Forestry Science Institute
NSC	National Steering Committee
OSH	Occupational Safety and Health
PMC	Programme Management Committee
PMU	Programme Management Unit
PRA	Participatory Rural Appraisal
PRODOC	Programme Document
RC	Resident Coordinator (of the United Nations)
RCO	Resident Coordinator Office (of the United Nations)
RUDEC	Rural Development Centre
SIYB	Start and Improve Your Business
SME	Small and Medium Enterprises
SMART	Specific, Measurable, Accessible, Realistic, Time specific
ToR	Terms of Reference
ToT	Training of Trainers
UN	United Nations
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and Development

UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organisation
UNIFEM	United Nations Development Fund for Women
US\$	United States Dollar
VC	Value Chain
VCA	Vietnam Cooperative Alliance
VCCI	Vietnam Chamber of Commerce and Industry
VIETCRAFT	Vietnam Handicraft Exporters Association
VIETRADE	Vietnam Trade Promotion Agency
VIRI	Vietnam Rural Industries Research and Development Institute
VNCPC	Vietnam Cleaner Production Centre
VND	Vietnam Dong

The exchange rate between US\$ and the Vietnam Dong was at the time of the evaluation  $\pm 21.000$  VND per US\$.

## 1. Introduction

### 1.1. Background, context, program objectives

1. With a population over 85 million<sup>3</sup> in 2008, Vietnam is slowly moving towards becoming an emergent country; it has sustained an economic growth over 6 % for the past 10 years and has experienced poverty level decrease from over 30% ten years ago to 10% in 2010. Still, the income gap between the rural and urban population has significantly increased. This is especially the case for the ethnic minorities and mountainous populations. Vietnam has always been a producer of hand-made products and more than 1,3 million people are involved in the handicraft and furniture sectors which are important sources of income for the rural poor. Furthermore, ethnic minorities comprise nearly 14% of the total population but over 50% are living below the poverty line and handicraft production is a major source of income.
2. The Vietnamese government has been fostering economic development across all regions of the country, reducing unemployment, especially in the rural areas, and raising exports. With over 2.000 handicraft villages, the country is exposing its potential and range of products to the international handicraft markets. It has become very competitive for bulk export in particular. The export volume of the crafts industry has significantly increased over the past 10 years.

year	2003	2005	2007	2010
Export volume value (in million US\$)	533	565	752	888

Table 1 : increase of handicraft export value <sup>4</sup>

Even with depressed global economic conditions, the demand for handicraft is likely to raise further putting pressure on scarce natural resources. For some years now, several handicraft subsectors like rattan, bamboo are seeing massive rising imports from neighboring countries or trying to establish a more sustainable natural resource basis through better land use management due to ever more increasing demand of raw materials.

3. The handicraft value chains, especially sericulture, bamboo, rattan, lacquerware, seagrass (*Cyperus* spp. & others) suffer from major weaknesses like an unsustainable natural resource basis, uneven quality, lack of design diversity, lack of branding, asymmetric negotiating power between value chain members, low technological production means and poor business and technical skills of nearly all stakeholders. Notwithstanding those drawbacks, both semi- and final products are highly competitive on the national and international market. There is therefore great potential in improving the handicrafts value chains through increased productivity, quality and marketing.
4. In December 2006, the Government of Spain and UNDP<sup>5</sup> signed a partnership agreement for an amount of 710M\$ to contribute to achieving the MDG<sup>6</sup> through the United Nations system.

<sup>3</sup> Source : IndexMundi

<sup>4</sup> Sources : extracts from « Business In Asia », « Growing Inclusive Markets », « Arts & Crafts Sector Export » strategy

<sup>5</sup> United Nations Development Programme

Funds were accessible by UN<sup>7</sup> agencies through calls for proposals and, in 2009 selected UN agencies in Vietnam (UNIDO<sup>8</sup>, UNCTAD<sup>9</sup>, ILO<sup>10</sup>, FAO<sup>11</sup>, and ITC<sup>12</sup>) presented to the MDG-f<sup>13</sup> Secretariat managing the fund a proposal to strengthen the private sector focussing on the handicraft.

5. This proposal resulted from a series of meetings and consulting missions in 2009 led by ITC and other UN agencies which included FAO, UNCTAD, ILO, UNIDO, UNESCO<sup>14</sup>, to strengthen highly potential handicraft value chains.
6. The resulting joint programme combines the expertise of 5 agencies, namely FAO, UNCTAD, ITC, ILO and UNIDO, together with Vietrade<sup>15</sup> and Vietcraft<sup>16</sup> to reduce poverty, improve environmental management and reduce gender inequality by supporting in 4 provinces 5 value chains: bamboo/rattan, lacquer ware, handmade paper, sericulture and seagrass.
7. It is worth mentioning that this joint program was designed after Vietnam was designated in 2007 a pilot country for the initiative “Delivering as One<sup>17</sup>” which objectives are to provide technical assistance in a more coordinated way, capitalizing on the strengths and comparative advantages of the different members of the UN family and experimenting ways to increase the UN system’s impact through more coherent programmes, reduced transaction costs for governments, and lower overhead costs for the UN system.

## 1.2. Evaluation objective

8. The objective of this mid-term review is to provide relevant decision makers with sufficient information to make an independent assessment of the performance of MDG-F 2065 to date in relation to:
  - The achievement of the overall programme outcome: social and economic development policies, laws, growth conforming to the values and goals of the MGD declaration and other international agreements through 1. An improved understanding of the handicrafts & small furniture sectors in selected provinces, 2. An environmentally and sustainable increase of income for craft raw materials producers & growers, involved rural households and enterprises and 3. Improved

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<sup>6</sup> Millennium Development Goals

<sup>7</sup> United Nations

<sup>8</sup> United Nations Industrial Development Organisation

<sup>9</sup> United Nations Conference on Trade and Development

<sup>10</sup> International Labour Organisation

<sup>11</sup> Food and Agriculture Organisation of the United Nations

<sup>12</sup> International Trade Centre

<sup>13</sup> Millennium Development Goals fund

<sup>14</sup> United Nations Educational, Scientific and Cultural Organisation

<sup>15</sup> Vietnam Trade Promotion Agency

<sup>16</sup> Vietnam Handicraft Exporters Association

<sup>17</sup> More details on “Delivering As One” at <http://www.undg.org/?P=7>

policies & regulatory frameworks meeting the needs of the selected value chains stakeholders

- Relevant MDG goals: 1. Poverty reduction (target 1), 2. Gender equity improvement (target 4) and 3. Ensuring environmental sustainability (targets 11 & 12) – see [annex 5](#).

9. The Terms of Reference are presented in [annex 1](#).

10. In addition, it will identify key lessons learnt, identify best practices and make practical recommendations for follow up.

As per ToRs<sup>18</sup>, the consultant has been requested to pay particular attention to the following:

- Design quality & coherence of the programme components, in relation with UNDAF<sup>19</sup>, MDG and the degree of national ownership
- Programme management model in relation to the One UN initiative
- Effectiveness of the programme and its contribution to the main outcomes, a more sustainable and environmentally friendly development of the handicrafts sector associated with a more equitable increase of income of the sector stakeholders including the most vulnerable ones.

### **1.3. Methodology used for the evaluation**

11. The evaluation methodology was based on a 4 step approach: 1. Passive data acquisition (documentary review), 2. Active data acquisition (interviews & field trip), 3. Data analysis (turning data into relevant information), 4. Presentation of information & recommendations.

Several types of data acquisition methods were combined: namely focus group, semi-structured interviews; individual interviews were carried out during the mission and followed a detailed review of activities through the documentary analysis.

12. Specific sets of questions for each type of stakeholder (UN agencies, [non-]Government counterparts [district & commune authorities, Vietrade], final beneficiaries [associated population, institutional beneficiaries [cooperatives] or private sector companies], associated programme partners [e.g. subcontracted partners like NGOs<sup>20</sup> or other institutions], other NGOs [Vietcraft]) were designed based on a check-list of issues which details for each evaluation criterion and evaluation question what kind of information to obtain, from whom and how. The detailed methodological approach is presented in [annex 3](#).

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<sup>18</sup> Terms Of Reference

<sup>19</sup> United Nations Development Assistance Framework

<sup>20</sup> Non Governmental Organization

#### **1.4. Constraints and limitations on the study conducted**

13. The mission timeframe was too short and JP<sup>21</sup> geographical area too large to produce any statistically significant quantitative data. The programme activities are located in 25 communes scattered over 4 provinces covering nearly 26.000 km<sup>2</sup>. The team of evaluators was barely able to sample a few beneficiaries per commune but visited over 15 communes which enabled it to review thoroughly the 5 JP value chains, albeit not exhaustively. In each commune, the emphasis was put on meeting a wide range of beneficiaries (governmental, private sector related, beneficiary population) although little or no quantitative data was collected; in that context, the team of evaluators went by mainly indirect information and crosschecking of information (*in-situ* field checks, stakeholders interviews, and documentary review) to reach certain conclusions and recommendations. The team gathered information from as many sources as possible. Accordingly, people from beneficiary groups and companies, subcontractors, various governmental departments provincial and commune levels were therefore interviewed. A list of meetings and persons met is provided in [annex 2](#). The methods used included focus group discussions, semi structured interviews and a detailed review of the activities implemented and documentary review.
14. As such, the mission tried to put together a relatively well balanced picture, yet not complete, of the situation at this stage of implementation (11/2011).
15. The field mission in the programme area was carried out in full collaboration with PMU<sup>22</sup> staff who very efficiently guided the evaluation team in all 4 provinces and on-site governmental officials who accompanied both evaluators during the field trips. Nonetheless, all evaluation interviews with institutional and final beneficiaries were done without the presence of programme staff or government officials so as to keep the evaluation process independent.

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<sup>21</sup> Joint Programme

<sup>22</sup> Programme Management Unit

## **2. Description of interventions carried out**

### **2.1. Initial concept**

16. The program is financed by Spain through the MDG-f, which was created to contribute to reaching the Millennium Development Goals. Through calls for proposals, United Nations agencies can tap in funds from 8 programme areas including Development and the Private Sector.

Five principles steer the access to this fund: 1. Programme ownership within national priorities, 2. Sustainability of activities, 3. Implementation (including monitoring and evaluation) focussing on results (and not activities), 4. Collaboration between the United Nations agencies, leading to joint implementation and, 5. A reduction of transaction costs through minimum bureaucratic processes.

17. Accessing the fund is done through the elaboration of a concept note (call for proposals from selected UN country offices as per Spanish Government priorities) which if accepted and after revision, is turned into a full scale programme proposal.

18. The original program idea comes from ITC in 2009 which was keen to take advantage of the Private Sector window of MDG-f funding to continue supporting several development priorities, in particular continuation of product and market development within the handicraft sector. Several brainstorming sessions were held initially between ITC, HABITAT and UNESCO but soon afterwards HABITAT and UNESCO both withdrew themselves from the formulation process with UNESCO simply not having enough human resources to go on further and HABITAT lacking any counterpart or support at provincial level. Then several UN agencies ITC, FAO, UNCTAD, ILO, under UNIDO's lead, developed a concept note which was approved. With the support of a local consultant through a formulation mission, a JP proposal was drafted with an estimated budget over 8.000.000US\$. The actual MDG-f allowed budget was 4.000.000US\$, resulting in severe cuts to fit the financial package which were made independently. A full scale proposal was introduced to the MDG-f Secretariat in mid-2009.

19. It is worth noting that 2 UN agencies, ITC and UNCTAD, are non-resident UN agencies in Vietnam, meaning that their implementing capability is based on local organisations and human resources - usually a ministry or governmental institution.

20. The programme took into consideration 5 value chains (sericulture, bamboo/rattan, lacquer ware, seagrass, handmade paper) considering previous support from various programmes and donors by UN agencies), and on the Vietnam Trade Promotion agency priorities. JP support would cover the entire value chains: growers, producers, collectors, transformers/processors, intermediaries, exporters. As most of the value chains products are exported either as raw materials or (semi-) final products, the programme was formulated in a way as to indirectly benefit handicraft exporters, and in particular the members of Vietnam's association of handicraft exporters – Vietcraft -. This list of companies proved very restrictive for UN agencies when the programme was initiated. Indeed, some UN agencies identified other

relevant companies / stakeholders which might need support as well although it was clear they had to stick to the initial list.

21. The UN agencies Government counterpart was Vietrade which early on was reluctant to take this responsibility as the JP by definition is UN led with little or no financial control by Government. Indeed in this JP, Vietrade has had difficulties in coordinating implementation with the participating UN agencies: Vietrade is ill informed on the level of programme implementation because PMU is unable to get proper information when activities are being planned and/or how they are unfolded. It has little or no leverage at planning/implementation level.
22. Eventually, ITC, a non-resident UN agency in Vietnam, took up the role of lead agency although the agency has not had any representative in Vietnam for many years before the JP was initiated. Each UN agency was to collaborate closely with corresponding (Non-) Governmental institutions as appropriate:
  - ITC and Vietrade / Vietcraft
  - FAO and the Ministry of Agriculture or its local representatives
  - UNCTAD and Vietrade
  - ILO and VCCI<sup>23</sup> & VCA<sup>24</sup>
  - UNIDO and the Ministry of Industry or local technical / scientific institutions
23. The JP has a Programme Management Unit; it consists of a small team in Hanoi and Provincial Coordinators in each of the 4 provinces. PMU's role is to coordinate the UN agencies' activities with the communes and between themselves. It is also supposed to transmit feedback from the communes to the UN agencies for improving the JP implementation.
24. In order to facilitate the implementation of the Joint Program, a Programme Management Committee – PMC - has been created: it includes members of each UN agency, Vietrade (chairman), Vietcraft and the Provincial Coordinators. The PMC is fed with information by PMU located within Vietrade. It decides on all technical matters on a quarterly basis.
25. As per MDG-F implementation guidelines, a National Steering Committee has to be created, made up of the UN Resident Coordinator, the Spanish Cooperation Agency (AECID) and a representative of Government (Ministry of Investment and Planning). It should cover strategic decision taking, mainly financial and programming which might change the course of the program.

This committee, as initially envisioned by the MDG-f is not formally operational for this programme (no regular meetings for this JP): with the initiative “Delivering as One”, there is no steering committee at national level for any particular JP: all joint programmes of the UN system are discussed collectively with Government with little or no decision making through a joint NSC. This system is not appropriate to discuss specific JP problems; the PMC

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<sup>23</sup> Vietnam Chamber of Commerce and Industry

<sup>24</sup> Vietnam Cooperative Alliance

therefore becomes *de facto* the main structure to discuss operational and strategic issues. However in this JP, the PMC lead by Vietrade proved difficult to put in practice with each UN agency implementing its activities in a very independent manner. It is due to both the lack of leadership by the UN lead agency – ITC -, and the way the JP was formulated with numerous value chains and much compartmentalised sets of activities for each UN agency ; this proved very beneficial as no overall programme slowdown was noticed because of individual agency’s delays; however, the programme area as well as the diversity of beneficiaries is so vast that the delivery of activities allowed for little or no interaction between UN agencies: with little need for coordination/interaction right from the start, it was postulated that implementation effectiveness would be maximum (... and is to some extent).

The actual and only common thread between UN agencies is the original list of beneficiary companies (mainly Vietcraft members). It was the basis from which all UN agencies activities were supposed to be initiated, though this proved quite impractical and the list was not so relevant for the agencies (see paragraph 20)

26. Overall, the programme conceptual framework follows the main MDG-f principles (see paragraph 16) but there is little evidence of joint implementation and reduction of transaction costs (e.g. common use of infrastructures & transport for the delivery of activities, use of common/simplified procedures to speed up implementation, etc.) because the activities are being implemented in such an isolated manner by the participating UN agencies. However, this was how the JP was formulated initially.

It is also worth mentioning that Vietnam is both a pilot country for UN Reform receiving One Plan fund from MDG-F and a MDG-F recipient country for Joint Programmes.

## **2.2.Detailed description of the evolution of the programme**

27. The program document was signed in December 2009 for an estimated implementation period of 36 months (from February 2010 to February 2013). Funds were made available readily to agencies and the programme took off very swiftly – MDTF<sup>25</sup> fund delivery within 3 months for all agencies -. The PMU staff recruitment process was not very lengthy either. An ex-ITC staff took the position of PMU senior advisor.

This situation left the Advisor in an uncomfortable position being part of PMU, therefore facilitating the JP implementation for the benefit of all UN agencies as per TORs but also being the focal point for implementing ITC specific activities as it was agreed with Vietrade, just as Vietrade is for UNCTAD activities (one Vietrade staff is representing UNCTAD for this JP). Both agencies actually oversee the implementation from their respective headquarters.

This situation has been questioned by all 4 remaining UN agencies during interviews: to what extent is the International Advisor actually working for the benefits of the entire Joint Programme (overall JP objective) or only favouring ITC’s activities through the PMC? This kind of reasoning shows that there is still some antagonism between the agencies at corporate

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<sup>25</sup> Multi Donor Trust Fund

culture level and points out that ITC should communicate more clearly on this matter with the other UN agencies.

28. An initial JP baseline survey was carried out by UNIDO and ILO (through subcontracting) in early 2010. While it describes in detail the socioeconomic conditions of beneficiaries, their needs e.g. in terms of material, machinery, trainings, the baseline study did not encompass the agricultural aspects related to the production of raw materials within the 5 value chains. This prompted FAO to commission a PRA to assess more into details the specific agronomical issues of the value chains. While it corroborated some aspects related to production already evidenced in the initial baseline survey, it showed that all value chains in term of production do not necessarily need the same type of support from FAO and that it would be more relevant for FAO to concentrate on some specific value chains instead of diluting its financial support across all 5 value chains, requiring more flexibility from PMU in terms of original work plan. This approach conflicted with Vietrade and PMU's value chains views on the JP. Further to this, the PRA delayed by one year the effective starting-up of FAO's activities: spring 2011 instead of spring 2010 due to the agriculture calendar constraints.
29. UNIDO is also substantially lagging behind schedule: many issues identified through the initial baseline survey and additional field missions required investigation and adaptation to the Vietnamese environment. Those activities (e.g. some activities related to 'cleaner production') are actually experimental and need prior testing e.g. through prototypes; time might therefore be too short within this JP to cover all steps from experimentation to dissemination.
30. As mentioned before, the JP was formulated in a way that all UN agencies can move forward without much 'interference' (dependence) from other agencies. One such case was the issue of CP<sup>26</sup> from UNIDO and OSH<sup>27</sup> by ILO trainings for which some topics are similar (potentially overlapping) but addressed from different perspectives. Eventually and after much discussion, both agencies agreed that it was deemed too complicated to fuse the trainings and therefore only coordination issues would be discussed.
31. The JP aims at:
- Increasing the knowledge basis of the sector to improve governmental strategic planning and to effectively operationalize the JP in the selected provinces through various studies and baselines benefiting institutional stakeholders (e.g. Vietrade, Vietcraft, Ministry of Agriculture – RUDEC<sup>28</sup>) - FAO and UNIDO/ILO
  - Increase the production and productivity of growers and basic processors through technical trainings and improved living materials deliveries – FAO

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<sup>26</sup> Cleaner Production

<sup>27</sup> Occupational Safety and Health

<sup>28</sup> Rural Development Centre

- Link demand and supply at all stages of the value chains through increased knowledge and trainings on business planning, entrepreneurship, product design with a focus on companies / private ‘cooperatives’ – ITC, UNCTAD
- Improve the basic business and empowering skills of grassroots beneficiaries through trainings – ILO
- Reduce the environmental impact of the handicraft sector by developing green production capabilities “through promoting adaptation and adoption of Cleaner Production and Design for Sustainability” – UNIDO

### 3. Levels of analysis: evaluation criteria and questions

#### 3.1. Programme design

##### 3.1.1. Relevance

32. The intervention is based on the *GTZ value links*<sup>29</sup> approach which promotes economic development with a value chain perspective. It follows accurately the recommendations of the 2007 Arts and Crafts Sector Export strategy from the Ministry of Trade and Industry<sup>30</sup>, an initiative funded by ITC and implemented by Vietrade to continue supporting more systematically the handicraft sector in 4 provinces around Hanoi where handicraft export potential is most promising and rural poverty highest. The document was drawn from a series of handicraft specific or not- circulars and decisions made by various ministries, which form a regulatory framework for the sector.

33. In particular, the chosen JP value chains but lacquerware were explicitly prioritised in the document: wood (hand-made paper), bamboo/rattan, sea grass, sericulture & brocade as were the overall JP objectives like poverty reduction of the rural population including of ethnic minorities and mountainous populations.

The rationale behind the choice of value chains was the following:

- Sericulture: the value chain collapsed in the late 90s due to uncontrolled production and prices drops with renewed interest more recently due to increasing prices requiring new plantations of mulberries to raise production and technical support in silk production and weaving to improve final products quality.
  - Bamboo/rattan: the value chain constitutes the backbone for Vietnam handicraft export but increased demand of raw products requires increased agricultural productivity and better and more diversified products from producers / exporters.
  - Sea grass: it serves more the regional market (Southeast Asia and China), suffers from environmental issues on the coastal line and the value chain is little organised.
  - Lacquer ware: the producers are located within one district and the value chain is restricted to sending the raw product to China and buying back the final product (paint) the value chain is characterised by low productivity of lacquer trees (need for improved varieties) and little bargaining power from collectors / exporters while an important objective is to try to add value by favouring the production of the paint in Vietnam instead of sending it overseas.
  - Hand-made paper: the value chain is geographically restricted to a few groups in one commune. Its value is more cultural than economical. The final products are very specific in terms of usage, serving mainly a very restricted Japanese market. The groups are highly dependent on donor's support to promote their products.
- The JP focussed specifically on the poorest parts of the population in the programme areas: this resulted in selecting ethnic minorities and people relying on agriculture on marginal lands for which an additional source of income is a necessity.

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<sup>29</sup> More information on <http://www.valuelinks.org>

<sup>30</sup> <http://www.artisanconnect.net/modules/display.php?modulename=Documents&action=download&documentid=8055>

34. The operationalization of the handicraft export sector strategy into a JP was innovative in the sense that a value chain / top-down approach was to be adopted based on an ‘open architecture’ between the sector’s stakeholders instead of all inclusive support through the creation of craft villages.

Further to this, many components from this JP aim to tackle the handicraft sector weaknesses which were already identified at the time through a SWOT analysis; e.g. lack of design & innovation, lack of training programs, lack of a national handicraft association (which later on in 2007 was secured through the founding of “Vietcraft”), underdeveloped processing industries, lack of close links between research and producers/processors, need for improving policies and regulatory frameworks to respond better to the needs of all stakeholders.

35. The approach looks relatively comprehensive and sector-wide but the JP still lacks a robust approach on how to effectively reduce poverty but through the conventional approach of increased production and knowledge. For example, very little is mentioned on how to increase the bargaining power or negotiating capacity of the most vulnerable stakeholders (growers vs. collectors, collectors vs. processors, processors vs. exporters). Some activities are indeed tackling the issue (ex. BGF – ILO) but more could have been done like strengthening producer’s cooperatives and transformer’s associations, focus more on trade unions, etc. It is somehow taken for granted that the JP activities if properly implemented will *de facto* reduce poverty through increased economic growth. This looks like a quite simplistic vision on how to tackle poverty.

36. Overall, the JP is in line with MDGs (see annex 5 for details) and UNDAF outcome 131: this JP supports national policies to support growth through a sustainable and equitable approach.

37. A monitoring and evaluation system was set up at the start of the programme through a baseline survey and the drafting of a result’s framework in the PRODOC; however, many indicators are not SMART<sup>32</sup>: in particular, they are not realistically measurable or not accessible (companies, producers not willing to divulge confidential information on productivity, quantities, economies of scale / resource savings). In addition, the effects and impact of some specific activities linked to FAO will never be measured as the results will occur well after the JP is closed (e.g. survival rate of improved lacquer tree or rattan seedlings planted in existing HH gardens and resulting in increased income). At the time of the evaluation, PMU was rectifying this situation with an improved monitoring system mixing both qualitative and quantitative feedback data from beneficiaries.

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<sup>31</sup> UNDAF 2006 – 2010 pg3-5:

<http://planipolis.iiep.unesco.org/upload/Viet%20Nam/Viet%20Nam%20UNDAF.pdf>

<sup>32</sup> Specific, Measurable, Accessible, Realistic, Time specific

### 3.1.2. Ownership in the design

38. Many activities were formulated taking into account the ‘initiatives’ from the Arts & Crafts Sector Export strategy formulated by the Government (Ministry of Trade & Industry and Vietrade). The JP reflects the Government policies and strategies within the handicraft sector. Nonetheless, the formulation process was an internal UN process although non-UN stakeholders were effectively consulted for validation before submission to the MDG-f Secretariat: the initial formulation process in March / April 2009 was carried out by a UN team together with a national consultant from Vietcraft, who had the opportunity to visit all 4 provinces and discuss with a selection of stakeholders. Afterwards, the Ministries, provinces (e.g. provincial DOIT<sup>33</sup> & DARD<sup>34</sup>) as well as the private sector (associations, SMEs, etc.) were extensively consulted through a consultation workshop in April 2009 to finalize the JP proposal.
39. The fact that the program was to be implemented by UN agencies (with individual financial control by each agency) made Vietrade reluctant on taking the role of lead counterpart all the more so as it is assumed that it is taking full responsibility for the JP results with no financial leverage. However this was a precondition for MDG-f funding (joint UN implementation) and eventually Vietrade agreed in participating to the JP. The delivery of activities was to be carried out by a mix of national institutions and international consultants according to the considered activities and adopted UN approach for optimum delivery. In any case, Vietrade was not a major player in deciding on how best to execute the activities.

## 3.2. Process level

### 3.2.1. Efficiency

40. The programme was launched relatively swiftly with the baselines studies carried out by UNIDO and ILO. Most UN agencies kicked off within 3 to 6 months after programme signature.
- This is the case because many initial agency activities were already being implemented through other sources of funding and little adaptation was necessary:
- Empretec trainings from UNCTAD have been delivered for over 5 years in Vietnam through ILO
  - OSH and SIYB<sup>35</sup> trainings have been delivered regularly by ILO for over the past 10 years worldwide
  - ITC’s support to companies through international fairs and study tours was the swiftest to deliver as the list of beneficiary companies was pre-determined.
41. Starting-up activities was slower for FAO which organised a PRA to facilitate the effective operationalization of the JP planned activities and for UNIDO which experienced severe

<sup>33</sup> Department Of Industry and Trade

<sup>34</sup> Department of Agriculture and Rural Development

<sup>35</sup> Start and Improve Your Business (by ILO)

communication problems with its HQ<sup>36</sup> (lack of feedback) and needed to assess on-site the technical issues that CP activities might resolve. In addition, the identification of the final beneficiaries done at commune level took considerable time and the list was not available until July 2010. Vietrade and PMU have pushed both agencies for swifter implementation which created some friction as it involved deciding on technical matters. In one case, FAO was too swift to distribute rattan varieties which were not actually adapted to the local soil conditions, resulting in a change of varieties being considered during the course of the programme (K43 rattan variety being substituted by another variety due to a high death rate in Hai Son commune).

42. As of June 2011, these were the ratios of amounts committed and transferred:

% comm/transf	ITC	UNIDO	ILO	FAO	UNCTAD	TOTAL comm/transf
06/2010	52%	12%	2%	29%	58%	35%
12/2010	84%	49%	46%	83%	95%	73%
06/2011	64%	32%	66%	63%	92%	61%

Table 2 : JP financial situation – committed/transferred funds (06/2011)

The programme is overall on track in financial terms. The 70% threshold for year 1 tranche was reached in late 2010 and the 2<sup>nd</sup> tranche of implementation was received. Year 2 will very probably reach the 70% threshold by late 2011.

43. However, if one analyses the ratios of amounts transferred and allocated JP totals, the program was not disbursing fast enough (except for ITC) until mid-2011. The implementation was accelerated and by the time of the evaluation (10/2011), ITC had requested 72% of budget, UNIDO 76%, ILO 73%, FAO 75% and UNCTAD 84%. Therefore, although the JP was delayed initially, it managed to recover most of the lost ground during year 2.

44. The current JP planning process is inadequate and flawed: as the activities are quite compartmentalised between the UN agencies (each agency can move forward with little interaction by others) and financial control is retained per agency, activity planning is an individual process per agency with on occasion, bilateral discussions between agencies when required; agencies follow their original/reviewed work plan and baseline studies results and propose a series of activities ; these are reviewed by PMU against the original PRODOC and transmitted to provincial coordinators for comments; this approach is not participatory and has been heavily criticised by all provincial coordinators who could offer during the planning process beneficiary and institutional feedback, feed the agencies with relevant data on provincial activities / programs (synergies) or integrate activities into their provincial work plans (JP ownership). Institutional stakeholders (province, district, and commune) are not empowered to take decisions and effectively provide input to improve JP implementation. In that context, feedback from the provincial coordination is minimum and from PMU relatively disruptive when discussing with agencies about technical issues;

Some agencies are having difficulties in providing annual planning information to PMU and the provinces (Y2<sup>37</sup> JP work plan was officially finalised in June 2011 – 6 months late -). This is

<sup>36</sup> Headquarters

<sup>37</sup> Year 2 of the JP (2011)

because most of the activities are being subcontracted to parastatal institutions or NGOs and that contract drafting rarely matches the annual JP planning process, hence the difficulty in foreseeing when / where / how the activities will be implemented during the year. To avoid this kind of difficulty again, it was agreed that a general annual plan would be drafted in December/ January for Y3<sup>38</sup> and a more detailed work plan transmitted to PMU on a periodic basis (3-4 times/year). It is suspected that those difficulties are actually the result of a lack of dialogue between UN agencies and the communes (PMU and provincial coordinators relaying beneficiary needs) as the planning is being done remotely by UN agencies. This is most notably the case for FAO and UNIDO but also the same to some extent for all agencies (even beneficiary companies which are not adequately informed of training contents).

This lack of proper planning is starting to have dire consequences by frustrating the institutional stakeholders, who are not aware of JP activities, have little technical input and who are unable to relay information to the relevant stakeholders (communes, local institutions). The planning process should definitely be completely overhauled and the process made more inclusive or participative by reaching out the JP stakeholders.

45. This situation reflects also on coordination between agencies and the PMU team – in particular with provincial coordinators who are ill informed of agencies activities: Provincial Coordinators are informed *a priori* with little anticipation through PMU or the communes because the agencies contacted them to facilitate delivery of trainings or *a posteriori* through feedback from communes or PMU as the agencies never informed the Coordinators before delivery: this is the case for most activities executed through subcontracting.
46. In terms of procedures, few efforts were made to harmonize the implementation methods by the various agencies; e.g. there is no MOU between agencies to test common procedures and the working modalities between PMU and agencies so that these inform systematically PMU on activity delivery has been until recently seldom enforced.

Still, one of the main achievements of the programme is that all agencies are trying to converge towards the same objective in a complementary manner, each one contributing inputs according to their competencies, which is quite new in Vietnam.

47. In terms of visibility and advocacy, the JP has produced a comprehensive website<sup>39</sup> which exposes in details the JP objectives and activities. On-site, there is little or no visibility of project sites (on occasion through UN agency and subcontractor's billboards) because the project sites are scattered over such a large area (26.000km<sup>2</sup>). One might wonder whether the beneficiaries or even commune personnel are aware of the JP as the agencies are actually operating individually most of the time.

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<sup>38</sup> Year 3 of the JP (2012)

<sup>39</sup> <http://www.greentrade.org.vn>

### 3.2.2. Ownership in the process

48. The programme is being implemented in 4 provinces; to facilitate execution, PMU is supporting 4 provincial coordinators from DOIT (1) and DARD (3). The purpose of having provincial coordinators was to facilitate the identification of beneficiary communes, relay requests of agencies and feedback of institutional (communes) and final beneficiaries to PMU and ultimately to agencies, participate in the overall assessment of JP impact. In addition, the original idea was to have JP activities being integrated within the provincial work plans to increase synergies (avoid duplication of activities between the JP and provincial budget or increase impact through joint funding), ownership and empowerment by the provinces (e.g. through output 4). The reality is far different: the role of provincial coordinators has not been properly understood by the agencies; the planning process is a top-down approach with very little input from the beneficiaries or even Government; so far, it cannot be considered as a participatory process; most input by local stakeholders was given during the baseline studies with little or no feedback afterwards. There is little or no feedback because agencies do not take advantage of the presence of provincial coordination units to discuss contents of activities – indeed, many activities from UNCTAD, ILO and UNIDO to some extent are global or regional packages to be delivered ‘as is’ although they might require some minor adaptations to the national context (language issue [translation of documents, need for Vietnamese proficient trainers], include ‘green’ contents as per JP objective).
49. During Y1<sup>40</sup> and Y2, the agencies have planned activities as per original work plan and baseline studies results, with very little interaction with the provincial coordinators; local institutions (district & commune) feel they also have a monitoring responsibility. These are aware of programme activities through the yearly work plan and when 1. Agencies inform them when / where activities are supposed to be delivered although the interviews showed that it was not systematic or 2. Subcontractors voluntarily inform the provinces of their effective work plan. Still, provincial coordinators are basically JP bystanders. Vietrade through PMU has not been able to apply leverage on agencies to cooperate more with it and provincial coordinators because on the one end, it has no financial control over the activities and on the other end its added value is low because agencies do not really need to get together to implement the programme, in which case a PMU or coordinating body would be highly relevant. Vietrade is the owner of the JP and in that sense should be able to effectively coordinate and monitor the JP delivery of activities; working modalities have been agreed upon with the UN agencies but are not systematically applied. A MoU between the UN agencies and Vietrade might be necessary to reassess its role.
50. Two different types of provincial coordination units are participating into the JP: DARD – agriculture and DOIT – industry and trade. They were originally selected based on the department interest in the JP. Interview showed that the coordinators from both institutions assess the JP status differently, which reflects viewpoints from their respective sectoral perspective: for DARD, the JP is on track for most trade and business related activities while many issues remain to be addressed with the rural farmers (growers, collectors, and

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<sup>40</sup> Year 1 of the JP (2010)

cooperatives). On the other end, DOIT has comments on how to improve better support to the business components (trainings on business & competitiveness, support to companies and cooperatives) while not insisting a lot on agricultural related issues. This situation is the consequence of not having officially (with financial resources?) a coordination unit consisting of both provincial DOIT and DARD representatives. Valuable expertise is being wasted through this lack of feedback which is a consequence of not having a participatory planning and operational monitoring or feedback system. This is further evidenced by the fact that PMU staff in addition to Provincial Coordinators is collecting directly feedback information from beneficiaries who attended agency trainings (M&E system).

51. Many JP activities are being executed by national institutions; e.g. Vietrade for UNCTAD, VIRI<sup>41</sup> and NOMAFSI<sup>42</sup> for FAO, VCA<sup>43</sup> for ILO, Vietcraft for ITC, VNCPC<sup>44</sup> for UNIDO, either to deliver trainings (e.g. Empretec, SIYB) with little added value from the institution when they have little say in training methodologies for closed training packages (e.g. Empretec, SIYB) or to execute a package of activities including trainings through a small project proposal (FAO's support to growers, CP packages). The interviews showed that there is little interaction or no interaction at all between these subcontracted institutions and Governmental stakeholders (at national or provincial levels) because these contractually report to agencies and in any case there is no reporting requirement in their contract at commune, district or provincial levels. Some cooperation/information nonetheless occurs on an ad-hoc basis (e.g. between NOMAFSI and Phu Tho / Nghe Han Provincial Coordination).

### **3.3. Programme results**

#### **3.3.1. Effectiveness**

52. Overall, the interviews with the beneficiaries showed a very high degree of satisfaction; paradoxically, the fact that many activities are considered successful (either provision of materials or trainings) has somehow created more expectations / needs by stakeholders ("we want additional activities to complement what has been done" to achieve greater impact and ensure sustainability). As this perception was widespread in all provinces, it might come from a misunderstanding during the initial baseline surveys and PRA: final (rural HH & companies) and indirect institutional (communes) beneficiaries expect the JP to deliver on a step by step basis on all needs that were formulated during those surveys.

When an agency tackled an issue (e.g. improve business knowledge and competitiveness - ILO), a new one to be taken care of by another agency pops up further up/downstream the value chain to complement the first one (e.g. support needed to network with buyers ITC). While the agencies cannot and should not respond to all the beneficiaries' needs, coordinating actions between agencies during planning (for Y3) should be the priority so that the newly

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<sup>41</sup> Vietnam Rural Industries Research and Development Institute

<sup>42</sup> Northern Mountainous Agriculture and Forestry Science Institute

<sup>43</sup> Vietnam Cooperative Alliance

<sup>44</sup> Vietnam Cleaner Production Centre

planned activities have indeed an overall positive impact on the value chain and not necessarily only on the targeted beneficiaries. This might however become more complicated due to the extent of the JP area and require extensive discussions between UN agencies to target properly the beneficiaries so that the activities benefit more globally the selected value chains.

53. The issue of top/down planning has two major inconveniences which reduce the effectiveness of the JP: it does not enable integration of the JP into provincial annual planning which should be a necessary step to enable appropriation of outcome 4 and, 2. it misses opportunities of synergies (to improve impact or reduce financial burden) between regular provincial activities from DOIT / DARD and JP activities, and it risks duplications of trainings with similar topics or activities focussing on JP beneficiaries (schedule conflicts).
54. The status of each output and outcome is reviewed in table 3; however a situation status per agency is also relevant (see paragraph 55):

Outcome 1	Improved understanding of the handicraft and small furniture value chains		The studies are near completion: they will benefit mostly Vietcraft and Vietrade which are empowering themselves with the results
Output 1.1	Baseline & monitoring studies upstream	(FAO)	On track (near completion)
Output 1.2	Baseline & monitoring studies downstream	(UNIDO, ILO)	On track
Output 1.3	Integrated value chains baselines / studies	(ITC)	Completed
Outcome 2	Environmentally & economically sustainable increase in craft raw material growers / collectors' income		Interviews showed that the support provided by FAO, UNIDO and to a lesser extent by ILO to these beneficiaries has the potential to raise their income; complementary support is necessary (see paragraph 56), most notably to increase their bargaining power
Output 2.1	Increased production capacity of farmers	(FAO)	Some implementation delays (missing 1 farming season) because of an additional PRA ; significant & negative impact on the results of Output 2
Output 2.2	Farmer sales capacity increased	(FAO)	Included in output 1.1 (not relevant anymore)
Output 2.3	International linkages	(FAO)	Fewer activities implemented than initially budgeted
Outcome 3	Sustainable increase of crafts related rural HH and enterprises' incomes		Highly relevant activities by UNIDO, ILO and ITC which result in an increased customer base for some companies, improved / more efficient industrial / process (e.g. better organising of workers, improved working conditions); some large scale as well as very small companies did not benefit much from JP support; subcontracted rural HH benefit indirectly through improved working conditions but transmission of information by collectors is selective; increasing bargaining power is a priority e.g. through BGF
Output 3.1	Offer of market knowledge linkages, design to buyers/SME	(ITC, ILO)	Slow implementation; little funds spent although companies are still having design difficulties relevant for international markets
Output 3.2	Market knowledge & linkages of entrepreneurs	(ITC)	Slow / delayed implementation – activity 3.2.3 no longer relevant?
Output 3.3	Business management & plan capacity	(UNCTAD, ILO)	On track
Output 3.4	SME production & clean design	(UNIDO)	Underway (slow implementation? More efforts needed to improve design techniques?)
Output 3.5	Business skills / representation	(ILO)	Varied implementation rate (e.g. slow for ToT, not yet started for microfinance)
Output 3.6	Greener production	(UNIDO)	Very much delayed activities (0-20% implementation rate): need to review (consequence of need to contract external /international consultants → slow procurement procedures?)
Outcome 4	Improved policies & regulatory frameworks at provincial and national level meeting the needs of rural small enterprises		No information yet
Output 4.1	Provincial action plans	(ITC, ILO)	On track & due to be implemented by the end of the programme
Output 4.2	Policy making	(ITC, UNIDO)	Due to be implemented by the end of the programme

Table 3 : outputs – status as of 09/2011

55. The outstanding achievements of the programme are as follows:

- ***ITC***: Several national and international fairs have been organized by ITC and/or beneficiaries attended external fairs under ITC's support: interviews showed that the subsequent company networking activities do result in additional customers for medium and large companies; results are mixed with small companies (few gains with SMEs).

Support in product design and catalogue creation: the vast majority of companies respond to customer demand ; product design is very weak in Vietnam while it might add considerable value especially for higher end products ; ITC contracted international

designers, consultants, Vietcraft and subcontracted VIRI – HRPC<sup>45</sup> to support more specifically ethnic minorities; external consultants bring new ideas based on international trends but little is being retained in the country afterwards as local designers are not associated with these activities; large export companies have their own design team and it might be necessary to associate systematically local designers when available with ITC design activities. Support to the ‘LifeStyle Vietnam’ fair in particular will benefit the JP beyond the direct programme beneficiaries and bolster the long-term competitiveness and profile of Vietnam as a top exporter.

A major constraint found during the evaluation was the lack of networking support at national level for small and medium enterprises involved in the value chains (before export): processors, collectors, transformers have difficulties in expanding their customer basis because of a lack of networking capability.

- **UNCTAD**: it is divulging the EMPRETEC training method worldwide; over 140 company directors/heads have been trained in the JP; the method is highly selective based on pro-activity of potential participants. It resulted in organizational changes (adoption of business plans) in most of the cases reviewed. All interviewees recognized the strengths of the training approach. However, small companies with few customers (1-2) did not take advantage of the training (additional networking support was just as important to widen the customer base) as did large export companies which were already using business plans in any case or some other way of planning. A positive internal impact assessment with recommendations for the next batch of trainings was done in September 2010 and a post-training assessment 3 months after the training delivery with an adoption rate of 70% (willingness to expand business in the future); still, impact assessments should be carried out after more time elapsed (6-12 months) to qualify more realistically the adoption rate.

A follow-up meeting of training participants to exchange views and ideas was organized for all participants but it did not add much value according to the participants that the evaluators interviewed.

- **ILO**: Several types of trainings have been organized: commune LED<sup>46</sup> groups formation was supported, explaining to a range of (vertical) stakeholders (from growers/collectors to export companies) the value chains concept. It resulted in the drafting of action plans to improve the business environment but actually was limited to needs which might be relevant for other agencies; hence the importance of agency coordination and flexibility. As this coordination has been so far absent, LED group remained inactive with a few exceptions when actions plans were taken over by a proactive member (some cases of export companies and cooperatives). LED groups could be still a prime target for integration into commune/provincial planning (facilitate dialogue and improve market linkage, improve local policies, etc.). BGF activities were more successful in the sense that participants with a common goal were gathered together (horizontal stakeholders

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<sup>45</sup> Vietnam Handicraft Research and Promotion Centre

<sup>46</sup> Local Economic Development

like growers, weavers, processors); BGs<sup>47</sup> under the supervision of a collector actively took advantage of the training by adopting several cost effective strategies like raw material bulk purchases, division of tasks or larger quantity selling. BGs can therefore improve their bargaining power within the value chains, which is all the more important as these stakeholders are the most vulnerable (farmers, growers, sometimes collectors). The current follow-up is very insufficient (e.g. 1 day follow-up with VCA) and needs to be reviewed; these BGs need nurturing and facilitation for a substantial period after the training to enable consolidation and avoid collapse once the JP is terminated. OSH trainings aimed at improving the working conditions of value chain workers: awareness was created among the trainees that resulted in organizational changes; the multiplication effect (from trainees – head of groups or ‘cooperatives’ to subcontracted workers) is not systematic: knowledge transfer was observed when trainees are part of a group with common objectives or for employees in a company although the adoption rate is not known. The multiplication effect from trainee to workers is not systematic when there is a financial link between them, e.g. when workers are being subcontracted; interviews showed workers are aware of only some OSH elements which improve productivity. Follow-up of these trainees might be necessary. ‘Get Ahead’ trainings raised gender awareness among participants but it is hard to evidence any direct result of the training. Most women participants were proactive women leaders (women unions chairman, female collectors, CPC<sup>48</sup> [vice-] chairwomen, etc.) but not necessarily all women entrepreneurs that the training primarily targets.

- **FAO:** the agency carried out first a PRA which delayed by 1 year the effective starting-up of FAO’s activities; it enabled the identification of technical / agronomical issues that FAO might tackle an estimate of the number of beneficiaries but also put into perspective the funding constraints against the magnitude of identified issues. E.g. in the case of sea grass, the issue of salinization and ensuing diseases is out of the scope and FAO, and more adequate support might be improved processing through credit-loan ; in the case of hand-made paper, the number of beneficiaries is so small that FAO support will produce high transaction costs. These dilemmas prompted PMU to question FAO on certain technical issues. Eventually, FAO supported the hand-made paper with technical trainings and a nursery of trees, and sea grass with training on improved land husbandry. The sericulture value chain is being revitalized through improved mulberry seedlings & associated trainings; the current old lacquer tree plantations and rattan plantations are being substituted by higher productivity varieties together with improved land husbandry. FAO provides when necessary fertilizer and organized study tours.

The operationalization of the activities is done through subcontracting 2 institutions: VIRI in Thanh Hoa and Hoa Binh for the sericulture bamboo/rattan, seagrass, handmade paper VCs; NOMAFSI in Phu Tho and Nge An for rattan/bamboo, lacquer, sericulture VCs ; while the approach in the LOA<sup>49</sup> is relatively similar in terms of means to achieve

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<sup>47</sup> Business Group

<sup>48</sup> Commune People’s Committee

<sup>49</sup> Letter Of Agreement

the output/outcomes (FFS<sup>50</sup>, nurseries, associated input), the adopted method is very different between the 2 institutions: NOMAFSI opted for demonstration areas and direct distribution of seedlings to elected farmers instead of FFS for rattan; VIRI choose direct training of farmers through FFS, creation of nurseries and large scale distribution of seedlings afterwards; VIRI can therefore reach out many farmers who should get coaching from FFS farmers. NOMAFSI trains a limited number of farmers but uses a lot of seedlings on demonstration areas, resulting in reaching out a smaller number of farmers afterwards

Whatever the method adopted, FAO's support is marked by a series of poor planning decisions and communication issues potentially affecting negatively the outcome of activities: ex1: FAO has been slow to finalise the contracts (among other reasons because of a lack of HR at some point) resulting in some activities not being implemented during the most adequate periods of the year (VIRI 2<sup>nd</sup> contract was signed in August 2011, too late to plan for seedling transplantation in autumn, hence rescheduling this activity in spring 2012); ex.2 NOMAFSI struggles with farmers (for some VCs) about the provision of fertilizers which were requested during the PRA but are not being provisioned through NOMAFSI (beneficiary confusion about wishes and needs during the PRA); ex.3: where relevant, fertilizer delivery was actually planned but was distributed too late to be useful.

These issues show that FAO is having difficulties in operationalizing its components: the value chains are numerous, spread over a very large area with different agro-ecological conditions, require highly technical expertise in numerous domains and even different expertise for a particular value chain but in different areas. The beneficiaries are scattered and their numbers vary from commune to commune. The JP is particularly complex to implement for FAO while the other agencies simply adapt existing training materials to Vietnamese conditions.

Finally, study tours were appreciated as these created awareness in land husbandry techniques and productivity potential when using improved varieties.

- **UNIDO**: the agency is engaged into the promotion of CP with the support of VNCPC as the main subcontractor and improved skills vocational trainings (still to be held – 200/300 producers in 10 groups should receive a 4/6 weeks training). Various other institutions are involved: Meiji University, Japan (lacquer processing), Delft University of Technology: (Design), University of Innsbruck, Austria (silk dyeing), Hanoi University of Science and Technology, (silk dyeing and lacquer processing), HRPC (vocational training). So far, detailed CP and design for suitability assessments for each value chain as well as training materials have been produced. A ToT has been done for further dissemination. 10 companies have been selected for CP intervention. As CP is mostly experimental and requires specific expertise for transformation step of all value chains, testing is necessary before dissemination; this is why so far very little results are visible; interviews showed that some companies are not waiting and develop by themselves some innovative solutions to improve efficiency and reduce waste; the

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<sup>50</sup> Farmer Field School

mission found out that there is a strong demand by stakeholders– so far not met by UNIDO – either to resolve some specific technical issues (poor dyeing technique) or to increase capacity of processors / transformers (e.g. sea grass, sericulture, hand-made paper). ; bamboo/rattan companies were supported to design sustainable products which were presented at Lifestyle 2012; technical seminars sharing international experiences on lacquer processing and silk dyeing were organized while an agreement with Meiji University of Japan involved the monthly analysis of lacquer sap sent from Phu Tho province and research on lacquer processing technique; groups have been selected for pilot improvement of silk dyeing with detailed proposals of equipment specifications and technique. Implementation is also slow due to procedural constraints: international bidding necessary above 20.000\$ per contract and on an annual basis per subcontractor and HQ-Vienna review of all activities necessary prior to implementation, leaving little or no flexibility for UNIDO-Vietnam.

56. With regards to on-site results, the programme might potentially have an impact (details in [annex 5](#)) on:

- MDG 1 – eradication of extreme poverty: the effects are potentially immediate with increased demand because companies have improved their market basis and also because of increased productivity of raw materials (higher income because of improved quantities / qualities – as demand exceeds supply in most VCs); however, poverty reduction can also be achieved through improving the negotiating power of the most vulnerable ,e.g. capacity building of BGs and cooperatives, or increasing the production capacity of low-end processors.
- MDG 3 – gender equity: as most of the low-end workers within the VCs are female, many activities like CP, OSH, some BGFs, and growers’ trainings will improve their overall working conditions. Still, these activities with the exception of “Get Ahead” – ILO were not tailored in terms of methodology to the specific needs of women. This might be a shortcoming because the vast majority of workers (handicraft making) are mostly female.
- MDG 7 – environmental sustainability: the effects downward the VCs are indirect through managed forests (bamboo, rattan, hand-made paper) instead of natural forest exploitation, and direct upward the VCs with CP and vocational training activities. Efforts are yet to be made to promote green labelling or fair trade but these are mainly demand driven from developed and higher end emergent countries. Training on Fair Trade has been conducted by ITC and UNIDO also initiated green branding activities.

### **3.4. Sustainability**

57. Most of the activities met the initial expectations of beneficiaries and therefore generated enthusiasm leading to additional demands of supports (see paragraph 52). The impact of the JP is very positive. Overall JP sustainability can only be achieved when the JP works on all

identified beneficiaries, which can hardly be achievable given their number (over 3.000): for example, what would be the point of providing higher productivity mulberry seedlings if processor capacity cannot be matched subsequently? A detailed review of value chains stakeholders on a case by case basis might be necessary to complement initial support for Y3 (e.g. consolidation instead of expansion).

58. For FAO, the trainings and increased quantities of life materials through seed or seedlings are sustainable only if there is a downward demand for raw materials and if processors capacity increase can be matched accordingly: hand-made paper VC struggles to identify market opportunities, sea grass and sericulture processors capacity might become too small because of increased productivity (linkages with UNIDO might be necessary). Note that the production cycle for rattan and lacquer is too long to be monitored during the JP duration. It will not be possible to assess whether the activities (replacement by improved varieties) are successful.
59. UNIDO's CP activities are experimental, taking too long to test; however, once the CP solutions are fully tested, they will probably be immediately adopted due to the economies of scale and financial savings through improved processing.
60. The sustainability of ILO's training contents depends mainly on the pro-activity of leaders and subsequent follow-up by ILO itself (BGF, OSH) or other institutions/agencies when relevant (LED). Interviews showed that many kinds of trainings on business development and competitiveness (UNCTAD, ILO) can have long term effects only if the market opportunities are increased, be it a small collector or export company; hence the importance of (ITC?) support in market development and networking through fairs but also by matching demand and supply through an improved information system. Another important aspect is that the capacity of Business Development Service provider networks (VCA and VCCI and other relevant stakeholders) is being increased through this JP.

It is also anticipated that the trainings will continue to be delivered beyond the life of the programme when UNCTAD's Empretec programme will be embedded in Vietrade. It has agreed to make funds available to organize additional Empretec workshops, using the locally training trainers, and gradually introduce charging of fees to companies participating to ensure financial sustainability and the sustainable embedding of the Empretec programme within Vietrade.

Given the pilot nature of the JP (the number of beneficiaries – 4.800 - is very small compared to the number of families involved nationwide in handicraft production – 1,35 million), it would be important that GOV<sup>51</sup> assumes ownership of lessons learned so that these could be multiplied when appropriate in other parts of the country or for other value chains. Additionally, continued support can only be effective if the JP actions become priorities at commune, district or even provincial levels, which as a first step can be achieved by integrating them into GOV annual plans. This should become THE major challenge for Y3 implementation and constitute the JP exit strategy.

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<sup>51</sup> Government of Vietnam

#### **4. Lessons learned / conclusion**

61. One can observe considerable implementation level differences between agencies in this JP: on the one hand ILO, ITC, UNCTAD are implementing their activities relatively smoothly because the methods have been time tested and only need adjustment in terms of contents to match the value chain approach. On the contrary for FAO and UNIDO, the JP is very complex: the number of beneficiaries, their diversity (5 value chains with growers/farmers, collectors, processors, SMEs or large companies), require a lot of expertise, different intervention methods; in that sense, the JP is too ambitious for these agencies. At formulation stage, it is necessary to assess the delivery capacity of agencies in relation to the budget and timeframe.

*This is an issue of programme formulation which can oversee agency delivery capacities in relation to proposed budget and timeframe. JP PRODOC should be assessed independently before donor approval.*

62. The planning and implementation processes are done individually per agency in this JP. These are the consequences of the formulation process: most activities can be independently implemented per agency although there are coherent and oriented towards a common goal. This might enable speedy delivery for agencies but has little effect on transaction costs reduction.

*The PRODOC should be submitted to a more analysis of inter-agency linkages, synergies and complementarities so that there is verifiable added value (need for jointness indicators) by combining several UN agency components under a single programme (review of the PRODOC against the 5 MDG-f principles).*

63. This is further reinforced by the fact that provincial coordinators bring little added value to the JP in the current framework while their participation e.g. in the planning process or through synergies with GOV activities would bring an added value to the programme.

*Local GOV resources should always be associated with JPs, so as to foster GOV ownership of JP and empowerment of results.*

64. There has been confusion during the baseline studies between the needs and wishes of interviewed final and institutional beneficiaries; this resulted in subsequent misunderstandings with the population that expected more than what the execution organisation was supposed to bring.

*It is always important to explain the objectives of the studies prior to interviews*

65. Under this JP, the PMC does not exert its authority as an interactive management structure: its technical arm, PMU, has difficulties in coordinating the agencies at planning level with the provincial coordination units. Feedback and follows-up is carried out through both an internal monitoring system recently introduced (with activity / training assessment fiches) and on an ad-hoc basis per agency feedback. The PMC is a platform of results presentation and of discussion of common issues. The dual role of PMU's senior advisor as an ITC

representative (although this is not clear for the other UN agencies) and PMU staff does not contribute either to it exercising its authority as the lead agency to facilitate a smooth JP implementation (see details in paragraph 41). The decision making process at PMC level is based on consensus and in case of divergent views, it is still up to the agencies to decide which of action to take due to their control of financial resources. The NSC is not operational either as a decision taking structure and the PMC will not refer implementation issues unresolved at PMC level to the NSC. Therefore, there is no structure to which the agencies should be accountable to, although this role was initially foreseen for the (currently inactive) NSC.

*The current JP decision making structure is inefficient and should be revised so that implementing agencies are more accountable to the Government and donor.*

#### 66. Conclusion:

The JP has been innovative by adopting the concept of value chain to support an entire sector through promoting pro-poor economic growth, experience exchange and raising quality standards: *the approach is comprehensive taking into account all stakeholders.*

Nonetheless, the pilot nature of the JP has not been properly recognised by the UN agencies themselves which remain rigid in implementation and procedural; in particular, *little efforts were made to increase collaboration between the United Nations agencies*, leading to little or no joint implementation and to reduce transaction costs.

Finally, most of the implementation issues can be traced back to deficient internal UN processes and rarely on external conditions:

- *Inadequate result framework no longer in line with the reality; agencies are unwilling to review it accordingly although the MDG-f explicitly allows for JP specific - up to 20% - financial reallocations or with the Secretariat's approval above 20% ; this facility should be used by JP agencies*
- *Inadequate PRODOC formulation processes which are MDG-f specific and might evidence a design flaw in the JP PRODOC validation process.*

## 5. Recommendations

### 67. PMU recommendations:

- a. The entire planning process should be overhauled for Y3 with provincial coordinators at the centre of the planning process: instead of having a top-down approach with an individual planning exercise per agency, a more participatory process should be sought by involving provincial coordinators so that they have a much greater say; planning if feasible should be done taking into account the provincial agendas and synergies should be sought whenever relevant with GOV plans.
- b. The planning process should focus on consolidation instead of expansion; interviews showed that specific beneficiary needs are not met and might reduce the overall impact of the JP at commune level: often the agency input should be complemented by the support of another agency, which would maximize VC enhancement.
- c. Coordination should be improved through PMU prior approval for any disbursements for on-site activity (including trainings), as it is done in other JP. The working modalities should be reviewed and transposed into a formal MOU under the lead agency.
- d. To facilitate coordination between agencies, a periodic monthly or every 2 weeks technical meeting of all JP focal points should be organised (working modalities included in the above mentioned MOU) to review progress & implementation issues, exchange ideas, discuss synergies and review whenever support might be needed between agencies; some of these meeting should be organised in the provinces (e.g. 1 in each province for Y3).
- e. The above mentioned meeting in the province should be combined with a monitoring trip with all FP and PMU and possibly a representative of the Ministry of Trade & Industry to raise awareness and entice follow-up on actions for appropriation and empowerment; that could constitute the overall JP exit strategy.
- f. A consultant should be contracted by the end of the programme to publish lessons learned, the method and modalities on how to support / revitalise a value chain -report / publication tailored for the Ministry of Trade & Industry. The JP should coordinate with the MDG-f knowledge management strategy being implemented by UNIDO for the private sector thematic window

### 68. Recommendations for all or selected agencies:

- h. Many reviewed cooperatives showed institutional weaknesses (poor governance, lack of price information) although they are important stakeholders of the VCs. Agencies should assess the opportunity to strengthen institutional capacities of cooperatives
- i. Follow-up of activities should be substantially intensified, again with an objective of activities consolidation – through more coaching / mentoring -, in order to improve effectiveness. GOV officials should be associated with monitoring.

- j. Provincial Coordinators (as well as GOV staff at commune and district levels) are ill-informed about the implementation of activities. Agencies should systematically hand-over LOAs and TORs of subcontractors to PMU for transmission to Provincial Coordinators. In addition, LOAs and contracts should be amended so that specific actions plans prepared by subcontractors are being transmitted as well to Provincial Coordinators
- k. Due to very high transaction costs and too little potential, it is suggested to all agencies to withdraw from the hand-made paper VC with ITC providing an exit strategy through activities facilitating networking.
- l. ILO, UNIDO: interviews showed that in addition to trainings there is a need to tackle as well the lack of capital goods for processors when growers, collectors capabilities have been substantially risen already through the JP: overall, both agencies should combine efforts so that legitimate requests of materials or equipment (e.g. for increasing processors' capacity) are met and that BGs needs are relayed to micro-finance institutions.
- m. Given the fact that the programme perceptions are strikingly different at provincial levels between DOIT and DARD Provincial Coordinators, it might be wise devise a mechanism that allows for interaction of both departments in this JP (e.g. periodic meetings institutionalised, fee/per-diem for a representative of the department not designated as Provincial Coordinator). As the centre of gravity of the JP is slightly moved towards the provinces through a more participatory approach, UN agencies should periodically attend these meetings if they were to be established.

69. ITC recommendations:

- n. ITC lead role is necessary in order to refocus on the JP's objectives; its leadership should be re-established by clarifying to the other agencies the role of the Senior Technical Advisor and / or by a stronger (and more periodic) presence of ITC Geneva staff or; in the meantime, PMC meetings should count on the presence of ITC-Geneva staff – through videoconference if necessary
- o. With Vietcraft: ITC should switch (whenever feasible – with SMART indicators) from qualitative to quantitative monitoring of its results
- p. SMEs at the lower end of the VC together with cooperatives and organised collectors have great difficulties in expanding their customer base; ITC should assess with Vietcraft or VCCI which organisation might be most relevant to organise activities which might support these stakeholders.

70. FAO:

- q. Direct distribution of seedlings and large scale demonstration fields (which are privately owned) are less effective than indirect support through FFS which can also increase outreach, and should be phased out. Prior to any new LOA, NOMAFSI should coordinate with VIRI to review methods adopted by the NGO.
- r. The LOAs should be amended so that there are provisions to systematically involve GOV at provincial and/or district levels and that exchange visits between farmers are being organised (at national or regional level).

- s. FAO should review its procedures for subcontracting : in particular avoid long negotiations which delay the contract implementation and can result in seasoning issues

71. UNIDO:

- t. The agency should refocus its CP activities on the technical solutions which need little testing time (avoid long pilot projects in lacquer, silk dyeing) so that dissemination might be possible before the end of the programme.
- u. Vocational trainings duration should be reduced so that there might be still some time to monitor adoption rates and any multiplication effect.
- v. The agency should review with other agencies the areas (communes and VCs) where its support might be most useful to complement agencies' support (recommendation k) including in the sea grass & sericulture VCs (increased capacity of processors).
- w. For lacquer (e.g. from Tam Nong), there is a potential to add VC value with branding, which should be investigated.

72. ILO:

- x. Continued support of BGs and LEDs is necessary to keep active these groups; ILO should review with other agencies (during the monthly or twice-weekly technical meetings) what kind of support might be relevant through the JP.
- y. A more systematic follow-up of (all) trainings is necessary to appreciate the impact and might result in consolidation (e.g. refresher workshops).
- z. OSH monitoring is necessary to review whether there is indeed a multiplication effect when trainees have a contractual relationship with their workers. If not, the OSH approach should be amended.

73. UNCTAD:

- aa. UNCTAC should review how to integrate more environmental friendly elements within Empretec trainings.

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Annex 1: Terms Of Reference

## **EVALUATION OF JOINT PROGRAMMES ON DEVELOPMENT AND THE PRIVATE SECTOR**

### **General Context: the MDG-F Development and the Private Sector Window**

In December 2006, the UNDP and the Government of Spain signed a major partnership agreement for the amount of €528 million with the aim of contributing to progress on the MDGs and other development goals through the United Nations System. In addition, on 24 September 2008 Spain pledged €90 million towards the launch of a thematic window on Childhood and Nutrition. The MDGF supports countries in their progress towards the Millennium Development Goals and other development goals by funding innovative programmes that have an impact on the population and potential for duplication.

The MDGF operates through the UN teams in each country, promoting increased coherence and effectiveness in development interventions through collaboration among UN agencies. The Fund uses a joint programme mode of intervention and has currently approved 128 joint programmes in 49 countries. These reflect eight thematic windows that contribute in various ways towards progress on the MDGs.

The 12 joint programmes in this window support, either directly or indirectly, national productive forces (e.g. farms, small and medium enterprises and other economic agents). These joint programmes in particular seek to contribute to: increasing the competitiveness of micro- and small enterprises and/or farms, adopting or improving policies in favor of small enterprises and/or farms, and increasing the capacity of existing enterprises and/or farms through technical training.

The beneficiaries of the Joint Programs are fairly concentrated. Many joint programs involve the government, as a major actor of the support to enterprises. Entrepreneurs and/or farmers are naturally another key stakeholder, identified as such in all Joint Programs. Beneficiaries are sometimes part of specific sectors (such as crafts, tourism, textile, agriculture), and sometimes all entrepreneurs without restriction.

### **The following points should be provided by the joint programme team**

- Describe the joint programme, programme name and goals; include when it started, what outputs and outcomes are sought, its contribution to the MDGs at the local and national levels, its duration and current stage of implementation.
- Summarize the joint programme's scale of complexity, including its components, targeted participants (direct and indirect), geographical scope (regions) and the socio-economic context in which it operates.

- It is also useful to describe the human and financial resources that the joint programme has at its disposal, the number of programme implementation partners (UN, national and local governments and other stakeholders in programme implementation).
- Changes noted in the programme since implementation began, and how the programme fits in with the priorities of the UNDAF and the National Development Strategies.

## 2. OVERALL GOAL OF THE EVALUATION

One of the roles of the Secretariat is to monitor and evaluate the MDGF. This role is fulfilled in line with the instructions contained in the Monitoring and Evaluation Strategy and the Implementation Guide for Joint Programmes under the Millennium Development Goals Achievement Fund. These documents stipulate that all joint programmes lasting longer than two years will be subject to a mid-term evaluation.

Mid-term evaluations are highly formative in nature and seek to **improve implementation of the joint programmes during their second phase of implementation. They also seek and generate knowledge, identifying best practices and lessons learned** that could be transferred to other programmes. As a result, the conclusions and recommendations generated by this evaluation will be addressed to its main users: the Programme Management Committee, the National Steering Committee and the Secretariat of the Fund.

## 3. SCOPE OF THE EVALUATION AND SPECIFIC GOALS

The mid-term evaluation will use an expedited process to carry out a systematic, fast-paced analysis of the design, process and results or results trends of the **joint programme**, based on the scope and criteria included in these terms of reference. This will enable conclusions and recommendations for the joint programme to be formed within a period of approximately three months.

**The unit of analysis or object of study for this interim evaluation is the joint programme**, understood to be the set of components, outcomes, outputs, activities and inputs that were detailed in the joint programme document and in associated modifications made during implementation.

This mid-term evaluation has the following **specific objectives**:

1. To discover the programme's **design quality and internal coherence** (needs and problems it seeks to solve) and its external coherence with the UNDAF, the National Development Strategies and the **Millennium Development Goals**, and find out the degree of national ownership as defined by the Paris Declaration and the Accra Agenda for Action.
2. To understand how the joint programme **operates** and assess the **efficiency of its management model** in planning, coordinating, managing and executing resources allocated for its implementation, through an analysis of its procedures and institutional mechanisms. This analysis will seek to uncover the factors for success and limitations in inter-agency tasks within the **One UN** framework.

3. To identify the programme's **degree of effectiveness** among its participants, its contribution to the objectives of the **Private Sector thematic window**, and the Millennium Development Goals at the local and/or country level.

#### 4. EVALUATION QUESTIONS, LEVELS AND CRITERIA

**The main users of the evaluation represented in the evaluation reference group (Section 8 of the TOR), and specifically the coordination and implementation unit of the joint programme, are responsible for contributing to this section. Evaluation questions and criteria may be added or modified up to a reasonable limit, bearing in mind the viability and the limitations (resources, time, etc.) of a quick mid-term evaluation exercise.**

The evaluation questions define the information that must be generated as a result of the evaluation process. The questions are grouped according to the criteria to be used in assessing and answering them. These criteria are, in turn, grouped according to the three levels of the programme.

##### Design level:

- **Relevance: The extent to which the objectives of a development intervention are consistent with the needs and interest of the people, the needs of the country, the Millennium Development Goals and the policies of associates and donors.**
- a) Is the identification of the problems, with their respective causes, clear in the joint programme?
  - b) Does the Joint Programme take into account the particularities and specific interests of women and men in the areas of intervention?
  - c) To what extent has the intervention strategy been adapted to the areas of intervention in which it is being implemented? What actions does the programme envisage, to respond to obstacles that may arise from the political and socio-cultural background?
  - d) Are the follow-up indicators relevant and do they meet the quality needed to measure the outputs and outcomes of the joint programme?
  - e) To what extent has the MDG-F Secretariat contributed to raising the quality of the design of the joint programmes?
1. **Ownership in the design: Effective exercise of leadership by the country's social agents in development interventions**

- a) To what extent do the intervention objectives and strategies of the Joint Programme respond to national and regional plans and programmes, to identified needs, and to the operational context of national politics?
- b) To what extent have the country's national and local authorities and social agents been taken into consideration, participated, or have become involved, at the design stage of the development intervention?

### Process level

**- Efficiency: Extent to which resources/inputs (funds, time, etc.) have been turned into results**

- a) To what extent does the joint programme's management model (i.e. instruments; economic, human and technical resources; organizational structure; information flows; decision-making in management) contribute to obtaining the predicted products and results?
- b) To what extent are the participating agencies coordinating with each other, with the government and with civil society? Is there a methodology underpinning the work and internal communications that contributes to the joint implementation?
- c) Are there efficient coordination mechanisms to avoid overloading the counterparts, participating population/actors?
- d) Is the pace of implementing the products of the programme ensuring the completeness of the results of the joint programme? How do the different components of the joint programme interrelate?
- e) Are work methodologies, financial instruments, etc. shared among agencies, institutions and Joint Programmes?
- f) Have more efficient (sensitive) and appropriate measures been adopted to respond to the political and socio-cultural problems identified?

**- Ownership in the process: Effective exercise of leadership by the country's social agents in development interventions**

- g) To what extent have the target population and participants made the programme their own, taking an active role in it? What modes of participation have taken place?
- h) To what extent have public/private national resources and/or counterparts been mobilized to contribute to the programme's objective and produce results and impacts?

## Results level

**- Effectiveness: Extent to which the objectives of the development intervention have been achieved or are expected to be achieved, bearing in mind their relative importance.**

- a) Is the programme making progress towards achieving the stipulated results?
  - a. To what extent and in what ways is the joint programme contributing to the Millennium Development Goals at the local and national levels?
  - b. To what extent is the programme contributing to the goals set by the thematic window, and in what ways?
- b) Is the stipulated timeline of outputs being met? What factors are contributing to progress or delay in the achievement of the outputs and outcomes?
- c) Do the outputs produced meet the required high quality?
- d) Does the programme have follow-up mechanisms (to verify the quality of the products, punctuality of delivery, etc.) to measure progress in the achievement of the envisaged results?
- e) Does the programme have follow-up mechanisms (to verify the quality of the products, punctuality of delivery, etc.) to measure progress in the achievement of the envisaged results?
- f) Is the programme providing coverage to beneficiaries as planned?
- g) In what way has the programme come up with innovative measures for problem-solving?
- h) Have any good practices, success stories, or transferable examples been identified?
- i) In what ways has the joint programme contributed to the issue of fair youth employment?
- j) In what ways has the joint programme contributed to the issue of internal and/or external migration?
- k) What types of differentiated effects are resulting from the joint programme in accordance with the sex, race, ethnic group, rural or urban setting of the beneficiary population, and to what extent?

## **Sustainability: Probability of the benefits of the intervention continuing in the long term.**

- a) Are the necessary premises occurring to ensure the sustainability of the effects of the joint programme?

At local and national level:

- i. Is the programme supported by national and/or local institutions?
  - ii. Are these institutions showing technical capacity and leadership commitment to keep working with the programme and to repeat it?
  - iii. Have operating capacities been created and/or reinforced in national partners?
  - iv. Do the partners have sufficient financial capacity to keep up the benefits produced by the programme?
  - v. Is the duration of the programme sufficient to ensure a cycle that will project the sustainability of the interventions?
- b) To what extent are the visions and actions of the partners consistent or divergent with regard to the joint programme?

- c) In what ways can the governance of the joint programme be improved so that it has greater likelihood of achieving future sustainability?

## 5. METHODOLOGICAL APPROACH

The mid-term evaluations will use methodologies and techniques as determined by the specific needs for information, the questions set out in the TOR, the availability of resources and the priorities of stakeholders. In all cases, consultants are expected to analyse all relevant information sources, such as annual reports, programme documents, internal review reports, programme files, strategic country development documents and any other documents that may provide evidence on which to form opinions. Consultants are also expected to use interviews as a means to collect relevant data for the evaluation.

The methodology and techniques to be used in the evaluation should be described in detail in the desk study report and the final evaluation report, and should contain, at minimum, information on the instruments used for data collection and analysis, whether these be documents, interviews, field visits, questionnaires or participatory techniques.

## 6. EVALUATION DELIVERABLES

The consultant is responsible for submitting the following deliverables to the Secretariat of the MDGF:

☞ **Inception Report** (to be submitted within fifteen days of the submission of all programme documentation to the consultant)

This report will be 10 to 15 pages in length and will propose the methods, sources and procedures to be used for data collection. It will also include a proposed timeline of activities and submission of deliverables. The desk study report will propose initial lines of inquiry about the joint programme this report will be used as an initial point of agreement and understanding between the consultant and the evaluation managers. The report will follow this outline:

### **0. Introduction**

#### **1. Background to the evaluation: objectives and overall approach**

#### **2. Identification of main units and dimensions for analysis and possible areas for research**

#### **3. Main substantive and financial achievements of the joint programme**

#### **4. Methodology for the compilation and analysis of the information**

#### **5. Criteria to define the mission agenda, including “field visits”**

🔗 **Draft Final Report** (to be submitted within 15 days of completion of the field visit)

The draft final report will contain the same sections as the final report (described in the next paragraph) and will be 20 to 30 pages in length. This report will be shared among the evaluation reference group. It will also contain an executive report of no more than 5 pages that includes a brief description of the joint programme, its context and current situation, the purpose of the evaluation, its methodology and its main findings, conclusions and recommendations. The final report will be shared with evaluation reference group to seek their comments and suggestions. This report will contain the same sections as the final report, described below.

🔗 **Final Evaluation Report** (to be submitted within ten days of receipt of the draft final report with comments)

The final report will be 20 to 30 pages in length. It will also contain an executive report of no more than 5 pages that includes a brief description of the joint programme, its context and current situation, the purpose of the evaluation, its methodology and its major findings, conclusions and recommendations. The final report will be sent to the evaluation reference group. This report will contain the following sections at a minimum:

1. Cover Page
2. Introduction
  - Background, goal and methodological approach
  - Purpose of the evaluation
  - Methodology used in the evaluation
  - Constraints and limitations on the study conducted
3. Description of interventions carried out
  - - Initial concept
  - - Detailed description of its development: description of the hypothesis of change in the programme.
4. Levels of Analysis: Evaluation criteria and questions
5. Conclusions and lessons learned (prioritized, structured and clear)
6. Recommendations
7. Annexes

## **7. ETHICAL PRINCIPLES AND PREMISES OF THE EVALUATION**

The mid-term evaluation of the joint programme is to be carried out according to ethical principles and standards established by the United Nations Evaluation Group (UNEG).

- **Anonymity and confidentiality.** The evaluation must respect the rights of individuals who provide information, ensuring their anonymity and confidentiality.
- **Responsibility.** The report must mention any dispute or difference of opinion that may have arisen among the consultants or between the consultant and the heads of the Joint Programme in connection with the findings and/or recommendations. The team must corroborate all assertions, or disagreement with them noted.
- **Integrity.** The evaluator will be responsible for highlighting issues not specifically mentioned in the TOR, if this is needed to obtain a more complete analysis of the intervention.
- **Independence.** The consultant should ensure his or her independence from the intervention under review, and he or she must not be associated with its management or any element thereof.
- **Incidents.** If problems arise during the fieldwork, or at any other stage of the evaluation, they must be reported immediately to the Secretariat of the MDGF. If this is not done, the existence of such problems may in no case be used to justify the failure to obtain the results stipulated by the Secretariat of the MDGF in these terms of reference.
- **Validation of information.** The consultant will be responsible for ensuring the accuracy of the information collected while preparing the reports and will be ultimately responsible for the information presented in the evaluation report.
- **Intellectual property.** In handling information sources, the consultant shall respect the intellectual property rights of the institutions and communities that are under review.
- **Delivery of reports.** If delivery of the reports is delayed, or in the event that the quality of the reports delivered is clearly lower than what was agreed, the penalties stipulated in these terms of reference will be applicable.

## 8. ROLES OF ACTORS IN THE EVALUATION

The main actors in the mid-term evaluation process are the MDGF Secretariat, the management team of the joint programme and the Programme Management Committee that could be expanded to accommodate additional relevant stakeholders. This group of institutions and individuals will serve as the evaluation reference group. The role of the evaluation reference group will extend to all phases of the evaluation, including:

- Facilitating the participation of those involved in the evaluation design.
- Identifying information needs, defining objectives and delimiting the scope of the evaluation.
- Providing input on the evaluation planning documents,( Work Plan and Communication, Dissemination and Improvement Plan).

- Providing input and participating in the drafting of the Terms of Reference.
- Facilitating the evaluation team's access to all information and documentation relevant to the intervention, as well as to key actors and informants who should participate in interviews, focus groups or other information-gathering methods.
- Monitoring the quality of the process and the documents and reports that are generated, so as to enrich these with their input and ensure that they address their interests and needs for information about the intervention.
- Disseminating the results of the evaluation, especially among the organizations and entities within their interest group.

The MDGF Secretariat shall promote and manage Joint Programme mid-term evaluation in its role as commissioner of the evaluation, fulfilling the mandate to conduct and finance the joint programme evaluation. As manager of the evaluation, the Secretariat will be responsible for ensuring that the evaluation process is conducted as stipulated, promoting and leading the evaluation design; coordinating and monitoring progress and development in the evaluation study and the quality of the process.

## 9. TIMELINE FOR THE EVALUATION PROCESS

**A. Preparation of the evaluation (approximately 45-60 days before the date the programme reaches a year and a half of implementation). These preparatory activities are not part of the evaluation as they precede the evaluation exercise.**

1. An official e-mail from the Secretariat is sent to the RC, coordination officers in the country and joint programme coordinator. This mail will include the official starting date of the evaluation, instructive on mid-term evaluation and generic TOR for the evaluation.
2. During this period the evaluation reference group is established, the TOR are adapted to the context and interest of stakeholders in the country and all relevant documents on the joint programme are sent to the evaluator.

This activity requires a dialogue between the Secretariat and the reference group of the evaluation (the body that comments on and reviews but does not interfere with the independent evaluation process). This dialogue should be aimed at rounding out and modifying some of the questions and dimensions of the study that the generic TOR do not cover, or which are inadequate or irrelevant to the joint programme.

3. The Secretariat's portfolios manager will discuss with the country an initial date for having the field visit.
4. From this point on, the evaluation specialists and the portfolio manager are responsible for managing the execution of the evaluation, with three main functions: to facilitate the work

of the consultant, to serve as interlocutor between the parties (consultant, joint programme team in the country, etc.), and to review the deliverables that are produced.

**B. Execution phase of the evaluation study (87-92 days total)**

**Desk study (23 days total)**

1. Briefing with the consultant (**1 day**). A checklist of activities and documents to review will be submitted, and the evaluation process will be explained. Discussion will take place over what the evaluation should entail.
2. Review of documents according to the standard list (see TOR annexes; programme document, financial, monitoring reports etc.).
3. Submission of the inception report including the findings from the document review specifying how the evaluation will be conducted. The inception report is sent and shared with the evaluation reference group for comments and suggestions (**within fifteen days of delivery of all programme documentation to the consultant**).
4. The focal person for the evaluation (joint programme coordinator, resident coordinator office, etc) and the consultant prepare and agenda to conduct the field visit of the evaluation. (Interview with programme participants, stakeholders, focus groups, etc) (**Within seven days of delivery of the desk study report**).

**Field visit (10-15 days)**

1. The consultant will travel to the country to observe and contrast the preliminary conclusions reached through the study of the document revision. The planned agenda will be carried out. To accomplish this, the Secretariat's programme officer may need to facilitate the consultant's visit by means of phone calls and emails, making sure there is a focal person in the country who is his/her natural interlocutor by default.
2. The consultant will be responsible for conducting a debriefing with the key actors he or she has interacted with.

**Final Report (54 days total)**

1. The consultant will deliver a draft final report, which the Secretariat's programme officer shall be responsible for sharing with the evaluation reference group (**within fifteen days of the completion of the field visit**).

2. The Secretariat will assess the quality of the evaluation reports presented using the criteria stipulated by UNEG and DAC Evaluation Network **(within seven days of delivery of the draft final report)**.
3. The evaluation reference group may ask that data or facts that it believes are incorrect be changed, as long as it provides data or evidence that supports its request. The evaluator will have the final say over whether to accept or reject such changes. For the sake of evaluation quality, the Secretariat can and should intervene so that erroneous data, and opinions based on erroneous data or not based on evidence, are changed **(within fifteen days of delivery of the draft final report)**.

The evaluation reference group may also comment on the value judgements contained in the evaluation, but these may not affect the evaluator's freedom to express the conclusions and recommendations he or she deems appropriate, based on the evidence and criteria established.

All comments will be compiled in a matrix that the Secretariat will provide to the evaluation focal points.

4. On the completion of input from the reference group, the evaluator shall decide which input to incorporate and which to omit **(ten days)** and submit to the MDG-F Secretariat a final evaluation report.
  5. The Secretariat will review the final copy of the report, and this phase will conclude with the delivery of this report to the evaluation reference group in the country **(within seven days of delivery of the draft final report with comments)**.
- C. Phase of incorporating recommendations and improvement plan (within fifteen days of delivery of the final report):**
1. The Secretariat's programme officer, as representative of the Secretariat, shall engage in a dialogue with the joint programme managers to establish an improvement plan that includes recommendations from the evaluation.
  2. The Secretariat will publish the evaluation in its website.

## 10. ANNEXES

### a) Document Review

**This section must be completed and specified by the other users of the evaluation but mainly by the management team of the joint programme and by the Programme Management Committee. A minimum of documents that must be reviewed before the field trip shall be established; in general terms the Secretariat estimates that these shall include, as a minimum:**

#### MDG-F Context

2. MDGF Framework Document
3. Summary of the M&E frameworks and common indicators
4. General thematic indicators
5. M&E strategy
6. Communication and Advocacy Strategy
7. MDG-F Joint Implementation Guidelines

#### Specific Joint Programme Documents

8. Joint Programme Document: results framework and monitoring and evaluation framework
9. Mission reports from the Secretariat
10. Quarterly reports
11. Mini-monitoring reports
12. Biannual monitoring reports
13. Annual reports
14. Annual work plan
15. Financial information (MDTF)

#### Other in-country documents or information

16. Evaluations, assessments or internal reports conducted by the joint programme
17. Relevant documents or reports on the Millennium Development Goals at the local and national levels
18. Relevant documents or reports on the implementation of the Paris Declaration and the Accra Agenda for Action in the country
19. Relevant documents or reports on One UN, Delivering as One

### c) File for the Joint Programme Improvement Plan

After the interim evaluation is complete, the phase of incorporating its recommendations shall begin. This file is to be used as the basis for establishing an improvement plan for the joint programme, which will bring together all the recommendations, actions to be carried out by programme management.

<b>Evaluation Recommendation No. 1</b>				
<b>Response from the Joint Programme Management</b>				
<b>Key actions</b>	<b>Time frame</b>	<b>Person responsible</b>	<b>Follow-up</b>	
1.1			<b>Comments</b>	<b>Status</b>
1.2				
1.3				
<b>Evaluation Recommendation No. 2</b>				
<b>Response from the Joint Programme Management</b>				
<b>Key actions</b>	<b>Time frame</b>	<b>Person responsible</b>	<b>Follow-up</b>	
2.1			<b>Comments</b>	<b>Status</b>
2.2				
2.3				
<b>Evaluation Recommendation No. 3</b>				
<b>Response from the Joint Programme Management</b>				
<b>Key actions</b>	<b>Time frame</b>	<b>Person responsible</b>	<b>Follow-up</b>	
3.1			<b>Comments</b>	<b>Status</b>
3.2				

3.3				
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Annex 2: Field visit calendar and people met

VISIT SCHEDULE OF MID TERM EVALUATION TEAM (18 Oct - 01 Nov. 2011)				
Date	Day	Time	Activities	People met
16.10.11	SU	PM	departure Belgium	
17.10.11	MO	PM	arrival Hanoi	
18.10.11	TU	9:30 - 11h30	meeting int./nat. Consultants	
		11:30 - 13:00	meeting with PMU	Mr. Koen Oosterom, Senior Technical Advisor – PMU
				Mrs. Truong Thi Bich Huong, National Programme Associate – PMU
				Mr. Do Kim Lang, National Programme Director - PMU
				Mr. Le Ba Ngoc, Vietcraft Director
		14:00 - 15:00	meeting with ITC	Mr. Koen Oosterom, Senior Technical Advisor – PMU
		15:00 - 16:00	meeting with Vietrade	Mr. Do Kim Lang, National Programme Director - PMU
14:00 - 15:00	meeting with Vietcraft	Mr. Le Ba Ngoc, Vietcraft Director		
19.10.11	WE	9:30 - 11:00	focus group UN agencies, Vietrade, Vietcraft	Mr. Alain Chevalier, International Trade Promotion Advisor - Vietrade
				Mr. Nguyen Thi Huong, FAO National Programme Officer
				Mr. Koen Oosterom, Senior Technical Advisor - PMU
				Mrs. Truong Thi Bich Huong, National Programme Associate - PMU
				Mr. Do Kim Lang, National Programme Director - PMU
				Mr. Le Ba Ngoc, Vietcraft Director
				Mrs. Hoang Mai Van Anh, UNIDO National Programme Officer
				Mrs. Ngo Thi Dieu Ngoc, UNCTAD Corodinator & Vietraft Head of training events
				Mrs. Hoang Thi Phuong, ILO Joint Programme National Project Coordinator
		13:30 - 14:00	meeting with Resident Coordinator a.i.	Mr. Eāmonn Murphy, UNAIDS Country Director & Resident Coordinator a.i.
				Mr. Koen Oosterom, Senior Technical Advisor - PMU
				Mrs. Nguyen Thi Nhu Nguyet, UN Coordination Analyst - RC Office
		15:00 - 16:30	meeting with FAO Representative	Mrs. Yuriko Shoji, FAO Representative
Mrs. Vu Ngoc Tien, Assistant Programme Representative				
Mr. Nguyen Thi Huong, National Programme Officer				
16:30 - 18:00	meeting with ILO JP Coordinator	Mr. Sauli Hurri, Programme Officer - Entreprise Development & Green Jobs		
		Mrs. Hoang Thi Phuong, Joint Programme National Project Coordinator		
20.10.11	TH	09:00 - 10:45	meeting with UNIDO	Mrs. Hoang Mai Van Anh, National Programme Officer
		11:00 - 12:00	meeting with UNCTAD	Mrs. Ngo Thi Dieu Ngoc, UNCTAD Corodinator & Vietraft Head of training events
		14:00 - 15:00	meeting with VNCPC	Mrs. Duong Thi Lien, Cleaner Production Consultant
				Mr. Le Xuan Thinh, Head of In-companies service Section CP Expert
16:00 - 18:00	meeting with VIRI / HRCPC	Mrs. Nguyen Bao Thoa, Director		
21.10.11	FR	09:00 - 10:30	meeting with VCCI	Mrs. Le Thi Thu Thuy, Deputy Director, SME Promotion Center
		17:00 – 18:00	meeting with Hoa Binh Coordination Unit	Mr. Ha Ngoc Son, Head of Coordination Unit
				Mr. Thuy, Head of VET
22.10.11	SA	08:00 - 09:00	meeting with Na Phon commune	Mr. Dinh Van Vien, Specialist Planning & Job Division
				Mr. Chung, Former Chairman PC
				Mr. Dung, Chairman PC

				Ms. Xonjen, Vice Chairwoman - Women Union & Head of brocade Group
		10:00 - 11:00	meeting with Paco commune	Mr. Mang, Chairman CPC
		11:00 - 12:00	meeting with Paco brocade production group	women beneficiaries
		15:00 - 18:00	meeting with Sanda Company (rattan / bamboo)	Mrs. Nguyen Thi Thin, Sanda Director Mr. Nguyen Tri Than, Managing Partner - Illumnics
23.10.11	SU	9:30 - 11:30	meeting with handmade paper group	Mr. Qwi, CPC Chairman Hop Hoa Mr. Nguyen Xuan Chuc, Green Paper leader
		14:00 - 15:00	meeting with bamboo / rattan group in Lien Son	Mrs. Thang, weaver group leader / collector / seller
24.10.11	MO	08:00 - 09:00	Meeting with Tam Nong district & communes	Mr. Thang, Lacquerware Specialist Mr. Minh, CPC vice-chairman Mr. Cuong, CPC vice-chairman Mr. Hoa, Commune Agriculture & Extension Dpt.
		10:00 - 12:00	meeting with lacquer ware production group	Mrs. Han Thi Hoa, female final beneficiary lacquer nursery owner
		12:00 - 14:00	meeting with Can Lieu cooperative	Mr. & Mrs. Can Lieu, rattan producers Can Lieu cooperative workers
		14:00 - 15:00	meeting with Tinh Cuaong commune	Mulberry cooperative head CPC chairman
		15:00 - 15:30	meeting with mulberry producers	female final beneficiaires
		17:00 - 18:00	meeting with NOMAFSI	Mr. Nguyen Van Toan, Deputy Director Mrs. Pham Thi Sen, Science & International Cooperation Division
25.10.11	TU	08:00 - 09:00	meeting with Phu Tho Provincial Coordinator	Mr. Ngo Anh Truong, Coordination Unit
		09:00 - 10:00	meeting of Tam Son company	Tam Son owner
		14:00 - 15:00	meeting with Thai Hoa Silk company	Mr. Toan Thang Nguyen, owner
26.10.11	WE	08:00 - 09:00	meeting with Provincial Coordination Thanh Hoa	Mr. Tai, Vice-Coordinator DOIT (retired) Mrs. Do Gia Vinh, Vice-Coordinator DOIT Mr. Thyen Rural Industry Division
		10:00 - 11:00	meeting with Nga Tan commune	Mr. Quan, Nga Son District Chairman Mr. Linh, Seagrass Union Chairman
		11:00 - 12:00	meeting with seagrass beneficiaires Nga Tan commune	Seagrass collector Seagrass producers
		12:00 - 13:00	visit of Viet Trang company	owner
		14:00 - 15:00	meeting with Thieu Do commune	Mr. Tyuyen, Rural Development Dpt. Mr. Thanh, Thieu Hoa District Vice-Chairman Mr. Huy, Rural Development Division Mr. Huyen, DOIT Mr. Tham, CPC Chairman Mr. Lay, District DPC Vice-Chairman
		15:00 - 17:00	visit Than Duc company	Sericulture 'Cooperative' Chairman (Than Duc Limited)
		18:00 - 19:00	visit Cooperative Alliance	Mr. Hung, Cooperative Alliance Chairman
27.10.11	TH	08:30 - 09:30	visit bamboo Viet Linh company	Mr. Tran Van Duong, Director
		10:30 - 11:30	meeting with Tan Tho commune	Mr. Nguyen Din Lah, CPC Chairman Mr. Thuan Anh, DOIT Mrs. Binh, Women Union Chairwoman
		11:30 - 12:30	meeting with Tan Tho cooperative	Mrs. Tham, Cooperative Leader

			(bamboo / rattan)	
		14:00 - 15:00	meeting with Hai Son commune	CPC Vice-Chairman Mr. Tuan, District Agricultural Division
		16:00 - 17:00	visit Nam Duong company (rattan)	Mr. Le Phu Tien, Director Mr. Ngo Van Thao, Assistant
		19:00 - 21:00	meeting with Duc Phong company	Mr. Phong, company owner
28.10.11	FR	08:00 - 09:00	meeting with Provincial Coordination Nghe Han	Mr. Vi Luu Binh, Provincial Coordinator Mr. Pham Ngoc Chau, Vice-Coordinator
		09:00 - 10:00	VCCI - Vinh city	Mr. Nguyen Duy Tuan, Director
		10:00 - 11:00	NOMAFSI	Mr. Hung, NOMAFSI Researcher
		11:00 - 12:00	visit of Duc Phong company	Staff
		14:00 - 15:00	meeting with Dien Kim commune	Mr. Bang, commune CPC Chairman
		15:00 - 16:00	visit of sericulture nursery	final beneficiarries
		17:00 - 18:00	meeting with Quynh Trang commune	Mr. Cong, CPC Chairman Mr. Than, CPC Vice-Chairman Mr Sy, Rural Development Commune Official
29.10.11	SA	11:00 - 12:00	meeting with Chau Tien commune	Mr. Nhi, CPC Vice-Chairman Mr. Giap, Commune Coordination Officer Mr. Than, District Rural Development Officer
		14:00 - 15:00	visit Hoa Tien brocade cooperative (sericulture)	final beneficiarries: weavers & growers
		15:00 - 16:00	meeting with Chau Thang commune	Mr. Hung, CPC Vice-Chairman Mr. Tuan, Commune Agriculture Extension Official
		17:00 - 18:00	meeting with Chau Hanh commune	Mr. Thiet, CPC Chairman Ms. Bien, Commune Agriculture Extension Official Ms. Sam, Commune Agronomical Official
30.10.11	SU	AM	return to Hanoi	
31.10.11	MO	09:00 - 10:00	meeting with UNIDO	Mrs. Hoang Mai Van Anh, National Programme Officer Mr. René Van Berckel, Unit Chief - Cleaner & Sustainable Production Unit / Environmental Management Branch
		10:30 - 11:30	meeting with Lacquerworld company	Mrs. Duong Thi Thanh Thuy, President
		14:00 - 15:00	meeting with Ngoc Son Handicrafts	Mrs. Tran Thi Lien, Vice-Director Mrs. Huynh thi My Binh, Sales Executive
		17:00 - 18:00	meeting with Vietcraft	Mr. Le Ba Ngoc, Vietcraft Director
31.10.11	TU	11:00 - 12:30	meeting with AECID	Mr. Juan Ovejero Dohn, Programme Director
		14:00 - 15:00	debriefing	Mr. Alain Chevalier, International Trade Promotion Advisor - Vietrade Mr. Nguyen Thi Huong, FAO National Programme Officer Mr. Koen Oosterom, Senior Technical Advisor - PMU Mrs. Truong Thi Bich Huong, National Programme Associate - PMU Mr. Le Thi Kim Dung, PMU Mr. Le Ba Ngoc, Vietcraft Director Mrs. Hoang Mai Van Anh, UNIDO National Programme Officer Mrs. Ngo Thi Dieu Ngoc, UNCTAD Corodinator & Vietraft Head of training events Mrs. Hoang Thi Phuong, ILO Joint Programme National Project Coordinator Mrs. Nguyen Thi Nhu Nguyet, RC Office

			Mrs. Pham Thi Sen, NOMAFSI Science & International Cooperation Division
			Mr. Vi Luu Binh, Nghe Han province Coordinator
			Mr. Pham Ngoc Chau, Nghe Han province Vice-Coordinator
			Mrs. Do Gia Vinh, Vice-Coordinator DOIT - Thanh Hoa province
			Mr. Ha Ngoc Son, Head of Coordination Unit - Hoa Binh province
			Mr. Dinh Van Vien, Specialist Planning & Job Division - Hoa Binh province
			Mr. Ngo Anh Truong, Coordination Unit - Phu Tho province
			Mr. Hoang Minh Huy, IPSARD
	PM	Departure Belgium	

### Annex 3: Detailed methodological approach

## Methodological approach of the evaluation

Several basic principles have been used to carry out this evaluation:

- Effective participation of all stakeholders (government, agencies, communities, associations including male / female interviews)
- Crosschecking of gathered information (a check-list of issues to review will be produced prior to arrival by the consultant).
- Pushing for consensus and agreement of recommendations by the stakeholders.
- Transparency of debriefing (all programme stakeholders are convened to the debriefing).

The consultant elaborated a checklist of issues to be investigated during the field mission and prepared questionnaires.

The **check-list structures the field mission:**

1. **Which** information to gather?
2. **Where** to get it (from whom? which different sources of information for cross reference),
3. **How** to gather it (which appropriate tools? Interview, report, focus group, individual interviews, government data, etc.)?

**Field mission check-list objectives**

A 4 step approach is to be adopted to carry out the evaluation: 1. passive data acquisition, 2. active data acquisition, 3. data analysis into relevant information and 4. Information interpretation,

- 1. Passive data acquisition:** documentary analysis: analysis of PRODOC, UN & partners' agency country programs, periodic planning and M&E reports, annual programme reports, etc.  
During this phase, the consultants will elaborate a checklist detailing for each evaluation topic how and from whom to obtain relevant information. Beneficiaries' questionnaires were drafted from the checklist.

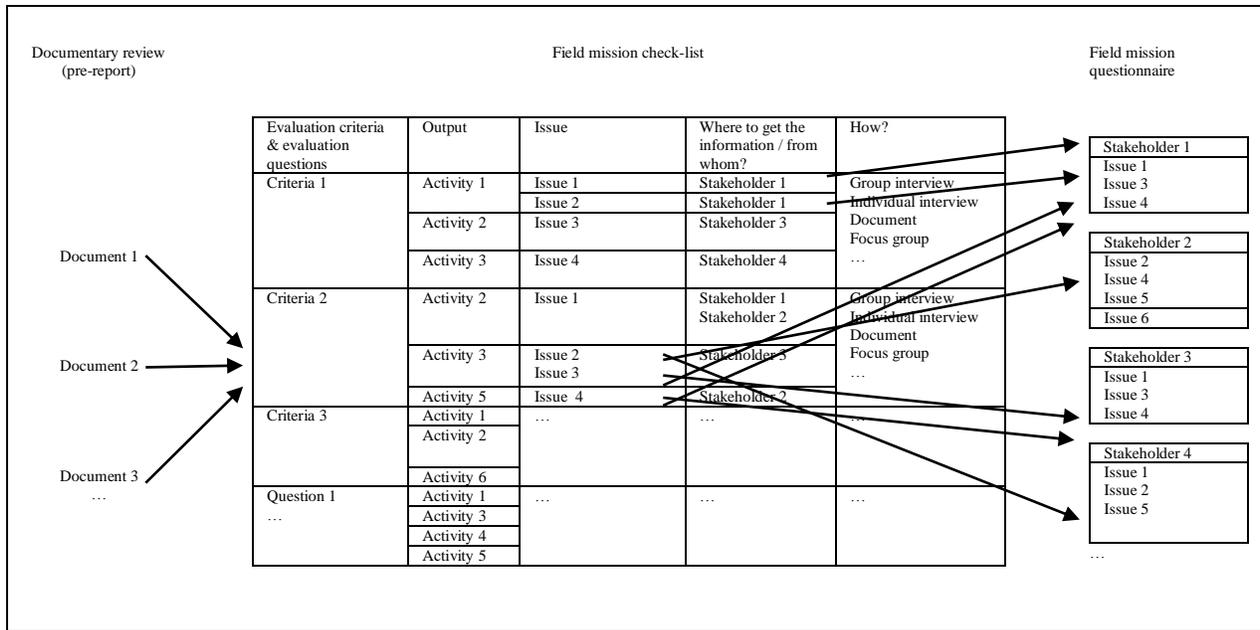
The international & national consultants worked closely in the preparation of this checklist.

- 2. Active data acquisition:** interviews of all stakeholders through individual/group interviews of final beneficiaries, institutional beneficiaries, implementation stakeholders, external stakeholders; the interviews (number, target, duration) were derived from the checklist.

- In situ sampling of subprojects & interviews of beneficiaries with an emphasis on green processes and poverty reduction
- Interviews of implementation partners (UN agencies, VIETRADE, VIETCRAFT, RUDEC, DOLISA, HRPC, VCA, VCCI, DARD, DOIT, etc.) to assess the efficiency and effectiveness of programme implementation
- Open discussion with external stakeholders (to be defined on arrival) active in the programme geographical area and/or in the private / entrepreneurship sector

**3. Data analysis:** conversion of data into relevant information to assess the programme status and for decision making by the Secretariat, NSC & PMC; inclusion of the information into the evaluation report – proposal for recommendations.

**4. Presentation and discussion of findings** to all stakeholders; a debriefing session was carried out at the end of the mission in Hanoi.



Methodological framework for the programme evaluation – field mission

As with rapid evaluations like this one (8 days of fieldwork), no statistically significant findings were produced; hence the importance of cross-checking through interview & data collection of various stakeholders.

Annex 4: PowerPoint presentation at the debriefing

## **Mid term evaluation team of MDG-f:**

*“Green Production and Trade to Increase Income and Employment Opportunities for the Rural Poor”*

## **presentation of preliminary findings**

# Introduction

## **Rapid evaluation goals:**

- Review the 4 outcomes: understanding of value chains, sustainable increase of raw materials, increase of HH & enterprises income, improved policies & regulatory frameworks
- Relevance re. MDG goals
- Key lessons learned
- Best practices

# Methodology

## Principles:

- Effective stakeholders participation
- Crosschecking info
- Transparency

1. Doc review
2. Multilateral interviews
3. Field mission : beneficiaries (institutional / final)
4. Bilateral interviews (if necessary)
5. Data → information
6. Selected information → recommendations

# Main findings

## Achievements to date

- Handmade paper:
  - Growers support (nursery)
  - Design support
  - No market – little relevance
  - High transaction costs (too few benef. – 15 members)
- Sea-grass:
  - Issue of salt infiltration (irrigation), insects, lack of fertilizers
  - OSH +++, BGF (bulk purchases) +++
  - need to increase production capacity e.g. drying, tools (µcredit)
- Lacquer:
  - New varieties Red rattan (> quality → market)
  - Trainings +++ (+50% productivity) ;

# Main findings

## Achievements to date – on site

### - Sericulture :

- increased productivity of mulberry / need for increased production capacity → WHO?
- quality issue: natural dye persistence: not resolved (machine/tools → UNIDO)

### - Bamboo / rattan :

- support to growers: too quick implementation (e.g. inadequate varieties); pests: not resolved (bamboo)
- company support (design, OSH, CP) +++ / companies want to control entire value chain

# Main findings

## Implementation

UN formulation process / little GOV input ---

Adequate implementation rate but :

- High transaction costs (scattering of communes, many value chains)
- Weak institutional set-up (Vietrade / DARD-DOIT Coordinators / No Min Trade)
- <> approach methodologies : beneficiaries selection criteria (poor / rich) / nurseries & seeds or large scale distribution of seedlings
- Complementary activities +++ (comprehensive globally – not locally)

## Main findings

- <> approach to implementation: PMU-Vietrade (implement / scale up → max. impact) <> agencies (pilot & testing → effectiveness / sustainability): tendency for PMU to enforce technical viewpoints / tendency for agencies to implement in isolation (little accountability) → need for COM channels

→ difficulties in planning / operationalizing activities (all agencies – in particular UNIDO & FAO: technical backstopping necessary)

- New benef. needs (> tools, machines, buyers, additional skills) thanks to initial agency support → need to respond ('fill the gaps' in value chain)

## Main findings

- Rigid top-down implementation: no input from commune, district, coordinators) / programme not embedded in province / district / commune structures: very weak ownership

- Parallel implementation / no dialogue between agencies

- Little or no JP visibility (1 video produced – HR/budget issue?)

- Inability of joint delivery (e.g. CP & OSH): inefficient process / better: joint planning

- No involvement of MinTrade? No lessons learned? Need for communication about JP results

## Main findings

- Weak communication setup: beneficiaries/commune to agencies
- UNIDO:
  - Slow implementation
    - ex. testing / pilot projects for lacquer / sericulture →
    - problem no time for dissemination/ divulgation risk →
    - no impact?
  - CP: beneficial for > exporting enterprises ; no result yet for SME/producers (>> potential); too academic for growers/ collectors?
  - green content +++ (ex. natural dye, energy efficiency)

## Main findings

- ITC:
  - no leadership → no improvement/reflexion on implementation management / inter-agencies issues
  - issue ITC representation / PMU coordinating specialist
  - design fashion support +++ → international
  - Little / no support marketing/networking / local branding (=UNIDO) --- → national/provincial
  - US, Lifestyle fairs: +++ for medium/large enterprises (--- for < enterprises)

# Main findings

- FAO:

- > implementation delays:

- HR issue

- difficulty in operationalization of activities (need for backstopping – slow process)

- activity → LOA → subcontracting → onsite delivery

- e.g. fertilizers too late, inadequate planting time

- Individual implementation through subcontractors → poor COM at prov. level / missing synergies

- +++ environmental benefits for rattan / handmade paper → avoid further forest degradation

- study tours +++

# Main findings

- ILO:
  - HR rotation ---
  - little follow-up of activities e.g. BGF (µcredit), SYB (improve marketing), LED (only isolated actions e.g. company)
  - trainings adapted to beneficiaries
  - OSH: +++; little evidence of multiplication effect into value chain (at HH & subcontractors level)
  - BGF: > bargaining power & bulk purchases (sea-grass, sericulture)
- UNCTAD:
  - EMPRETEC: +++ ; little change for small SMEs / group leaders (benef. relying on other sources of income); most appropriate for SMEs (> collectors, semi/final product buyers)
  - nno follow-up / only alumni activities

# Recommendations

## Improve planning:

- Change planning methods: need from bottom-up planning (commune → prov. → agencies with Vietcraft as a facilitator)

Yearly planning at provincial level: Coord., agencies, Vietcraft (relevance in value chain), PMU (relevance in JP) / then formal PMU/agency planning

- through bottom-up planning: search for synergies / integration of JP into prov./district yearly plans → integrated monitoring by GOV/PMU

# Recommendations

## Improve communication:

- need to improve INFO for Coord / district:
  - e.g. prior approval of PMU for disbursements (trainings, subcontractors) working modalities → MOU necessary
  - PMU needs copies of all subcontractors and hand over to prov. coordinators
- **Increase effectiveness:**
  - follow-up of trainings necessary (by prov./district coordination teams) / monitoring (by PMU – better Prov. Coord?): 1. training (high intensity), 2. coaching/mentoring (low intensity): amend subcontractors contracts

# Recommendations

## Increase impact / sustainability:

- Consider 6 months extension:
  - FAO take advantage of a full growing cycle
  - UNIDO: testing / dissemination
  - ITC: need to improve marketing of SMEs at provincial level / branding support
- Need for consolidation (No scaling up): fill up gaps created by each agencies
- ITC: need to monitor quantitatively results
- FAO: avoid large distribution of seedlings → FFS (if extension) / demo farmers & nurseries + seed

## Recommendations

- Need for periodic monthly technical meeting (<> PMC) between agencies & coordinators to review issues, synergies
- Increase visibility
- Need for relationship with MinTrade
- combine trainings with practice (e.g. CP, BGF) → more coaching / mentoring

Relevant methodologies / approaches

- need to document at program's end – pilot program
- GOV appropriation
- replication potential

## Recommendations

- Hand-made paper:  
too > transaction costs → exit strategy (through VIRRI)
- ITC/VIETCRAFT:  
- Need to support local exhibitions for SMEs to meet at provincial level (VCCI or VIETCRAFT) → connecting < producers & buyers
- ILO:  
- Link BG, < companies with  $\mu$ credit  
- High potential for community / SME changes → increase impact / document methods (GOV ownership / empowerment)

# Lessons learned

## UN as 1 in this program:

- avoid non-resident lead agency
- very rigid programme: little /no flexibility → vertical delivery / no participation
- need for communication between agencies
  
- UN implementation → poor GOV ownership / missing GOV complementarities/synergies

**THANK YOU**

Annex 5: Local and national contribution of programme outputs to the MDGs

Goal	Target	Output	Potential contribution by programme's end based on current results
Goal 1: Eradicate extreme poverty & hunger	Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day	Improved production capacity of farmers  Improved farmers sales capacity  Improved business management skills and business representation of grassroots producers  Policy recommendations for the national & international level for the development of income generation of the rural poor	FAO's activities will likely increase the income of farmers because demand exceeds far more the supply of raw materials; FAO is also focussing on increased productivity and quality  The study tours were very well received and resulted in awareness raising  Activities with the potential to increase the bargaining power of producers and therefore their income; little support from the other agencies to complement ILO's efforts; action by PMU/lead agency required  No information: activities not yet started
	Target 2: Achieve full and productive employment and decent work for all, including women and young people	Improved offer of market intelligence, linkages and design services  Improved market knowledge and market links of key craft enterprises  Improved business management & business plan implementation capacity of SMEs  Provincial action plans for crafts & small furniture backed by the public & private sector	The study tours and design services activities are resulting in expanding SMEs customer bases and exposure to the international market  Market knowledge and links seem insufficient and that component should strengthened  Powerful method according to recipients; marginally useful for small SMEs which need additional types of support (accountancy management, design...) and for large companies which already have management and planning capacities  No information: activities not yet started
Goal 2: Achieve Universal Education	Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	Not relevant	
Goal 3: Achieve gender equity	Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	Improved business management & business plan implementation capacity of SMEs  Safer working environment for workers and subcontracted rural households	Likely positive impact for female headed SMEs who have less access to market knowledge  Most of the workers are actually women; this will benefit them but the multiplication effect from agency trainees to the beneficiaries is partial and not necessarily automatic, particularly for subcontracted people
Goal 4: Reduce child mortality	Target 5: Reduce by two thirds, between 1990 and 2015, the under-five mortality rate	Not relevant	
Goal 5: Improve	Target 6:	Not relevant	

maternal health	Reduce by three quarters the maternal mortality ratio		
	Target 7: Achieve universal access to reproductive health	Not relevant	
Goal 6: Combat HIV/AIDS and other diseases	Target 8: Have halted by 2015 and begun to reverse the spread of HIV/AIDS	Not relevant	
	Target 9: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it	Not relevant	
	Target 10: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	Not relevant	
Goal 7: Ensure Environment Sustainability	Target 11: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources	Improved production and clean design capacity of SMEs  Improve green production capacities of grassroots producers	Long process at company level: identification of issue, search for solution, testing of alternatives: risk of UNIDO focussing on complex issues requiring time and therefore being unable to disseminate properly the results due to programme closure; slow process: some companies did grasp the nettle and developed by themselves innovative solutions  Slow process (same as above); however, grassroots producers are not so proactive as SMEs in finding solutions to their problems
	Target 12: Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	Improved production capacity of farmers	FAO is focussing on increasing the productivity through better land husbandry techniques; this is directly reducing the pressures on natural resources (e.g. rattan, handmade paper, bamboo)
	Target 13: Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation	Not relevant	
	Target 14: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	Not relevant	
	Target 15: Address the special needs of least developed countries, landlocked countries and small island developing states	Not relevant	
Goal 8: Build Partnership for Development	Target 16: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system	Not relevant	
	Target 17: Deal comprehensively with developing countries' debt	Not relevant	
	Target 18: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries	Not relevant	

	Target 19: In cooperation with the private sector, make available benefits of new technologies, especially information and communications	Not relevant	
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