PURCHASE FOR PROGRESS
INDICATOR REFERENCE

WFP

World Food Programme

MANAGEMENT
SYSTEMS
INTERNATIONAL
A Subsidiary of Coffey International, Ltd.

coffey international development
SPECIALISTS IN DEVELOPING COMMUNITIES

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INTRODUCTION

The Purchase for Progress monitoring and evaluation system contains 55 indicators. Because of space limitations, the logframe matrix includes only indicator titles and does not provide the detail necessary to fully understand the complexity of the indicators. This document supplements the logframe matrix with detailed descriptions of each indicator. The reference sheets for each indicator provide a detailed description of the indicator with precise definitions of terms, the rational for the indicator, data sources, frequency of data collection, an assessment of data quality and limitations, and detailed instructions on how to calculate the indicator values.

The indicator reference is organized by programme outcome and output as referenced in the logframe matrix.

Logframe Component: Impact

Indicator (including precise <u>Unit of Measurement</u>): Participating smallholder/low income farmers' average annual household incomes.
Unit: Real household income (local currency & USD)

Objective: Not relevant. This is an impact-level indicator and thus encompasses all four objectives.

Logframe Component: Impact – To facilitate increased agricultural production and sustained market engagement and thus increase incomes and livelihoods for participating smallholder/low income farmers, the majority of whom are women.

Indicator Description: Annual real net household income (from all sources) of smallholder/low income farmers who are members of farmer associations participating in P4P. The definition of smallholder farmer will vary by country. Participation in P4P means that the smallholder farmer has the opportunity to sell to WFP through P4P and is (probably) receiving supply-side support because of P4P.

Rationale/Critical Assumptions for Indicator: Rational/Critical Assumptions:
One of the key goals of P4P is to increase the incomes and livelihoods of smallholder farmers. This indicator measures progress towards that goal. Attaining this goal depends critically on the entire development hypothesis of P4P. Specific assumptions include:
• WFP's commitment to buy directly from selected farmers' organizations is sufficient to catalyze additional supply-side support for the organizations in market development and for the smallholder members of those organizations in productivity enhancement.
• P4P increases access to markets for participating smallholder farmers and this is sufficient to prompt increased investment in agriculture and increased production.
• WFP's ability to buy is stable and large enough to provide a sustained incentive to produce and sell surplus commodities.
• WFP's presence in the market does not cause distortions that negatively affect smallholder income or livelihoods.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by sex of the household member through which the household was selected for the interview. This is the household member who is a member of the farmers' organization through which the household was selected and whose name was selected from that organization's membership for the interview.
Schedule/Frequency of Data Collection: Data to support this indicator will be collected in 2009 (baseline) and again in years three (2011) and five (2013) of the P4P pilot to support mid-term and final evaluations, respectively.	**Data limitations and Quality Assessments:** Estimates of household income obtained from surveys depend on respondents (who are often poorly educated and rarely keep records) being able to accurately recall sales and expenditures over a 12 month period. They may also have incentives not to respond honestly. Furthermore, data are collected from a random sample so sampling error may also affect the quality of the estimates.

Method/Approach of Collection/Calculation: The data to support this indicator are collected through structured interviews with smallholder farmer households conducted in years 1, 3, and 5 by WFP in pilot countries selected for impact assessment. Households are randomly selected from among the smallholder members of farmers' organizations (those that are participating in P4P and, for a comparison group, those that are not participating in P4P). Sample sizes are sufficient to ensure a five percent margin of error.

Household income is the sum of net income from the sale of staple and cash crops, net income from livestock, and net income from other livelihood activities.

Net household income from the sale of staple and cash crops: A household's net income from the sale of staple and cash crops is derived from the data collected in questions B7 through B11. Net income is the difference between receipts from the sale of crops and the expenses associated with planting, tending, harvesting, and marketing the crops. The following table shows each receipt and cost item associated with crops, the variables in the "Farmer Livelihood and Agricultural Production Survey" that contribute data to calculation of the receipt or cost, and the formula for calculating the value of the receipt or cost from the indicated variables.

Category	Contributing variables[1]	Calculation
Receipts from sale of crops	B11_rf where r = 0 through 9	$\sum_{r=0}^{9} B11\_rf$
Seed expenses	B7_ri where r = 0 through 9 B7_rl where r = 0 through 9	$\sum_{r=0}^{9} B7\_ri + \sum_{r=0}^{9} B7\_rl$
Pesticide expenses	B7_rm where r = 0 through 9	$\sum_{r=0}^{9} B7\_rm$
Other non-labor expenses	B7_rn where r = 0 through 9	$\sum_{r=0}^{9} B7\_rn$
Labor (by time) expenses	B7_rq where r = 0 through 9 B7_rs where r = 0 through 9	$\sum_{r=0}^{9} B7\_rq + \sum_{r=0}^{9} B7\_rs$
Labor (by task) expenses	B9	None, use as reported.
Fertilizer expenses	B10_1d and B10_2d	$B10\_1d + B10\_2d$
Value of crops retained for household consumption	B12_re where r=0 through 9	See next row.

——— —————————, where n indexes individual members of a particular farmers' organization for which baseline data exist and N is the total number of members of the farmers' organization for which baseline data exist. All weight units (B7_rf and B11rc) are converted to kilograms. The formula must be crop specific and the formula for each crop must account for the possible multiple sales of the crop in different season. The average price (the expression outside of the square brackets) must then be weighted by the quantities sold in each sale.

Net household income from the sale of livestock and livestock products: A household's net income from the sale of livestock and livestock products is derived from the data collected in question D2. Net income is the difference between receipts from the sale of livestock and products and the expenses associated with buying, rearing, and tending livestock. The following table shows each receipt and cost item associated with livestock, the variables in the "Farmer Livelihood and Agricultural Production Survey" that contribute data to calculation of the receipt or cost, and the formula for calculating the value of the receipt or cost from the indicated variables.

Category	Contributing variables	Calculation
Receipts from sale of livestock	D2_rf where r = 1 through 9 D2_rg where r = 1 through 9	$\sum_{r=1}^{9} \left(D2\_rf \times D2\_rg \right)$
Receipts from sale of livestock products	D2_ri where r = 1 through 9	$\sum_{r=1}^{9} D2\_ri$
Expenses of raising livestock	D2_rd where r=1 through 9 D2_xj where r = 1 through 9 D2_xk where r = 1 through 9	$\sum_{r=1}^{9} D2\_rd + \sum_{r=1}^{9} D2\_rj + \sum_{r=1}^{9} D2\_rk$

Net household income from other livelihood activities: A household's net income from other livelihood activities is derived from the data collected in question E1. Net income is the difference between receipts and expenses associated with an activity. The following table shows each receipt and cost item, the variables in the "Farmer Livelihood and Agricultural Production Survey" that contribute data to calculation of the receipt or cost, and the formula for calculating the value of the receipt or cost from the indicated variables.

Category	Contributing variables	Calculation

Income from other livelihood activities	E1_rc where r = 1 through 10	$$\sum_{r=1}^{10} E1\_rc$$
Expenses of other livelihood activities	E1_re where r = 1 through 10	$$\sum_{r=1}^{10} E1\_re$$

Net annual household income is the sum of all the receipts minus the sum of all the expenses described above for crops, livestock, and other livelihood activities.

Average household income (over all households) is the arithmetic average or mean of net annual household income.

Repeat the analyses described above for male and female subsets of the data from both the participating and non-participating groups to disaggregate the indicator by sex.

Follow the instructions in "Discounting Monetary Values" on page 68 to express the indicator value in real terms.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on average annual household incomes.

Additional Comments: Target: The P4P proposal anticipates that participation in P4P will increase average annual household incomes of participating farmers by $50. This is a $50 increase in average annual household income (from all sources) per year that a household is engaged with P4P. Therefore, a household that is engaged with P4P (i.e., is a member of a participating farmers' organization) for five years would expect to register an average (over the five years) increase in annual household income of $50.

Logframe Component: Impact

Indicator (including precise Unit of Measurement): Number of participating smallholder/low income farmer's with average annual household income improvements of at least $50.
Unit: Real household income (local currency & USD)

Objective: Not relevant. This is an impact-level indicator and thus encompasses all four objectives.

Logframe Component: Impact – To facilitate increased agricultural production and sustained market engagement and thus increase incomes and livelihoods for participating smallholder/low income farmers, the majority of whom are women.

Indicator Description: Annual real net household income (from all sources) of smallholder/low income farmers who are members of farmer associations participating in P4P. The definition of smallholder farmer will vary by country. Participation in P4P means that the smallholder farmer has the opportunity to sell to WFP through P4P and is (probably) receiving supply-side support because of P4P.

Rationale/Critical Assumptions for Indicator: Rational/Critical Assumptions:
This indicator is closely related to the previous indicator which measures annual household income from all sources. This indicator establishes a $50 threshold on annual income improvement and represents the definition of project beneficiaries as defined in the Bill and Melinda Gates Foundation proposal.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by country.
Schedule/Frequency of Data Collection: Data to support this indicator will be collected in 2009 (baseline) and again in years three (2011) and five (2013) of the P4P pilot to support mid-term and final evaluations, respectively.	**Data limitations and Quality Assessments:** Estimates of household income obtained from surveys depend on respondents (who are often poorly educated and rarely keep records) being able to accurately recall sales and expenditures over a 12 month period. They may also have incentives not to respond honestly. Furthermore, data are collected from a random sample so sampling error may also affect the quality of the estimates.

Method/Approach of Collection/Calculation: The data to support this indicator are collected through structured interviews with smallholder farmer households conducted by WFP in years 1, 3, and 5 in pilot countries selected for impact assessment. Households are randomly selected from among the smallholder members of farmers' organizations (those that are participating in P4P and, for a comparison group, those that are not participating in P4P). Sample sizes are sufficient to ensure a five percent margin of error.

The value of the indicator for a country is the number of individual participating households for whom: , where y represents annual household income, a bar over y indicates average (over all households) annual household income and the subscripts p, c, n, and 0 denote, respectively, P4P, non-P4P, year n of the P4P pilot, and the baseline year.

See previous indicator for a methods for calculating annual household income (y).

Additional Comments: Target: The P4P proposal anticipates that participation in P4P will increase average annual household incomes of participating farmers by $50. This is a $50 increase in average annual household income (from all sources) per year that a household is engaged with P4P. Therefore, a household that is engaged with P4P (i.e., is a member of a participating farmers' organization) for five years would expect to register an average (over the five years) increase in annual household income of $50.

Logframe Component: Outcome 1.1

Indicator (including precise <u>Unit of Measurement</u>): Number of completed compilations (by WFP) of best practice programming and policy recommendations from P4P. **Unit:** Reports
Objective: Objective 1. To identify and share best practices for WFP, NGOs, governments, and agricultural market stakeholders to increase profitable smallholder/low income farmer engagement in markets.
Logframe Component: Outcome 1.1: WFP and other agricultural development stakeholders collaborate to identify procurement and market development best practices from P4P experience.
Indicator Description: This indicator refers to reports prepared by WFP that document the key best practice programming and policy recommendations resulting from P4P.
Rationale/Critical Assumptions for Indicator: Periodic reports summarizing the key best practice programming and policy recommendations are a fundamental part of documenting the lessons derived from P4P and sharing those lessons widely.

Data Source(s): The P4P Unit in Rome will be responsible for compiling and writing the reports and will be the source of data for this indicator.	**Disaggregation:** None
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None

Method/Approach of Collection/Calculation: Document review. The value of the indicator is the cumulative number of reports produced.
Additional Comments: None.

Logframe Component: Output 1.1.1

Indicator (including precise <u>Unit of Measurement</u>): Completed global level M&E system including M&E plan, implementation guidelines, M&E manual, and analysis and reporting routines/templates. **Unit:** Reports
Objective: Objective 1. To identify and share best practices for WFP, NGOs, governments, and agricultural market stakeholders to increase profitable smallholder/low income farmer engagement in markets.
Logframe Component: Output 1.1.1: Mechanisms and procedures to collect and manage P4P performance data developed & functioning.

Indicator Description: A complete M&E system to guide the global-level programme includes, at a minimum, the following elements.
   • A baseline data collection report including an impact assessment model; a sampling strategy; baseline data collection instruments for farmers' organizations, smallholder farmers, and traders; enumerator training materials, and a data collection manual.
   • A monitoring system report for P4P containing a global logframe; indicator worksheets; a data collection plan; a data analysis plan; a data reporting plan; monitoring data collection instruments for farmers' organizations, smallholder farmers, and traders; and enumerator training materials.
   • A monitoring system report for LRP containing a data collection plan; a data analysis plan; and a data reporting plan.

Rationale/Critical Assumptions for Indicator: An M&E system is crucial to support learning, evaluation, and performance monitoring in P4P.

Data Source(s): The P4P Unit in Rome will create and document the M&E system and will be the source of data for this indicator.	**Disaggregation:** None
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Document review. The value of the indicator is "no" before the M&E system is complete and "yes" afterward".
Additional Comments: None.

Logframe Component: Output 1.1.1

Indicator (including precise <u>Unit of Measurement</u>): Number of P4P pilot countries implementing M&E system (e.g., collecting data, producing required reports, etc.). **Unit:** WFP Country Office P4P Units
Objective: Objective 1. To identify and share best practices for WFP, NGOs, governments, and agricultural market stakeholders to increase profitable smallholder/low income farmer engagement in markets.
Logframe Component: Output 1.1.1: Mechanisms and procedures to collect and manage P4P performance data developed & functioning.
Indicator Description: The number of P4P pilot countries that are on schedule with implementing the P4P M&E system. On schedule in implementing means that they are collecting the required data on schedule, conducting the required analyses, and producing and delivering the required reports to the P4P Unit in Rome as scheduled. Required elements of implementing the M&E system include: • Quarterly reports (sent to P4P Reports Officer), • Annual M&E reports, • Farmers' organization, smallholder farmer, and trader surveys (annually), • Case studies (quarterly or bi-annually per country office schedule), • Annual analyses of survey data and reporting of results, • Procurement data from WFP's PASTFood tool, • Market information, and • Partner M&E data (includes data on production, productivity, yields, production costs, training activities, etc.)
Rationale/Critical Assumptions for Indicator (including both P4P and LRP purchases): The WFP country offices in the 21 P4P pilot countries are responsible for collecting much of the data to support the global P4P M&E system. Failure of the country offices to implement their M&E systems in a standardized and timely manner (i.e., collecting and analyzing data and reporting quantitative and qualitative results) will severely compromise the ability of the global M&E system to draw lessons from P4P and achieve its learning objectives.

Data Source(s)	Disaggregation
Data Source(s): The P4P Unit in Rome will monitor and document country-level implementation of the M&E system. It will serve as the repository for the implementation reports, data, and reports on data analyses that will provide the data for this indicator.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Review of P4P Unit M&E implementation records. The value of the indicator is the number of P4P pilot countries that are on schedule with implementing all of the elements of their P4P M&E systems.
Additional Comments: Country offices need to carefully document secondary data sources including an assessment of their quality and limitations.

Logframe Component: Output 1.1.2

Indicator (including precise <u>Unit of Measurement</u>): Percentage of required M&E reports delivered to, or developed by, P4P Unit. **Unit:** Percentage of required reports
Objective: Objective 1. To identify and share best practices for WFP, NGOs, governments, and agricultural market stakeholders to increase profitable smallholder/low income farmer engagement in markets.
Logframe Component: Output 1.1.2: Monitoring and evaluation results compiled, analyzed, and disseminated.
Indicator Description: M&E reports required of the country offices include quarterly reports, annual reports, and an annual monitoring report. Required M&E reports for the P4P Unit in Rome include annual M&E report to WFP, annual M&E report to donors, Technical Review Panel report, annual country and global reviews, WFP Executive Board report, and reporting to internal and other stakeholders. The indicator is cumulative from year to year.
Rationale/Critical Assumptions for Indicator: Reporting is a vital function of an M&E system and critical to achieving the learning and sharing objectives of P4P. The indicator measures the extent to which required reports are being generated.

Data Source(s): The P4P Unit in Rome will administer the M&E system and serve as the repository for all reports. It is therefore the source of data for this indicator.	**Disaggregation:** The indicator is disaggregated by country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos) and the P4P Unit in Rome. Also disaggregated by report type (quarterly and annual reports (COs), annual monitoring/evaluation/data collection reports (COs), annual M&E report to WFP (HQ), annual M&E report to donors (HQ), Technical Review Panel report (HQ), annual country and global reviews (HQ), WFP Executive Board report (HQ), and report to internal and other stakeholders (HQ).
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.
Method/Approach of Collection/Calculation: Review of P4P Unit M&E implementation records and documents. The value of the indicator is the cumulative number of required reports completed.	
Additional Comments: None.	

Logframe Component: Output 1.1.3

Indicator (including precise <u>Unit of Measurement</u>): Average percentage of invited/expected organizations represented at event/meeting. **Unit:** Percentage of invitations accepted	

Objective: Objective 1. To identify and share best practices for WFP, NGOs, governments, and agricultural market stakeholders to increase profitable smallholder/low income farmer engagement in markets.

Logframe Component: Output 1.1.3: Engagement of agricultural and market development stakeholders (e.g., governments, NGOs, partners, private sector, etc.) in dialogue to interpret findings and validate best practices facilitated

Indicator Description: Average annual (over all applicable meetings or events) percentage of invited agricultural development stakeholders who attend. Invited stakeholders include the external stakeholders invited or expected to attend a specific meeting/event. Applicable meetings/events include country level action reviews, regional P4P meetings, global events, technical review panels, lessons learnt events, and country office stakeholder meetings.

Rationale/Critical Assumptions for Indicator: Engaging a wide range of agricultural development stakeholders in ongoing dialogue is a vital part of learning and sharing in P4P. The two indicators for Output 1.1.3 provide a comprehensive picture of the level of stakeholder engagement. This indicator measures the degree to which WFP is able to engage the desired stakeholders in meetings. The other indicator for this output assesses the level of engagement of individual stakeholders over time.

Data Source(s): Meeting/event attendance records or minutes from both country offices and the P4P Unit in Rome.	**Disaggregation:** Disaggregated by type of event/meeting and by country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos).
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** The quality of this indicator will depend on how well country offices and the P4P Unit in Rome track invitations and attendance at the specified meetings/events.

Method/Approach of Collection/Calculation: Review of meeting/event invitation and attendance records. The indicator value is the total number of invitations to the specified meetings/events that were accepted (i.e., acted upon) divided by the total number of invitations (to organizations or their representatives) made to the specified meetings/events. The indicator is cumulative over the five-year P4P pilot. The unit of measure is invitations accepted, not organizations or individuals. Therefore in the case where an individual or organization is invited to multiple meetings/events, each invitation and invitation acceptance is included when calculating the indicator.

Additional Comments: Country offices and the P4P Unit in Rome will need to keep track of invitations and attendance at all meetings and events.

Logframe Component: Outcome 1.2

Indicator (including precise <u>Unit of Measurement</u>): Number of participating stakeholders that have incorporated best procurement and market development recommendations into their operations, procedures, or policy documents. **Unit:** Stakeholders
Objective: Objective 1. To identify and share best practices for WFP, NGOs, governments, and agricultural market stakeholders to increase profitable smallholder/low income farmer engagement in markets.
Logframe Component: Outcome 1.2: By the end of the project, agricultural development stakeholders (e.g., governments, NGOs, private sector, donors, etc.) have integrated smallholder/low income farmer-focused market development and procurement best practices into their operations, procedures, or policies
Indicator Description: Number of agricultural development stakeholders that have incorporated best procurement or market development recommendations. The applicable recommendations are those explicitly documented in P4P materials. Incorporated means officially incorporating the recommendations by endorsing them, or writing them into official procedure or policy documents.
Rationale/Critical Assumptions for Indicator: The wider (beyond WFP) success of P4P depends on other agricultural development stakeholders adopting the resulting best procurement and market development recommendations and incorporating them into their operations, procedures, and policies.

Data Source(s): Official documents of agricultural development stakeholders will provide the documented evidence for this indicator. WFP headquarters or country-office staff may have personal knowledge of stakeholders incorporating recommendations and should back up this knowledge with a review of documents.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** This is a difficult indicator to measure precisely. It is likely that WFP will miss some instances of a recommendation being incorporated into operations, procedures, or policies of external organizations.

Method/Approach of Collection/Calculation: Document review. Document written evidence that a stakeholder has incorporated a specific recommendation arising from the P4P pilot into its operations, procedures, or policy documents. The indicator is cumulative over the five-year P4P pilot. The unit of measure is stakeholders, not "procurement and market development practices". Therefore, if a given stakeholder incorporates multiple recommendations, it counts only once against the value of this indicator. Country offices will have to report stakeholders by name to accommodate aggregation across countries. In the case where a stakeholder has a presence in more than one P4P pilot country and it establishes operations, procedure, and policy guidelines uniformly across all countries, it should be counted only once when aggregating the indicator value across countries. If a stakeholder has a presence in multiple P4P pilot countries but the country units operate independently (i.e., set their own, country-specific operations, procedure, and policy guidelines), then they should be treated as separate stakeholders for this indicator.
Additional Comments: None.

Logframe Component: Output 1.2.1

Indicator (including precise Unit of Measurement): Number of publications, or other communications, produced by WFP that contain specific programming or policy recommendations (e.g., guidance to country offices, position papers, policy recommendations, etc.) **Unit:** Publications/communications
Objective: Objective 1. To identify and share best practices for WFP, NGOs, governments, and agricultural market stakeholders to increase profitable smallholder/low income farmer engagement in markets.
Logframe Component: Output 1.2.1: Implications of lessons learned and best practices for programming or policy (including specific recommendations) documented and conveyed to agricultural market stakeholders and others.
Indicator Description: Number of times WFP has published/communicated specific programming or policy recommendations arising from P4P. The applicable recommendations are those explicitly documented in P4P materials. Applicable publications/communications include publications, presentations, audiovisual material, guidance notes, and occasional papers.
Rationale/Critical Assumptions for Indicator: Communicating the lessons and recommendations from P4P, both within WFP and to other agricultural development stakeholders, is a fundamental method of sharing best practices identified during P4P.

Data Source(s): Documents and other communications.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Review of documents and other communications by the P4P Unit in Rome. The value of the indicator is the cumulative (over the five-year P4P pilot) number of publications, or other communications.
Additional Comments: None.

Logframe Component: Output 1.2.1

Indicator (including precise <u>Unit of Measurement</u>): Number of meetings of agricultural development stakeholders at which either policy or programming proposals are tabled by P4P implementers. **Unit:** Number of meetings
Objective: To identify and share best practices for WFP, NGOs, governments, and agricultural market stakeholders to increase profitable smallholder/low income farmer engagement in markets.
Logframe Component: Output 1.2.1: Implications of lessons learned and best practices for programming or policy (including specific recommendations) documented and conveyed to agricultural market stakeholders and others.
Indicator Description: Meetings include any meeting of P4P stakeholder. Policy or programming proposals include any formal proposal relevant to programming or policy made by P4P implementers (i.e., WFP country offices or P4P Unit in Rome) that requires action by the stakeholder (e.g., voting to approve, endorse, or act on the proposal).
Rationale/Critical Assumptions for Indicator: Disseminating identified best procurement and market development practices to agricultural development stakeholders and encouraging those stakeholders to incorporate those practices (when applicable) into their programming and policies is a crucial part of putting the lessons of P4P into practice beyond WFP.

Data Source(s): Meeting minutes or other records of meeting activity, P4P implementation records.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Biannually to coincide with WFP internal reporting requirements and reporting requirements to the donor (the Bill and Melinda Gates Foundation).	**Data limitations and Quality Assessments:** WFP Country Offices and the P4P Unit in Rome will have to carefully document the number of times they table policy or programming proposals at meetings of agricultural development stakeholders.

Method/Approach of Collection/Calculation: WFP Country Offices and the P4P Unit in Rome will document instances when they table programming or policy proposals at stakeholder meetings. The indicator is cumulative over the five-year P4P pilot.
Additional Comments: None.

Logframe Component: Outcome 2.1

Indicator (including precise <u>Unit of Measurement</u>): Average per farm marketable surplus of staple commodities produced by smallholder members of participating farmers' organizations. **Unit:** Kilogrammes	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Outcome 2.1: By the end of the project, participating smallholder/low income farmers have increased their marketable surpluses of staple commodities.

Indicator Description: The indicator measures the average (i.e., arithmetic mean across farms) marketable surplus of staple commodities. Marketable surplus is the difference between the quantity a smallholder farmer produces and the quantity needed for household consumption (i.e., consumption, seed, animal feed, allowance for post harvest loss). Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities. Participating farmers' organizations are those that have an opportunity to sell to WFP through P4P. The definition of smallholder farmer is country-specific.

Rationale/Critical Assumptions for Indicator: Increased production of surpluses (i.e., above household need) staple commodities is one of the key pathways to increased incomes for smallholder farmers under P4P. It is critical that the M&E system determine whether P4P is affecting production or not.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by staple commodity and by the sex of the household member through which the household was selected for the interview. This is the household member who is a member of the farmers' organization through which the household was selected and whose name was selected from that organization's membership for the interview. The indicator may also be disaggregated by sex of the head of the household.
Schedule/Frequency of Data Collection: Years 1, 3, and 5.Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** It is difficult to accurately estimate agricultural production and the estimates will be subject to some amount of measurement error. Estimates are also based on a sample of farmers and may also be subject to sampling error.

Method/Approach of Collection/Calculation: Structured interviews with random sample of smallholder farmers from two comparison groups – one participating in P4P and the other not participating provide the data for this indicator. The components of "marketable surplus" are (by crop) quantity produced, quantity needed for household consumption, quantity needed for seed and animal feed, and quantity lost to spoilage or pests. These components, the questions from the Farmer Livelihood and Agricultural Production Survey that contribute to the component, and instructions for calculating each component are:

Measure	Contributing questions	Calculation
Agricultural production (by crop)	B7_0e through B7_9e B7_0f through B7_9f B7_0g through B7_9g	Use responses to columns e, f, and g of question B7 to calculate total production for each crop in kilogrammes. • Create a new variable that is the weight in kilogrammes of each response to column f of question B7. • When the response to column f of question B7 is "other", then the value of the new variable should be the number in column g of question B7. • Total production, in kilogrammes, for crop i is then: $q_i = B7\_ie \times nv1_i$ where $nv1_i$ is the value of the new variable for crop i.

Quantity needed for household consumption (by crop)	C2_1c through C2_5c C2_1d through C2_5d C2_1e through C2_5e	Use the responses to columns c, d, and e of question C2 to calculate the quantity (in kilogrammes) of each crop needed for household consumption. • Create a new variable that is the weight in kilogrammes of each response to column d of question C2. • When the response to column d of question C2 is "other", then the value of the new variable should be the number in column e of question C2. • Total household consumption needs, in kilogrammes, for crop i is then: $hc_i = C2\_ic \times nv2_i$ where $nv2_i$ is the value of the new variable for crop i.
Quantity needed for seed, animal feed, or lost to spoilage or pests (by crop)	B12_1d through B12_5d B12_1f through B12_5f	Determine the quantity (in kilogrammes) of each crop needed for seed, feed, and loss. • Create a new variable that is the sum of columns d and f of question B12. • Divide the new variable by 100. • The quantity of crop i (in kilogrammes) needed for seed, feed, and loss is then: $sfl_i = q_i \times nv3_i$ where $nv3_i$ is the new variable and q_i is the total production of crop i from above.

Marketable surplus for crop i is then: $ms_i = q_i - c_i - sfl_i$ where the variables are defined above.

Aggregate (over all crops) marketable surplus is: $ms = \sum_i ms_i \forall i$ where i denotes crops.

Make sure when calculating marketable surpluses that the variables *q*, *c*, and *sfl* all refer to the same crops. The order of the crops in the rows of tables B7, B12, and C2 may be different.

The average (mean) marketable surplus is the average (over all farms) marketable surplus produced. Calculate the average for each crop by dividing ms_i by the total number of farms that produced crop i. Calculate the average surplus over all crops by dividing *ms* by the total number of responding farms.

Calculate separate measures of marketable surplus for households where the member selected for the interview is male and households where the member selected for the interview is female and an aggregate (over sex) measure. The indicator may also be disaggregated by sex of the household head.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on per farm marketable surplus of staple commodities produced by smallholder farmers.

Additional Comments: This indicator is an impact indicator in the sense that the data exist to calculate the impact of P4P on the average quantity of marketable surpluses produced. The average impact of P4P on the quantity of marketable surpluses produced is the difference between average marketable surplus for the P4P group of smallholder farmers and average marketable surplus for the non-P4P group of smallholder farmers. The impact can also be disaggregated by crop and sex. It is of particular interest to examine changes in surpluses produced by male and female interview subjects (i.e., sex of those selected for the interview) by commodity and trends in the production of surpluses over time.

Logframe Component: Outcome 2.1

Indicator (including precise <u>Unit of Measurement</u>): Average per farm quantity of staple commodities sold by participating smallholder/low income farmers. **Unit:** Kilogrammes	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Outcome 2.1: By the end of the project, participating smallholder/low income farmers have increased their marketable surpluses of staple commodities.

Indicator Description: Average (per farm) sales (to all buyers) in kilograms of staple commodities. Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities. The definition of smallholder farmer is country-specific.

Rationale/Critical Assumptions for Indicator: To increase their incomes, smallholder farmer not only have to produce greater surpluses, they also have to sell them. This indicator measures smallholder farmers' total sales (to all sources) of staple commodities. It does not attempt to determine whether farmers are selling from what they need for household consumption.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by sex of the household member through which the household was selected for the interview. This is the household member who is a member of the farmers' organization through which the household was selected and whose name was selected from that organization's membership for the interview. May also be disaggregated by sex of the head of the household.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** It is difficult to accurately estimate sales of agricultural products and the estimates will be subject to some amount of measurement error. Estimates are also based on a sample of farmers and may also be subject to sampling error.

Method/Approach of Collection/Calculation: This indicator includes only WFP food basket commodities. Structured interviews with random samples of smallholder farmers from two comparison groups – one participating in P4P and the other not participating provide the data for this indicator. Sales of each staple commodity, *i*, are determined by multiplying the quantity harvested by the proportion reported sold or planned for sale. These components, the questions from the Farmer Livelihood and Agricultural Production Survey that provide the data to calculate each component, and instructions for calculating each component are:

Measure	Contributing questions	Calculation
Agricultural production (by crop)	B7_0e through B7_9e B7_0f through B7_9f B7_0g through B7_9g	Use responses to columns e, f, and g of question B7 to calculate total production for each crop in kilogrammes. • Create a new variable that is the weight in kilogrammes of each response to column f of question B7. • When the response to column f of question B7 is "other", then the value of the new variable should be the number in column g of question B7. • Total production, in kilogrammes, for crop i is then: $q_i = B7\_ie \times nv1_i$ where $nv1_i$ is the value of the new variable for crop i.
Quantity sold or planned for sale (by crop)	B12_1b through B12_5b B12_1c through B12_5c	Determine the quantity (in kilogrammes) of each crop sold or planned to be sold. • Create a new variable that is the sum of columns b and c of question B12. • Divide the new variable by 100. • The quantity of crop i (in kilogrammes) sold or planned to be sold is then: $sales_i = q_i \times nv2_i$ where $nv2_i$ is the new variable and q_i is the total production of crop i from above.

The average per farm quantity of commodity *i* sold is then:

$$indicator_i = \frac{\sum_f sales_{if}}{N_f}$$, where *indicator_i* is average (per farm) sales of crop *i*, *sales_{if}* is sales of crop *i* by farm *f*, and N_f is the total number of farms in the sample

(considering only those with valid data to calculate the indicator value).

The average per farm sales of all staple commodities is:

$$indicator = \frac{\sum_i \sum_i sales_{if}}{N_f} .$$

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on per farm marketable quantity of staple commodities sold by smallholder farmers.

Additional Comments: This indicator is an impact indicator in the sense that the data exist to calculate the impact of P4P on the average per farm quantity of staple commodities sold. The average impact of P4P on the quantity of staple commodities sold is the difference between average quantity sold for the P4P group of smallholder farmers and average quantity sold for the non-P4P group of smallholder farmers. The impact can also be disaggregated by crop and sex.

Logframe Component: Outcome 2.1

Indicator (including precise <u>Unit of Measurement</u>): Average (per smallholder farm) post-harvest losses of staple commodities as a percentage of annual production.   **Unit:** Percentage of quantity in kilogrammes
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Outcome 2.1: By the end of the project, participating smallholder/low income farmers have increased their marketable surpluses of staple commodities.
Indicator Description: Average (per farm) annual losses of staple commodities to spoilage, animals, or pests because of poor post-harvest handing or inadequate storage. Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities. The definition of smallholder farmer is country-specific.
Rationale/Critical Assumptions for Indicator: Post-harvest losses are high in many countries in which WFP buys. High post-harvest losses threaten households' food security and also limit the quantity available for sale, thereby reducing potential household income.

Data Source(s):	Disaggregation:
Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by commodity and the sex of the household member through which the household was selected for the interview. This is the household member who is a member of the farmers' organization through which the household was selected and whose name was selected from that organization's membership for the interview. May also be disaggregated by sex of the head of the household. It may also be useful to report this indicator for WFP food basket commodities only.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** It is difficult for survey respondents to determine post-harvest losses accurately. Most have no records and recall may be inaccurate. In addition, the data are collected from a random sample of farmers so sampling error may also be an issue in data quality.

Method/Approach of Collection/Calculation: Structured interviews with random samples of smallholder farmers from two comparison groups – one participating in P4P and the other not participating – provide the data for this indicator. Question B12_*i*d collects the indicator value directly for crop *i*. The value of the indicator for crop i is then:

$$indicator_i = \frac{\sum_f B12\_id_f}{N_f}$$, where *f* indexes farmer households (survey respondents), *B12_id_h* is the row of column B12_d that contains data for crop *i* and household *f*,

and N_f is the total number of households with data for the indicator.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on post-harvest losses of staple commodities.

Additional Comments: This indicator is an impact indicator in the sense that the data exist to calculate the impact of P4P on post-harvest losses of staple commodities. The average impact of P4P on post-harvest loss percentage is the difference between post-harvest losses for the P4P group of smallholder farmers and post-harvest losses for the non-P4P group of smallholder farmers. The impact can also be disaggregated by crop and sex.

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Logframe Component: Output 2.1.1

Indicator (including precise <u>Unit of Measurement</u>): Percentage of participating farmers' organizations for which WFP has signed agreements with partners to improve agricultural productivity/production. **Unit:** Percentage of participating farmers' organizations
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Output 2.1.1: Smallholder/low income farmers trained in improved agricultural production inputs and practices increased.
Indicator Description: Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. WFP should have signed agreements with supply-side partners to work with participating farmers' organizations to improve the productivity of their smallholder members or to improve the capacity of the organization to market commodities.
Rationale/Critical Assumptions for Indicator: The working hypothesis of P4P is that supply-side support to smallholder farmers (through their farmers' organizations) to improve agricultural productivity is critical to increasing smallholder household income. This indicator measures the extent to which WFP has signed agreements with partners to provide this supply-side support.

Data Source(s): WFP country-office implementation records.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Data are collected by reviewing country office implementation records. The value of the indicator is the number of participating farmers' organizations for which WFP has at least one signed agreement with a supply-side partner to provide support to the organization divided by the total number of participating farmers' organizations. Multiply the result by 100 to convert from a proportion to a percentage measure.
Additional Comments: In addition to the indicator value, country offices need to report the values of the numerator and denominator of the percentage ratio to facilitate aggregation of the indicator to the global level.

Logframe Component: Output 2.1.1

Indicator (including precise <u>Unit of Measurement</u>): Number of smallholder farmer members of participating farmers' organizations trained in improved agricultural productivity/production practices.   **Unit:** Trainings
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Output 2.1.1: Smallholder/low income farmers trained in improved agricultural production inputs and practices.
Indicator Description: The definition of smallholder farmers is country-specific. Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. Training in improved production practices includes any training aimed at increasing agricultural production and/or productivity.
Rationale/Critical Assumptions for Indicator: The hypothesis for increasing smallholder incomes under P4P rests largely on Increasing smallholder production of staple commodities. This indicator measures the extent to which WFP and its partners provide the training necessary to increase the availability of marketable surplus at the household level.

Data Source(s): WFP or supply-side partner activity records. The particular partners conducting such training will vary by country.	**Disaggregation:** Disaggregated by sex of trainee.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: The data for this indicator come directly from the activity records of those providing the training. The unit of measure is trainings, not individuals trained. It may therefore double count individuals who attend multiple trainings.
Additional Comments: None.

Logframe Component: Output 2.1.2

Indicator (including precise <u>Unit of Measurement</u>): Percentage of participating farmers' organizations for which WFP has signed agreements with partners to improve post-harvest handling facilities and practices. **Unit:** Percentage of participating farmers' organizations	
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.	
Logframe Component: Output 2.1.2: Participating smallholder/low income farmers trained in post harvest handling.	
Indicator Description: Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. WFP should have signed agreements with supply-side partners to work with participating organizations (or their members) to improve the post-harvest handling facilities or practices. Post-harvest handling facilities may include drying, cleaning, sorting, or grading equipment; storage facilities, or equipment needed to operate storage facilities (e.g., fumigation equipment).	
Rationale/Critical Assumptions for Indicator: Post-harvest losses are quite high in some countries. Post-harvest losses directly reduce the quantity of commodities smallholder farmers have available for sale or consumption. Damage during storage (e.g., from moisture or insect pests) also reduces the quality and value of the stored commodity and affects farmers' ability to store commodities and benefit from price increases later in the season. This indicator measures the extent to which WFP has signed agreements with partners to provide assistance to reduce post-harvest losses or improve storage facilities and handling.	

Data Source(s): WFP country-office implementation records.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Data are collected by reviewing country office implementation records. The value of the indicator is the number of participating farmers' organizations for which WFP has at least one signed agreement with a supply-side partner to provide assistance to improve post-harvest handling and practices divided by the total number of participating farmers' organizations. Multiply the result by 100 to convert from a proportion to a percentage measure.
Additional Comments: In addition to the indicator value, country offices need to report the values of the numerator and denominator of the percentage ratio to facilitate aggregation of the indicator to the global level.

Logframe Component: Output 2.1.2

Indicator (including precise <u>Unit of Measurement</u>): Number of smallholder farmer members of participating farmers' organizations trained in improved post-harvest handling and storage practices. **Unit:** Individuals trained	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Output 2.1.2: Participating smallholder/low income farmers trained in post harvest handling.

Indicator Description: The definition of smallholder farmers is country-specific. Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. Training in improved post-harvest handling and storage practices includes any training aimed at reducing post-harvest losses or maintaining commodity quality during storage.

Rationale/Critical Assumptions for Indicator: The hypothesis for increasing smallholder incomes under P4P rests largely on Increasing the quantity of staple commodities smallholder farmers have to sell. The quantity available for sale is a function of both production and post-harvest loss. This indicator measures the extent to which WFP and its partners provide the training necessary to reduce post-harvest losses and maintain commodity quality during storage.

Data Source(s): WFP or supply-side partner activity records. The particular partners conducting such training will vary by country.	**Disaggregation:** Disaggregated by sex of trainee.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: The data for this indicator come directly from the activity records of those providing the training. The unit of measure is trainings, not individuals trained. It may therefore double count individuals who attend multiple trainings.

Additional Comments: None.

Logframe Component: Outcome 2.2

Indicator (including precise <u>Unit of Measurement</u>): Average proportion of smallholder members' staple commodities sold through participating farmers' organizations. **Unit:** Proportion of the quantity of staple commodities produced.	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Outcome 2.2: By the end of the project, participating smallholder/low income farmers' organizations have increased their capacity to aggregate and market their smallholder members' marketable surpluses of staple commodities.

Indicator Description: The definition of smallholder farmers is country-specific. Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities. Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P.

Rationale/Critical Assumptions for Indicator: P4P aims to improve the capacity of farmers' organizations to market their members' staple commodities. Improved marketing capacity should translate into higher prices for many organizations members relative to what they could get from traders. If P4P is successful, member farmers may choose to increase the proportion of their commodities they sell through their farmers' organization relative to the proportion they sell through other channels.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by commodity and sex of registered farmers' organization member.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** The indicator relies on agricultural production and marketing data collected through surveys of farmers. It is difficult for respondents to accurately recall quantities of staple commodities produced and sold. In addition, the data are collected from a random sample of farmers so sampling error may also be an issue in data quality. It may also be useful to report this indicator for WFP food basket commodities only.

Method/Approach of Collection/Calculation: Structured interviews with random samples of smallholder farmers from two comparison groups – one participating in P4P and the other not participating – provide the data for this indicator. For each staple commodity, the indicator is the ratio of the total quantity of a commodity sold through a farmers' organization to the total quantity of the commodity sold to all buyers. The aggregated (over all staple commodities) indicator is the ratio of the total quantity of all stable commodities sold through a farmers' organization to the total quantity of staple commodities sold to all buyers. The following table shows the different components of this indicator, the questions in the Farmer Livelihood and Agricultural Production Survey that contribute to the component, and the formula for calculating the component.

Component	Contributing variables	Calculation
Agricultural production (by crop)	B7_0e through B7_9e B7_0f through B7_9f B7_0g through B7_9g	Use responses to columns e, f, and g of question B7 to calculate total production for each crop in kilogrammes. • Create a new variable that is the weight in kilogrammes of each response to column f of question B7. • When the response to column f of question B7 is "other", then the value of the new variable should be the number in column g of question B7. • Total production, in kilogrammes, for crop i is then: $q_i = B7\_ie \times nv1_i$ where $nv1_i$ is the value of the new variable for crop i.
Proportion of production sold	B12_1b through B12_5b B12_1c through B12_5c	The rows of question B12_b and B12_c report the percentage of a crop sold or retained for future sale. Add these two questions together and divide by 100 (to get a proportion) to determine the total proportion of a crop sold or retained for future sale. Call this $sold_i$.
Proportion of production sold through farmers' organization	B12_1p through B12_5p	The rows of question B12_p report the percentage of what was sold or retained for future sale that was sold (or will be sold) to or through a farmers' organization. Divided by 100 to translate from percentage to proportion. Call this fo_i.

The value of the indicator for crop i is then:

$$indicator_i = \frac{sold_i \times fo_i}{N_{fi}}$$, where i indexes crops and N_{fi} is the number of farmers who produced crop i.

And the aggregate (over all crops) indicator is:

$$indicator = \sum_i \left(\frac{q_i}{\sum_i q_i} \times sold_i \times fo_i \right)$$, where i indexes crops.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the proportion of smallholder members' staple commodities sold through farmers' organizations.

Additional Comments: None.

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Logframe Component: Outcome 2.2

Indicator (including precise <u>Unit of Measurement</u>): Average (per registered member) quantity of staple commodities sold through participating farmers' organizations.   **Unit:** Kilogrammes per registered member

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Outcome 2.2: By the end of the project, participating smallholder/low income farmers' organizations have increased their capacity to aggregate and market their smallholder members' marketable surpluses of staple commodities.

Indicator Description: Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities. Registered members include all individual members of the farmers' organization. There may be more than one registered member per household.

Rationale/Critical Assumptions for Indicator: One indicator of a farmers' organization's capacity to market its members' commodities is the quantity of staple commodities it markets. An organization that is increasing its capacity to market should be able to collect and sell more. Because this indicator measures the marketing capacity of the farmers' organization it focuses on all farmers' organization members, not only smallholders.

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on training of farmers' organization management staff.	**Disaggregation:** Disaggregated by commodity and country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos). It may also be useful to report this indicator for WFP food basket commodities only.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** To the extent that farmers' organizations keep accurate records of sales and membership these data should be of good quality.

Method/Approach of Collection/Calculation: The survey of farmers' organizations in years 1, 3, and 5 provides the data for this indicator. All participating farmers' organizations provide data for the P4P group. A random sample of similar non-P4P farmers' organizations provides the data for the non-P4P group. The value of the indicator (at either the country or the global level) for commodity i is: $$indicator_i = \left(\sum_f \frac{C1\_ie_f}{A2\_1a_f + A2\_2a_f} \right) \Big/ N_f$$, where f indexes farmers' organizations, i indexes commodities, $C1\_ie_f$ is the row of question $C1\_e$ that corresponds to   commodity i for farmers' organization f, and N_f is the number of farmers' organizations for which data exist.   Because many external factors may affect the quantity of staple commodities a farmers' organization sells, the indicator is meaningful as a measure of the impact of P4P only when compared to the indicator value for non-P4P farmers' organizations. Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the average quantities of staple commodities sold through farmers' organizations.
Additional Comments: None.

Logframe Component: Outcome 2.2

Indicator (including precise <u>Unit of Measurement</u>): Average (over participating smallholder farmers' organizations) price received for commodities as a percentage of the highest price in that locality during the marketing season. **Unit:** Percentage
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Outcome 2.2: By the end of the project, participating smallholder/low income farmers' organizations have increased their capacity to aggregate and market their smallholder members' marketable surpluses of staple commodities.
Indicator Description: The indicator is the average (over farmers' organizations) ratio of the average price farmers' organizations received for commodities to the highest price during the 12 month data collection period in the locality in which the farmers' organization is located. The price the farmers' organization received is a weighted average over all sales of a particular commodity. The highest price paid in the locality is country-specific and will depend on the type of market data collected in each country.
Rationale/Critical Assumptions for Indicator: One desired outcome of increasing the capacity of farmers' organizations to market their members' commodities is that the organization receives a better price. This may occur because the organization develops more markets, improves the quality of the commodities it sells, or sells at a higher-priced season. Comparing the average price (weighted by quantity) received by the farmers' organization to the highest price recorded in the locality during the marketing season captures the farmers' organization's ability to capture a higher price for any of these reasons.

Data Source(s): Farmers' organizations' records provide the primary source of data for this indicator. The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries may also serve as a data source in the absence of records. Country-specific secondary data sources (e.g., VAM unit when available in country, agricultural ministries, statistics offices, other projects, local universities, NGOs, etc.)	**Disaggregation:** Disaggregated by commodity.
Schedule/Frequency of Data Collection: Annually. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** The quality of local market prices will vary by country. If local prices are not available, then a country office may have to make do with the most applicable alternative price (e.g., district or province level prices).

Method/Approach of Collection/Calculation: Review of farmers' organization sales records (backed up when necessary by data from structured interviews) provides the data for this indicator. All participating farmers' organizations provide data for the P4P group. A random sample of similar non-P4P farmers' organizations provides the data for the non-P4P group. The quantity weighted average price a farmers' organization receives for all of commodity i it sells in a 12 month period is:

$$aprice_i = \frac{\sum_t q_{ift} p_{ift}}{\sum_t q_{ift}}$$

, where t indexes individual sales, f indexes farmers' organizations, q_{ift} is the quantity of commodity i sold by farmers' organization f at sale t (in metric tonnes), and p_{ift} is the price per metric tonne received for commodity i by farmers' organization f at sale t.

The indicator value for country c (over all farmers' organizations in the relevant comparison group) is:

$$indicator_{ci} = \frac{\sum_f \left[\left(\frac{\sum_t q_{ift} p_{ift}}{\sum_t q_{ift}} \middle/ ph_{if} \right) \sum_t q_{ift} \right]}{\sum_f \sum_t q_{ift}}$$

, where ph_{if} is the highest price for commodity i recorded in the locality of farmers' organization f during the marketing season.

The value of the indicator for the entire programme (i.e., over all countries) is:

$$indicator_i = \frac{\sum_c \left(indicator_{ci} \times q_{ci} \right)}{\sum_c q_{ci}}$$

, where c indexes countries.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on average price received for commodities as a percentage of the highest price in that locality during the marketing season.

Additional Comments: Analysts will need to ensure that they convert country-specific units of measure to metric tonnes.

Logframe Component: Output 2.2.1

Indicator (including precise <u>Unit of Measurement</u>): Percentage of smallholder/low income farmers' organization management staff who have completed training in governance, administration, or financial management of farmers' organizations. **Unit:** Percentage of individuals
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Output 2.2.1: Participating smallholder/low income farmers' organization management staff trained in organizational management. Organizational management training covers any training relevant to managing an organization including training in governance, finances/accounting, leadership, administration, planning, organization record keeping, financial management, or group management/group dynamics/leadership skills.
Indicator Description: Management staff includes organization leadership and anyone else (paid or unpaid) whose official duties involve managing any aspect of the organization's operations such as governance or running meetings, strategic or business planning, finances/accounting, or administration.
Rationale/Critical Assumptions for Indicator: Management staff trained in group management is essential to increasing the organizational capacity of farmers' organizations. The proportion of management staff so trained is an indicator of capacity.

Data Source(s): Collected annually from farmers' organization records.	**Disaggregation:** Disaggregated by sex of staff member.
Schedule/Frequency of Data Collection: Annually. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Collected annually through a review of farmers' organization records using a structured data collection instrument. The indicator value for a given farmers' organization is the total number of management staff members who have received training in governance, administration, or financial management of farmers' organizations divided by the total number of management staff. Aggregated across all farmers' organizations, the indicator is the total number of management staff members (over all organizations) who have received training in governance, administration, or financial management of farmers' organizations divided by the total number of management staff (over all organizations). Disaggregated by sex, the value of the indicator is the total number of male/female management staff members who have received training in governance, administration, or financial management of farmers' organizations divided by the total number of male/female management staff.
Additional Comments: This indicator does not measure the number of trainings conducted. It measures the percentage of individuals who have received training, either through P4P or elsewhere. Data analysts must therefore take care not to double count individuals who have participated in more than one relevant training.

Logframe Component: Output 2.2.2

Indicator (including precise <u>Unit of Measurement</u>): Number of farmers' organizations with at least one member of the management staff trained in organization management (i.e., governance, administration, or financial management of farmers' organizations). **Unit:** Farmers' organizations	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Output 2.2.2: Participating smallholder/low income farmers' organizations trained in contracting.

Indicator Description: Management staff may include elected officers or employees. It includes anyone whose official duties (paid or unpaid) include managing any aspect of the organization's operations. Organizational management training covers any training relevant to managing an organization including training in governance, finances/accounting, leadership, administration, planning, organization record keeping, financial management, or group management/group dynamics/leadership skills.

Rationale/Critical Assumptions for Indicator: This indicator is another facet of the previous indicator. This indicator measures the number of farmers' organizations who have at least one trained staff member while the previous indicator measures the breadth of training among management staff.

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on training of farmers' organization management staff.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Structured interviews with participating farmers' organizations provide the data for this indicator. The indicator value is the number of farmers' organizations that answer "yes" to at least one of the following questions from the Farmers' Organization Survey -- A16_1a, A16_2a, A16_3a, A16_6a, or A16_7a.

Additional Comments: None.

Logframe Component: Output 2.2.2

Indicator (including precise <u>Unit of Measurement</u>): Average (over farmers' organizations) percentage of contracts successfully delivered. **Unit:** Percentage of contracts	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Output 2.2.2: Participating smallholder/low income farmers' organizations trained in contracting.

Indicator Description: A default is any contract in which the farmers' organization fails to meet all the contract terms (e.g., fails to deliver the contract amount, fails to meet the delivery deadline, fails to satisfy quality standards, etc.). The indicator refers only to contracts that the farmers' organization entered in to.

Rationale/Critical Assumptions for Indicator: The ability to enter into and to win contracts is one measure of a farmers' organization's marketing capacity. Another is the ability to successfully deliver on contracts it does win. This indicator measures this latter aspect of marketing capacity. In many cases a farmers' organization may be able to deliver only a portion of the contracted quantity. This indicator measures the proportion actually delivered.

Data Source(s): Sale specific data from farmers' organization records.	**Disaggregation:** Disaggregated by country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos) and primary reason for default. Primary reasons for default include 1) did not have access to required quantity, 2) could not accumulate required quantity in time to meet delivery deadline, 3) could not meet buyer's quality standards, 4) commodity did not meet buyer's specifications, 5) buyer revised the contract amount, 6) the buyer cancelled the purchase, 7) the price offered was no longer attractive at time of delivery, 8) farmers' organization did not have transport to deliver the commodities, and 9) other.
Schedule/Frequency of Data Collection: Annually. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** At least at the beginning of P4P, all farmers' organizations may not be reporting on this indicator because they do not keep records.

Method/Approach of Collection/Calculation: Collected through review of farmers' organization records. The value of the indicator (at either the country of the global level) is:

$$indicator = \frac{\sum_f \dfrac{defaults_f}{contracts_f}}{N} \times 100$$

, where *f* indexes farmers' organizations, *contracts_f* is the number of contracts that farmers' organization f won, and *defaults_f* is the number of contracts on which farmers' organization *f* defaulted.

Follow tine instructions in "Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the average proportion of contract quantities delivered by farmers' organizations.

Additional Comments: None.

Logframe Component: Output 2.2.2

Indicator (including precise <u>Unit of Measurement</u>): Number of participating smallholder/low income farmers' organizations qualified to participate in WFP competitive tenders. **Unit:** Farmers' organizations	
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.	
Logframe Component: Output 2.2.2: Participating smallholder/low income farmers' organizations trained in contracting.	
Indicator Description: WFP's Procurement Unit qualifies a farmers' organization to participate in a WFP competitive tender and enters the farmers' organization into its database as a qualified organization.	
Rationale/Critical Assumptions for Indicator: Farmers' organizations must demonstrate substantial marketing capacity to qualify to participate in a WFP competitive tender. The number of farmers' organizations qualified is a measure of marketing capacity.	

Data Source(s): WFP country office procurement records.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Country office Procurement Unit staff will extract the data for this indicator from the procurement database. WFP is currently redesigning its procurement database. Specific procedures will be determined to extract the information for this indicator when the procurement database is finalized. The indicator value is simply the number of farmers' organizations from within all 21 P4P pilot countries that are qualified to participate in a WFP competitive tender.   Analyze the indicator relative to its baseline value to assess the before and after P4P values. This is not a true measure of impact.
Additional Comments: It will be useful to examine the trend in the number of farmers' organizations qualified to participate in a WFP competitive tender over time including a period of time prior to implementation of P4P.   Target: The P4P proposal anticipates that at least 30% of the farmers' organizations engaged in P4P will develop the capacity to participate in WFP competitive tenders. Note that this should not include farmers' organizations that have the capacity to participate in competitive tenders at the beginning of their engagement with P4P.

Logframe Component: Output 2.2.3

Indicator (including precise <u>Unit of Measurement</u>): Percentage of participating smallholder/low income farmers' organization members who are women. **Unit:** Percentage of registered farmers' organization members	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Output 2.2.3: Stability and representativeness (sex and smallholders) of participating smallholder/low income farmers' organizations improved

Indicator Description: The percentage of registered smallholder farmer members of participating farmers' organizations who are women. Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. The definition of smallholder farmer is country-specific. The indicator considers only registered members of the farmers' organization.

Rationale/Critical Assumptions for Indicator: Many (a majority in some countries) of smallholder farmers are women. This indicator measures the extent to which P4P is engaging women smallholder farmers. The indicator measures the extent to which female smallholder farmers are participating in P4P-supported farmers' organizations and are therefore potentially affected by P4P.

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on farmers' organization membership. Farmers' organization membership records provide a corroborating source for these data.	**Disaggregation:** The indicator is disaggregated by country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos).
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** Farmers' organizations may sometimes record several members of a household who are registered members of the organization under the name of the household head. Enumerators must take care to count all individual members and their sex.

Method/Approach of Collection/Calculation: Structured interviews and review of farmers' organizations' records provide the data for this indicator. The value of the indicator for a given country is the total number of women registered as members of P4P farmers' organizations divided by the total number of registered members of participating farmers' organizations. Question A2 of the Farmers' Organization Survey provides the data for this indicator. Calculate three measures of the indicator (*country$_i$* is the indicator value for country *j*, *countries* is the average indicator value over all P4P pilot countries, and *programme* is the programme-level value of the indicator) as follows:

$$country_j = \frac{\sum_f A2\_2a_{if}}{\sum_f \left(A2\_1a_{if} + A2\_2a_{if} \right)}$$

$$countries = \frac{\sum_f A2\_2a_{if}}{\sum_f \left(A2\_1a_{if} + A2\_2a_{if} \right)} \Big/ N$$

$$programme = \frac{\sum_j \sum_f A2\_2a_{if}}{\sum_j \sum_f \left(A2\_1a_{if} + A2\_2a_{if} \right)}$$

where. *j* indexes P4P pilot countries, *f* indexes participating farmers' organizations, *A2_1a* and *A2_2a* refer to questions in the Farmers' Organization Survey, and *N* is the total number of P4P pilot countries contributing data to the indicator.

Additional Comments: The value of this indicator depends largely on WFP's criteria for selecting participating farmers' organizations. For instance, some countries have specific targets for womens' participation in the farmers' organizations they elect to work with.

Target: The P4P proposal anticipates that farmers' organizations participating in P4P will have at least 50 percent female membership by the end of the project. Since some participating farmers' organizations are male only and some are female only, this target refers to an average across participating organizations and not to the sex balance of individual organizations.

Logframe Component: Output 2.2.3

Indicator (including precise <u>Unit of Measurement</u>): Percentage of participating smallholder/low income farmers' organizations' elected leadership positions held by women. **Unit:** Percentage of elected leadership positions	
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.	
Logframe Component: Output 2.2.3: Stability and representativeness (sex and smallholders) of participating smallholder/low income farmers' organizations improved	
Indicator Description: An elected leadership position refers to elected positions in the farmers' organization governance structure. Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. The definition of smallholder farmer is country-specific.	
Rationale/Critical Assumptions for Indicator: Many (a majority in some countries) of smallholder farmers are women. This indicator measures the extent to which women are represented among the elected leadership of participating farmers' organizations.	
Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on farmers' organization membership.	**Disaggregation:** The indicator is disaggregated by country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos).
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

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Method/Approach of Collection/Calculation: Structured interviews and review of farmers' organizations' records provide the data for this indicator. The value of the indicator for a given country is the total number of women in elected leadership positions in participating farmers' organizations divided by the total number of elected leadership positions. Question A5 of the Farmers' Organization Survey provides the data for this indicator. Calculate three measures of the indicator (*country$_j$* is the indicator value for country *j*, *countries* is the average indicator value over all P4P pilot countries, and *programme* is the programme-level value of the indicator) as follows:

$$country_j = \frac{\sum_f A5\_2a_{jf}}{\sum_f \left(A5\_1a_{jf} + A5\_2a_{jf} \right)}$$

$$countries = \frac{\sum_f A5\_2a_{jf}}{\sum_f \left(A5\_1a_{jf} + A5\_2a_{jf} \right)} \Bigg/ N$$

$$programme = \frac{\sum_j \sum_f A5\_2a_{jf}}{\sum_j \sum_f \left(A5\_1a_{jf} + A5\_2a_{jf} \right)}$$

where. *j* indexes P4P pilot countries, *f* indexes participating farmers' organizations, *A5_1a* and *A5_2a* refer to questions in the Farmers' Organization Survey, and *N* is the total number of P4P pilot countries contributing data to the indicator.

Additional Comments: The value of this indicator depends largely on WFP's criteria for selecting participating farmers' organizations.

Logframe Component: Output 2.2.3

Indicator (including precise <u>Unit of Measurement</u>): Number of participating smallholder/low income farmers' organization members who are smallholder farmers.   **Unit:** Percentage of farmers' organization members
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Output 2.2.3: Stability and representativeness (sex and smallholders) of participating smallholder/low income farmers' organizations improved
Indicator Description: Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. The definition of smallholder farmer is country-specific.
Rationale/Critical Assumptions for Indicator: P4P targets smallholder farmers. This indicator measures the extent to which participating farmers' organizations represent smallholder farmers as opposed to larger farmers. The indicator is the key source of data about the number of smallholder farmers who will potentially benefit from P4P.

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on farmers' organization membership. Farmers' organization membership records provide another source for these data.	**Disaggregation:** The indicator is disaggregated by country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos).
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** P4P pilot countries will employ different definitions of smallholder farmers. Furthermore, many farmers' organizations may not be able to identify smallholder farmers based on any definition. The data collection instrument provides the option for respondents to report the percentage of smallholders if they do not know the number.

Method/Approach of Collection/Calculation: Structured interviews and review of farmers' organizations' records provide the data for this indicator. Questions A2_1a, A2_2a, A2_1c, A2_2c, A2_1d, and A2_2d of the Farmers' Organization Survey contribute to this indicator. Cross-check survey responses with data collected from farmers' organization records. Calculate the indicator value as follows: if A2_1c and A2_2c contain valid responses, then: $$indicator_j = \sum_f A2\_1c_f + A2\_2c_f$$ If A2_1c and A2_2c do not contain valid responses and A2_1d and A2_2d do contain valid responses, then: $$indicator_j = \sum_f \left(A2\_1d_f + A2\_2d_f \right) \times \left(A2\_1a_f + A2\_2a_f \right) 100$$, where j indexes countries, f indexes farmers' organizations, and A2_1c, A2_2c,   A2_1d, A2_2d, A2_1a, and A2_2a refer to responses to questions in the Farmers' Organization Survey.   Otherwise, code the indicator as a missing value.
Additional Comments: The value of this indicator depends largely on WFP's criteria for selecting participating farmers' organizations.

Logframe Component: Output 2.2.3

Indicator (including precise <u>Unit of Measurement</u>): Percentage change in total membership of participating smallholder/low income farmers' organizations (relative to baseline and disaggregated by sex of member).
Unit: Individual farmers' organization members

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Output 2.2.3: Stability and representativeness (sex and smallholders) of participating smallholder/low income farmers' organizations improved

Indicator Description: The indicator is the total membership of the farmers' organization. Criteria for membership may vary by organization. If the organization charges an annual fee (dues) then it may be the number of regular dues-paying members. If the organization does not charge dues, then it will be up to the organization to define membership. In any event, a measure of active membership is preferred.

Rationale/Critical Assumptions for Indicator: A farmers' organization that is providing valuable services to its members is more likely to grow than one that is not. Conversely, an organization that is not providing valuable services is likely to shrink. The indicator thus measures the relevance of the organization to its members and its capacity to provide valuable services such as marketing of commodities.

Data Source(s): Membership records of participating farmers' organizations.	**Disaggregation:** Disaggregated by sex of farmers' organization member.
Schedule/Frequency of Data Collection: Annually. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** For farmers' organizations that do not have a formal process for determining membership (e.g., an annual membership fee) it may be difficult to define "active" members. If a country uses a measure of "active" membership, it must apply the same definition to each farmers' organization and consistently across data collection periods.

Method/Approach of Collection/Calculation: A review of the membership records of participating farmers' organizations provides the data for this indicator. The value of the indicator for each organization is merely the number of (active) members.

Additional Comments: Case studies may provide qualitative information on the reasons for leaving a farmers' organization.

Logframe Component: Output 2.2.4

Indicator (including precise <u>Unit of Measurement</u>): Number of participating smallholder/low income farmers' organizations with ability to offer their members some form of financing for crops at harvest (e.g., by pre-purchase, credit, access to warehouse receipt systems, or other full or partial pre-payment for crops). **Unit:** Farmers' organizations
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Output 2.2.4: Mechanisms established to address participating smallholder/low income farmers' cash flow constraints
Indicator Description: Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. Financing for crops at harvest time means that the farmers' organization can (either on its own or through other organizations) either fully or partially pay its farmer members for their crops prior to the (farmers' organization) sale of the crop. Such financing may take the form of loans secured by the value of the crop, buying the crop from farmers before selling it to a buyer, or providing access to a warehouse receipt system.
Rationale/Critical Assumptions for Indicator: The need for cash at harvest time is a primary motivator for smallholder farmers to sell their crop soon after harvest. Selling soon after harvest usually implies low prices and sale to a trader on (sometimes) poor terms. A farmers' organization's ability to address this constraint is a measure of its capacity to address its members needs and may also increase the organization's marketing capacity by enhancing its ability to aggregate commodities from members.

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on the number of farmers' organizations providing some form of financing.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Structured interviews with farmers' organizations provide the data for this indicator. All participating farmers' organizations provide data for the P4P group. A random sample of similar non-P4P farmers' organizations provides the data for the non-P4P group. Question B5 of the Farmers' Organization Survey provides the data for this indicator. The value of the indicator (at the country or the global level) is the number of farmers' organizations that answer "yes" to question B5. Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the number of farmers' organizations able to offer the service.
Additional Comments: None.

Logframe Component: Output 2.2.4

Indicator (including precise <u>Unit of Measurement</u>): Number of participating farmers' organizations depositing commodities in a warehouse with a receipt system. **Unit:** Farmers' organizations	
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.	
Logframe Component: Output 2.2.4: Mechanisms established to address participating smallholder/low income farmers' cash flow constraints	
Indicator Description: Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. A warehouse receipt system is a warehouse that provides <u>both</u> 1) the ability to deposit commodities in a certified warehouse and 2) a receipt for the stored commodities that specifies the quantity and quality of commodities stored and can serve as collateral for a loan.	
Rationale/Critical Assumptions for Indicator: Warehouse receipt systems (WRS) are a promising way to address farmers' need for cash at harvest time. The WRS provides the farmer who deposits commodities in the warehouse with a receipt that can be used as collateral for a loan. Several P4P pilot countries have nascent WRSs. This indicator measures the growth in warehouse receipt systems in those countries that have them.	

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on access to, and use of, warehouse receipt systems.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Structured interviews of farmers' organizations provide the data for this indicator. Question B2_2g of the Farmers' Organization Survey provides the data for this indicator. The indicator value (at the country or the global level) is the number of participating farmers' organizations that answer "yes" to question B2_2g.
Additional Comments: None.

Logframe Component: Outcome 2.3

Indicator (including precise <u>Unit of Measurement</u>): Average quantity of staple commodities sold by participating farmers' organizations. **Unit:** Metric tonnes
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Outcome 2.3: By the end of the project, participating smallholder/low income farmers' organizations have increased access to markets for staple commodities.
Indicator Description: The average is over all participating farmers' organizations. Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities.
Rationale/Critical Assumptions for Indicator: The quantity of staple commodities sold by a farmers' organization is a key indicator of its marketing capacity. Growth in the indicator for participating farmers' organizations (relative to the baseline and comparison group) indicates an increase in marketing capacity.

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on training of farmers' organization management staff.	**Disaggregation:** Disaggregated by staple commodity. The list of relevant staple commodities is country-specific. It may also be useful to report this indicator for WFP food basket commodities only.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Review of the records of participating farmers' organizations provides the data for this indicator. The value of the indicator (at either the country or the global level) for commodity *i* is: $$indicator_i = \left(\sum_f C1\_ie_f \right) \Big/ N_f$$, where *f* indexes farmers' organizations, *i* indexes commodities, *C1_ie_f* is the row of question *C1_e* that corresponds to commodity *i* for farmers' organization *f*, and N_f is the number of farmers' organizations for which data exist. Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the quantity of staple commodities sold.
Additional Comments: Analysts will need to ensure that they convert country-specific units of measure to metric tonnes.

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Logframe Component: Outcome 2.3

Indicator (including precise <u>Unit of Measurement</u>): Average size of sale of staple commodities by participating smallholder/low income farmers' organization. **Unit:** Metric tonnes	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Outcome 2.3: By the end of the project, participating smallholder/low income farmers' organizations have increased access to markets for staple commodities.

Indicator Description: The indicator is the average size (in metric tonnes) of an individual sale by participating farmers' organizations. The average is over all individual sales and all participating farmers' organizations. Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities.

Rationale/Critical Assumptions for Indicator: As farmers' organizations increase their capacity to aggregate and market their members' staple commodities and as members increase their production, the farmers' organizations should be able to provide larger quantities and participate in larger tenders. This indicator measures one aspect of farmers' organizations' organizational and marketing capacity.

Data Source(s): Farmers' organization records provide the data for this indicator.	**Disaggregation:** Disaggregated by staple commodity. It may also be useful to report this indicator for WFP food basket commodities only.
Schedule/Frequency of Data Collection: Annually. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Review of the records of participating farmers' organizations provides the data for this indicator. The value of the indicator for commodity i in country c is:

$$indicator_{ci} = \frac{\sum_s q_{cis}}{N_{ci}}$$, where i indexes commodities, s indexes sales, q_{cis} is quantity of commodity i (in metric tonnes) sold in country i, and N_{ci} is the total number of sales

of commodity i in country c.

$$indicator_i = \frac{\sum_c \sum_s q_{cis}}{\sum_c N_{ci}}$$

The value of the indicator for commodity i over all countries is:
Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the average sale size.

Because typical sale quantities may vary considerably across commodities, the indicator should not be aggregated over commodities.

Additional Comments: Analysts will need to ensure that they convert country-specific units of measure to metric tonnes.

Logframe Component: Outcome 2.3

Indicator (including precise <u>Unit of Measurement</u>): Average number of different geographic markets sold into by participating smallholder/low income farmers' organizations. **Unit:** Geographic markets (defined by government jurisdictional boundaries)	
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.	
Logframe Component: Outcome 2.3: By the end of the project, participating smallholder/low income farmers' organizations have increased access to markets for staple commodities	
Indicator Description: Geographic markets are defined in terms of jurisdictional boundaries (e.g., international, national, province, district, town, village). For these jurisdictional areas, the different geographic markets would be 1) outside of the country, 2) within the country but outside the province/region in which the farmers' organization is based, 3) within the province/region but outside the district in which the farmers' organization is based, 4) within the district but outside the town/trading center in which the farmers' organization is based, 5) within the town/trading center but outside the village in which the farmers' organization is based, and 6) within the village in which the farmers' organization is based. Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. The average is over farmers' organizations and countries.	
Rationale/Critical Assumptions for Indicator: The geographic marketing reach of a farmers' organization is a measure of its capacity to reach more markets for its members' commodities.	

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on farmers' organization membership.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Structured interviews with farmers' organizations provide the data for this indicator. All participating farmers' organizations provide data for the P4P group. A random sample of similar non-P4P farmers' organizations provides the data for the non-P4P group. Question C12 of the Farmers' Organization Survey provides the data for this indicator. The value of the indicator is:

$$indicator = \frac{\sum_n C12\_n}{N}$$, where *C12_n* refers to the nth row of question C12 of the Farmers' Organization Survey and *N* is the total number of farmers' organizations.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the number of geographic markets accessed by farmers' organizations.

Additional Comments: This indicator measures only a farmers' organization's capacity to access markets in different government jurisdictions. It does not measure access in terms of distance. For instance, a farmers' organization that is close to the national border will be physically closer to export markets than to many domestic markets. Interpretation of this indicator should account for this distinction.

Logframe Component: Output 2.3.1

Indicator (including precise <u>Unit of Measurement</u>): Percentage of participating smallholder/low income farmers' organizations for which WFP has signed agreements with partners to provide market access support. **Unit:** Percentage of participating (P4P) farmers' organizations
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Output 2.3.1: Partnerships for addressing identified constraints facing smallholder/low income farmers' organizations' access to markets established and monitored
Indicator Description: Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. WFP should have signed agreements with supply-side partners to work with participating organizations improve market access. Market access support may include training farmers' organization staff in marketing (e.g., training in competitive tendering, contracting, pricing, export requirements, using market information, quality management, etc.),improving transportation infrastructure, etc.
Rationale/Critical Assumptions for Indicator: Providing support to farmers' organizations to improve market access is a crucial component of P4P that underpins much of the hypothesized impact of P4P on smallholder farmers. Building farmers' organizations' capacity to access markets beyond WFP also contributes to their sustainability.

Data Source(s): WFP country-office P4P implementation records.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Data are collected by reviewing country office implementation records. The value of the indicator is the number of participating farmers' organizations for which WFP has at least one signed agreement with a supply-side partner to provide market access support divided by the total number of participating farmers' organizations. Multiply the result by 100 to convert from a proportion to a percentage measure.
Additional Comments: In addition to the indicator value, country offices need to report the values of the numerator and denominator of the percentage ratio to facilitate aggregation of the indicator to the global level.

Logframe Component: Output 2.3.2

Indicator (including precise <u>Unit of Measurement</u>): Number of participating smallholder/low income farmers' organizations offering post-harvest handling services to their members. **Unit:** Participating (P4P) farmers' organizations	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Output 2.3.2: Availability of drying, cleaning, sorting, processing, and storage facilities available to participating smallholder farmers' organizations increased

Indicator Description: Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. Post-harvest handling services include any of the following: 1) drying commodities for long-term storage, 2) cleaning commodities of foreign matter, 3) removing broken/small grains, 4) removing discolored grains, 5) fumigation or other treatment to control pests in stored commodities, 6) use of cleaning facilities/equipment, and 7) use of drying facilities/equipment.

Rationale/Critical Assumptions for Indicator: Maintaining the quality of commodities and reducing loss due to pests and spoilage are key elements of increasing smallholder farmers' production and their access to markets by improving the quality of commodities offered for sale and, for storage, providing greater flexibility in the timing of sales.

Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on farmers' organization membership.	**Disaggregation:** Disaggregated by type of service (see codes in "Method/Approach of Collection/Calculation" below for definition of service types).
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Structured interviews with farmers' organizations provide the data for this indicator. Question B3_b of the Farmers' Organization Survey provides the data for this indicator. The values of the indicator by service are given by:

$$indicator = \sum_f B3\_nb_f$$, where f indexes farmers' organizations, $B3\_nb$ is the (properly coded) response to row n and column b of the Farmers' Organization Survey,

and n refers to the following services:
7 = Drying commodities for long-term storage
8 = Cleaning commodities of foreign matter
9 = Removing broken/small grains
10 = Removing discolored grains
14 = Fumigation or other treatment to control pests in stored commodities
15 = Use of cleaning facilities/equipment
16 = Use of drying facilities/equipment

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the number of farmers' organizations offering post-harvest handling services.

Additional Comments: None.

Logframe Component: Output 2.3.2

Indicator (including precise <u>Unit of Measurement</u>): Number of participating farmers' organizations with access to warehouse storage capable of maintaining long-term quality of stored commodities. **Unit:** Participating (P4P) farmers' organizations	
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.	
Logframe Component: Output 2.3.2: Availability of drying, cleaning, sorting, processing, and storage facilities available to participating smallholder farmers' organizations increased	
Indicator Description: Participating farmers' organizations are those that have the opportunity to sell to WFP under P4P. Applicable storage facilities include warehouses or sheds capable of maintaining commodity quality and preventing appreciable loss for a period of at least one year.	
Rationale/Critical Assumptions for Indicator: Long-term storage facilities are critical to a farmers' organization's ability to aggregate members' commodities, maintain their quality, access more buyers, and sell in higher-priced seasons.	
Data Source(s): The Farmers' Organization Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries provides data on farmers' organization membership.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.
Method/Approach of Collection/Calculation: Structured interviews with farmers' organizations provide the data for this indicator. Question B2_2a of the Farmers' Organization Survey provides the data for this indicator. The value of the indicator is the number of farmers' organizations who answer "yes" to question B2_2a, or: $$indicator = \sum_{f} B2\_2a_f$$, where *f* indexes farmers' organizations and *B2_2a* is the (properly coded) response to question B2_2a of the Farmers' Organization Survey.	
Additional Comments: A warehouse's ability to maintain commodity quality for a period of at least one year is contingent upon appropriate storage practices as well as the physical storage structure itself. The indicator therefore measures access to both the physical structure and appropriate practices.	

Logframe Component: Outcome 2.4

Indicator (including precise Unit of Measurement): Average percentage contribution of sale of staple commodities to household incomes of participating smallholder/low income farmers. **Unit:** Percentage of household income
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Outcome 2.4: By the end of the project, the sale of staple commodities is contributing to improved welfare for households of participating smallholder/low income farmers
Indicator Description: Household income means net income from all sources, including agriculture. Income from the sale of staple commodities means net income from the sale of staple commodities. Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities. The definition of smallholder farmer is country-specific.
Rationale/Critical Assumptions for Indicator: One way that P4P expects to increase household income is through increased production and sale of staple commodities. This indicator measures the extent to which staple commodities contribute to net household income.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by sex of the registered farmers' organization member selected for the interview. It may also be useful to report this indicator for WFP food basket commodities only.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** It is very difficult to accurately estimate household incomes and income sources of smallholder farmers. In addition to the resulting measurement error, data for this indicator are collected from a random sample of farmers so sampling error is also possible.

Method/Approach of Collection/Calculation: Structured interviews with random samples of smallholder farmers from two comparison groups – one participating in P4P and the other not participating – provide the data for this indicator. The impact indicator on page 2 describes how to calculate estimates of net household income from different sources. Use the formulas described there to calculate net income from the sale of staple commodities and net income from all income-earning activities. The value of the indicator (at both the country and global levels) is then:

$$indicator = \left(\frac{staple\,crop\,income}{total\,income} \Big/ N \right) \times 100,$$ where *staplecropincome* is household net income (in local currency) from the sale of staple commodities, *totalincome* is household net income (in local currency) from all sources, and *N* is the total number of households for which data exist.

Monetary values should be discounted to base year values before comparing to values in previous years.

Follow the instructions in "Discounting Monetary Values" on page 68 to express the indicator value in real terms.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the average percentage contribution of the sale of staple commodities to household income.

Additional Comments: None.

Logframe Component: Outcome 2.4

Indicator (including precise <u>Unit of Measurement</u>): Percentage of households with "Poor" food consumption score. **Unit:** Households	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Outcome 2.4: By the end of the project, the sale of staple commodities is contributing to improved welfare for households of participating smallholder/low income farmers

Indicator Description: The food consumption score is based on the frequency of household consumption of different food groups in a seven-day period. See "Food consumption analysis: Calculation and use of the food consumption score in food security analysis", version 1, February, 2008 prepared by WFP's VAM Unit for further description of this indicator. The definition of a "Poor' score is country specific.

Rationale/Critical Assumptions for Indicator: P4P aims to improve the well-being of smallholder farmer households. The food consumption score is one measure of well-being. Given the potential problems with measuring income change, this indicator also serves as a proxy for income because the quantity and variety of foods a household consumers should increase with increasing incomes. Other WFP surveys collect the FCS. This indicator may therefore provide an opportunity to validate results against other data from other surveys.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by sex of the registered farmers' organization member selected for the interview.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** The indicator is biased as a measure of annual food consumption. Data for the indicator are collected at the end of the harvest season rather than during the lean season. The FCS will likely be higher at this time than during the lean season.

Method/Approach of Collection/Calculation: Structured interviews with random samples of smallholder members of P4P and non-P4P farmers' organizations provide the data for this indicator. The steps in calculating the indicator value are:

1. From the (country-specific) list of foods in question C1 of the Farmer Livelihood and Agricultural Production Survey, assign each food item a weight based on the following table:

Food items	Food groups	Weight
Maize , maize porridge, rice, sorghum, millet pasta, bread and other cereals Cassava, potatoes and sweet potatoes, other tubers, plantains	Main staples	2
Beans. Peas, groundnuts and cashew nuts	Pulses	3
Vegetables, leaves	Vegetables	1
Fruits	Fruit	1
Beef, goat, poultry, pork, eggs and fish	Meat and fish	4
Milk yogurt and other diary	Milk	4
Sugar and sugar products, honey	Sugar	0.5
Oils, fats and butter	Oil	0.5
Spices, tea, coffee, salt, fish power, small amounts of milk for tea	Condiments	0

2. Add up the responses of all items in a particular food group. If the sum is greater than 7, then set the value to 7.
3. Multiply the value from (2) above by the weight assigned to the food group.
4. Add the values from (3) above for each household. This is the household's Food Consumption Score (FCS).

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5. Categorize each household into Poor, Borderline, and Acceptable FCS categories based on country-specific thresholds determined by VAM. The typical thresholds are:

FCS	Category
21 or less	Poor
21.5 – 35	Borderline
greater than 35	Acceptable

The indicator value is the percentage of households (either in the country or in the global dataset) in the "Poor" category or, $indicator = \left(N_p / N_h \right) \times 100$, where N_p is the number of households in the "Poor" FCS category (in the country or in the global dataset) and N_h is the total number of households (in the country or in the global dataset).

As an example of calculating the FCS for a household, consider the following hypothetical responses to question C1 of the Farmer Livelihood and Agricultural Production Survey. The first three columns of the table reproduce what is in the questionnaire. The remaining columns illustrate the calculation of the FCS for the individual household.

	C1. During the past 7 days, on how many days did your household consume _____?	days	Food group	Weight (step 1)	Sum of frequencies by group (step 2)	Frequency times weight (step 3)
			Calculation of FCS			
1	Maize, maize porridge, nsima	|_6]				
2	Other cereal (rice, sorghum, millet, bread, pasta etc)	|_4]	Main staples	2	7	14
3	Roots and tubers (cassava, Irish potatoes, sweet potatoes)	|_2]				
4	Sugar or sugar products	|_7|	Sugar	0.5	7	3.5
5	Beans and peas	|_2|	Pulses	3	2	6
6	Groundnuts or cashew nuts	|_0|				
7	Vegetables (including relish and leaves)	|_4|	Vegetables	1	4	4
8	Fruits	|_1|	Fruit	1	1	1
9	Beef, goat or other red meat and pork	|_1|	Meat and fish	4	2	8
10	Poultry and eggs	|_1]				
11	Fish	|_0|				
12	Oils/fats/butter	|_3|	Oil	0.5	3	1.5
13	Milk/yoghurt/other dairy	|_4|	Milk	4	4	8
					FCS (step 4)	46

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the average FCS.

Additional Comments: Given the timing of household data collection (i.e., at the end of the main harvest and marketing season) the food consumption score is likely to be at its highest value throughout the year. It may also exhibit less cross-household variation than it might if data were collected during the lean season.

Logframe Component: Outcome 2.4

Indicator (including precise <u>Unit of Measurement</u>): Average household asset score (HAS) of participating smallholder/low income farmer households. **Unit:** Average HAS	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Outcome 2.4: By the end of the project, the sale of staple commodities is contributing to improved welfare for households of participating smallholder/low income farmers

Indicator Description: The household asset score is essentially the number (from a fixed list) of assets owned by the household.

Rationale/Critical Assumptions for Indicator: The household asset score is a measure of the household's ownership of assets and serves as a measure of wealth.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by country and sex of farmers' organization member.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** The indicator can be meaningfully aggregated over countries only if all of the countries use the same list of assets.

Method/Approach of Collection/Calculation: Structured interviews with random samples of smallholder members of P4P and non-P4P farmers' organizations provide the data for this indicator. The value of the indicator for country i is:

$$indicator_i = \frac{\sum_r H1\_r}{N_h}$$, where $H1\_r$ is the rth row of question H1 of the Farmer Livelihood and Agricultural Production Survey and H_h is the number of households in country i.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the average HAS.

Additional Comments: None.

Logframe Component: Outcome 2.4

Indicator (including precise <u>Unit of Measurement</u>): Average annual household expenditure (food and non-food) by smallholder farmer households. **Unit:** Local currency	

Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.

Logframe Component: Outcome 2.4: By the end of the project, the sale of staple commodities is contributing to improved welfare for households of participating smallholder/low income farmers

Indicator Description: The definition of smallholder farmers is country-specific. Food and non-food expenditures are based on a fixed list (although countries may modify certain items) of common food and non-food items. Food items on which data are collected include maize; beans; bread; rice; fruits and vegetables; fish, meat, eggs, poultry; oil, fat, butter; water; milk and dairy products; sugar and salt, alcohol and tobacco, and soda and drinks. Non-food items include rent; milling; household items; transport and fuel; cooking and lighting fuel; medical expenses and health care; education; clothing and shoes; equipment and tools; construction and house repair; debt repayment; celebrations and social events; and remittances and gifts.

Rationale/Critical Assumptions for Indicator: P4P aims to increase the incomes of smallholder farmer households. Income is difficult to measure accurately for smallholder farmers. Annual expenditure is a proxy for income because expenditure should rise with increasing incomes.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by sex of the registered farmers' organization member selected for the interview.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** Accurate household expenditure data is difficult to obtain because of limited recall of expenditure. In addition to measurement error, the data are collected from random samples of smallholder households so sampling error may also affect the accuracy of expenditure estimates.

Method/Approach of Collection/Calculation: Structured interviews with random samples of smallholder members of P4P and non-P4P farmers' organizations provide the data for this indicator. Questions G1, G2, and G3 of the Farmer Livelihood and Agricultural Production Survey provide the data for this indicator. Expenditure for a given household is:

$$spending = \left(\left(\sum_n G1\_n \right) \times 11.87 \right) + \left(G2 \times 12 \right) + \sum_n G3\_n$$

, where *n* indexes question elements (rows) and *G1*, *G2*, and *G3* refer to questions in the Farmer Livelihood and Agricultural Production Survey.

The value of the indicator (at the country or global levels) is:

$$indicator = \sum_h spending_h \Big/ N$$

, where h indexes households and N is the total number of households for which data exist at the country or global level as appropriate.

Report the indicator in real terms (i.e., discounted to values in the baseline year). Follow the instructions in "Discounting Monetary Values" on page 68 to express the indicator value in real terms.

Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on average annual household expenditure.

Additional Comments: Accurate estimates of household expenditure are probably as difficult to obtain as estimate of income. The Farmer Livelihood and Agricultural Production Survey did not approach measurement of expenditure in as rigorous a fashion as it did income. Therefore, while the indicator is a proxy for income, it is probably not as accurate.

Logframe Component: Outcome 2.4

Indicator (including precise <u>Unit of Measurement</u>): Percentage of participating smallholder/low income farmers who are net sellers of staple commodities (i.e., produce more than they consume). **Unit:** Percentage of smallholder farmers
Objective: Objective 2. To increase smallholder/low income farmers' capacities for agricultural production and market engagement in order to raise their income from agricultural markets.
Logframe Component: Outcome 2.1: By the end of the project, participating smallholder/low income farmers have increased their marketable surpluses of staple commodities.
Indicator Description: Net sellers of staple commodities produce more than they need for household consumption. Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities.
Rationale/Critical Assumptions for Indicator: This indicator provides another perspective on production of marketable surpluses. Instead of measuring the average size of marketable surpluses (as does another indicator) it measures the percentage of smallholder households who produce more than they consume.

Data Source(s): Farmer Livelihood and Agricultural Production Survey conducted in years 1, 3, and 5 by WFP country offices in each of the 21 P4P pilot countries.	**Disaggregation:** Disaggregated by commodity and sex of registered farmers' organization member selected for the interview. It may also be useful to report this indicator for WFP food basket commodities only.
Schedule/Frequency of Data Collection: Years 1, 3, and 5. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** It is difficult for survey respondents to determine production, sales, or consumption of staple commodities accurately. Most have no records and recall may be inaccurate. In addition, the data are collected from a random sample of farmers so sampling error may also be an issue in data quality.

Method/Approach of Collection/Calculation: Structured interviews with random samples of smallholder members of P4P and non-P4P farmers' organizations provide the data for this indicator. Responses to questions C2_f and C2_g of the Farmer Livelihood and Agricultural Production Survey provide the data to calculate this indicator. To identify a respondent as a net seller of commodity i, create a new variable (ns_i) defined as follows: $$ns_i = 1 \ \ if \ C2\_f = 0 \ \ OR \ \ (C2\_f > 0 \ \ AND \ \ C2\_g = 3,4,5, or \ 6)$$ $$ns_i = 0 \ \ otherwise$$ A value of "1" for the variable ns_i indicates a household that is a net seller (or at least not a net buyer) of crop i. Calculate the number of households who produced commodity i as the number of households who reported planting or harvesting crop i during the past agricultural seasons. This will be the number of households that entered crop i into one of the cells (rows) of column a of question B7 of the Farmer Livelihood and Agricultural Production Survey. The value of the indicator is then: $indicator_i = \dfrac{\sum_i ns_i}{N_i}$, where ns_i is as defined above and N_i is the number of households who planted or harvested crop i. Follow tine instructions in "Assessing Impact" on page 68 to assess the impact of P4P on the percentage of participating smallholder farmer households who are net sellers of each commodity.
Additional Comments: None.

Logframe Component: Outcome 3.1

Indicator (including precise <u>Unit of Measurement</u>): Quantity of food purchased annually by WFP from smallholder/low income farmers' organizations. **Unit:** Metric tonnes	

Objective: Objective 3. To identify and implement best practices for increasing sales to WFP and others with a particular focus on smallholder/low income farmers.

Logframe Component: Outcome 3.1: The quantity of WFP's purchases from smallholder/low income farmer associations increases by 30% annually throughout the five-year P4P pilot phase.

Indicator Description: Quantity (in metric tonnes) of food purchased annually by WFP within each of the 21 P4P pilot countries. Modalities include competitive tendering (LRP), modified competitive tendering (LRP), modified competitive tendering (P4P), direct contracting (P4P), contracting for risk reduction/forward contracting (P4P), and developing pro-smallholder processing options (P4P). Relevant commodities include any commodities WFP procures from the 21 P4P pilot countries.

Rationale/Critical Assumptions for Indicator: This indicator will facilitate tracking of WFP local procurement through P4P and LRP. It will contribute to tracking the percentage of procurement by modality within P4P, the growth of P4P procurement (as specified in the Bill and Melinda Gates Foundation proposal), and the proportion of local procurement through P4P.

Data Source(s): WFP procurement records with cross-checking against HQ procurement records.	**Disaggregation:** Disaggregated by commodity, procurement modality, and country. Modalities include competitive tendering (LRP), modified competitive tendering (LRP), modified competitive tendering (P4P), direct contracting (P4P), and contracting for risk reduction/forward contracting (P4P), and developing pro-smallholder processing options (P4P). Countries include Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** The quality of the data will depend on how accurately country offices post procurement data to PASTFood under the appropriate activity.

Method/Approach of Collection/Calculation: Extracted directly from WFP's procurement monitoring system (PASTFood). The P4P Unit in Rome will develop queries to extract the indicator value from PASTFood.

Additional Comments: Analysts will need to ensure that they convert country-specific units of measure to metric tonnes.

Logframe Component: Output 3.1.1

Indicator (including precise <u>Unit of Measurement</u>): Number of P4P pilot countries with a documented plan for achieving the required growth increment. **Unit:** Number of P4P pilot countries	
Objective: Objective 3. To identify and implement best practices for increasing sales to WFP and others with a particular focus on smallholder/low income farmers.	
Logframe Component: Output 3.1.1: A clear (country-specific) strategy for increasing procurement of staple commodities from smallholder/low income farmers documented	
Indicator Description: The number of P4P pilot countries that have documented a plan for achieving 30% annual growth in the quantity (in metric tonnes) of commodities purchased within the country through P4P. Relevant commodities include any commodities that WFP buys.	
Rationale/Critical Assumptions for Indicator: Identifying and implementing best agricultural production and market development best practices should result in increased ability to sell to WFP. P4P also needs to project a sustained demand for commodities to provide the incentives necessary for success of P4P and to reach the intended number of beneficiaries.	
Data Source(s): Country Implementation Plans.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.
Method/Approach of Collection/Calculation: Review of country implementation and/or strategy plans by the P4P Unit in Rome.	
Additional Comments: None.	

Logframe Component: Output 3.1.2

Indicator (including precise <u>Unit of Measurement</u>): Number of P4P pilot countries with documented local-specific decision rules to minimize/avoid market distortions. **Unit:** Number of P4P pilot countries	

Objective: Objective 3. To identify and implement best practices for increasing sales to WFP and others with a particular focus on smallholder/low income farmers.

Logframe Component: Output 3.1.2: Country offices' local procurement strategies explicitly document impacts on local markets and traders

Indicator Description: This will usually be a decision rule similar to the rule for LRP not to procure locally when the price is above import parity but may also include other factors (e.g., how to calculate local purchase price. A local-specific decision rule should spell out all restrictions placed on P4P purchases so as to avoid distorting local markets. This indicator measures the number of country offices that have developed country-specific strategies to minimize/avoid potential market distortions associated with procuring locally (i.e., within regions of the country where it can potentially have a much greater impact on local markets. Documented means appearing in a written document describing procurement procedures. The P4P Unit in Rome will determine whether a documented decision rule is adequate.

Rationale/Critical Assumptions for Indicator: The risks to markets posed by P4P (i.e., increasing prices or price instability) are potentially more difficult to monitor for P4P than for LRP because the impacts may be local rather than national. A local-specific decision rule to guide P4P procurement is an important tool to minimize the potential of market risk.

Data Source(s): WFP Country Office documents – most likely the document that defines the country's local purchase strategy.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Biannually to coincide with WFP internal reporting requirements and reporting requirements to the donor (the Bill and Melinda Gates Foundation).	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Review of country office documents by the P4P Unit in Rome.

Additional Comments: None.

Logframe Component: Output 3.1.2

Indicator (including precise <u>Unit of Measurement</u>): Number of P4P pilot countries producing timely market intelligence/impact reports. **Unit:** Number of P4P pilot countries
Objective: Objective 3. To identify and implement best practices for increasing sales to WFP and others with a particular focus on smallholder/low income farmers.
Logframe Component: Output 3.1.2: Country offices' P4P procurement strategies explicitly document impacts on local markets and traders.
Indicator Description: The number of P4P pilot countries that have provided annual market intelligence or impact reports to the P4P Unit in Rome.
Rationale/Critical Assumptions for Indicator: To avoid distorting local markets, WFP must monitor markets and analyze the impact of P4P on markets. Market intelligence and impact reports formalize the process and ensure that these important analyses occur.

Data Source(s): WFP Country Office documents (probably market reports or quarterly reports).	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Aannually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: The P4P Unit in Rome serves as a repository for reports and will document which reports have been received from country offices.
Additional Comments: None.

Logframe Component: Output 3.1.3

Indicator (including precise <u>Unit of Measurement</u>): Percentage of country offices with at least one staff member trained in some aspect of local procurement specific to P4P. **Unit:** Percentage of country offices
Objective: Objective 3. To identify and implement best practices for increasing sales to WFP and others with a particular focus on smallholder/low income farmers.
Logframe Component: Output 3.1.3: Country office staff trained in P4P procurement.
Indicator Description: The indicator includes all Country Office staff involved in operations (e.g., excluding drivers, maintenance, etc. positions). Applicable training includes quality control, contracting and tendering procedures, procurement procedures, how to establish a roster, assessing suppliers, and others.
Rationale/Critical Assumptions for Indicator: Effectively implementing and managing P4P so as to meet procurement targets and manage risks requires that WFP staff is trained in local procurement practices.

Data Source(s): WFP Country Office training records.	**Disaggregation:** None,
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Country Offices report staff training to the P4P Unit in Rome. The indicator is the number of country offices with at least one staff member trained in local procurement practices specific to P4P divided by the total number of countries participating in the P4P pilot. Multiply the ratio by 100 to convert to a percentage.
Additional Comments: None.

Logframe Component: Output 3.1.4

Indicator (including precise <u>Unit of Measurement</u>): Average (over participating farmers' organizations) sales of staple commodities to processors. **Unit:** Metric tonnes
Objective: Objective 3. To identify and implement best practices for increasing sales to WFP and others with a particular focus on smallholder/low income farmers.
Logframe Component: Output 3.1.4: WFP contracts for processed foods establish minimum requirements for smallholder/low income farmer content and means of verification.
Indicator Description: Staple commodities are country-specific but generally include those that are storable for a year or more and form the basis of a traditional diet. Each country will define its own set of staple commodities. Participating farmers' organizations are those that have an opportunity to sell to WFP through P4P. Processors include any buyer that transforms the commodity into another form before reselling it. The indicator does not include sales to millers and brewers.
Rationale/Critical Assumptions for Indicator: One way P4P expects to increase smallholder farmer incomes is to facilitate the sale of commodities by participating farmers' organizations to processors. Processors represent an alternative market which may also pay a premium for higher quality commodities.

Data Source(s): Farmers' organization sales records.	**Disaggregation:** Disaggregated by commodity and country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos). It may also be useful to report this indicator for WFP food basket commodities only.
Schedule/Frequency of Data Collection: Annually. Timing varies by country based on timing of agricultural harvesting and marketing seasons.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: WFP enumerators will collect data for this indicator from the records of participating farmers' organizations. The value of the indicator is: $$indicator = \left(\sum_f q_{pf} \right) \Big/ N_f$$, where f indexes farmers' organizations, q_p is the quantity (in metric tonnes) sold to processors during the 12 month period for data collection, and N_f is the total number of participating farmers' organizations (whether or not they sold to processors).
Additional Comments: Analysts will need to ensure that they convert country-specific units of measure to metric tonnes.

Logframe Component: Outcome 4.1

Indicator (including precise <u>Unit of Measurement</u>): Financial regulations and procedures revised to support local procurement using P4P modalities. **Unit:** Yes/No	

Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.

Logframe Component: Outcome 4.1: By 2013, WFP has transformed its programming, policies, rules, and regulations to incorporate a strategic focus on local procurement with a focus on smallholder/low income farmers.

Indicator Description: Refers to a one-time revision of financial regulations and procedures to accommodate procurement from farmers' organizations.

Rationale/Critical Assumptions for Indicator: WFP's current payment provisions are not particularly friendly for farmers' organizations. Revision of financial regulations and procedures to better accommodate the constraints of farmers' organizations will enhance the ability of P4P to meet its objectives.

Data Source(s): WPF P4P Unit in Rome.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Review of financial regulations and procedures to ensure that revisions incorporate recommended changes.

Additional Comments: None.

Logframe Component: Outcome 4.1

Indicator (including precise <u>Unit of Measurement</u>): Job descriptions reflect needs/skills required to effectively manage local procurement. **Unit:** Yes/No
Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.
Logframe Component: Outcome 4.1: By 2013, WFP has transformed its programming, policies, rules, and regulations to incorporate a strategic focus on local procurement with a focus on smallholder/low income farmers.
Indicator Description: Refers to a revision of job descriptions for Country Director, Deputy Country Director, Programme Officers, and Procurement Officers to reflect the skills necessary for country offices and the P4P Unit in Rome to effectively manage local procurement. The indicator takes a value of "1" if at least one of the four job descriptions specifically mentions the skills necessary to manage local procurement.
Rationale/Critical Assumptions for Indicator: WFP is likely to manage its local procurement more effectively if it specifically recruits staff who have the necessary skills.

Data Source(s): WPF P4P Unit in Rome.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Review of HR policies to ensure that revisions incorporate recommended changes.
Additional Comments: While the indicator requires that only one of the job descriptions mention local procurement skills, analysis should note how many of the four positions have been so modified.

Logframe Component: Outcome 4.1

Indicator (including precise <u>Unit of Measurement</u>): Program Guidance Manual revised to reflect a strategic approach to local procurement. **Unit:** Yes/No	

Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.

Logframe Component: Outcome 4.1: By 2013, WFP has transformed its programming, policies, rules, and regulations to incorporate a strategic focus on local procurement with a focus on smallholder/low income farmers

Indicator Description: Refers to a revision of the agency-wide Program Guidance Manual that specifically reflects a strategic approach to local procurement (either LRP or P4P).

Rationale/Critical Assumptions for Indicator: Local procurement may have advantages (e.g., cost, timeliness of delivery, suitable to local tastes) in meeting WFP's needs but it also has potential disadvantages (e.g., procurement cost). Country Offices are more likely to use local procurement and target it effectively if they recognize that is has development objectives and explicitly consider these objectives when deciding how and when to use P4P.

Data Source(s): WPF P4P Unit in Rome.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Biannually to coincide with WFP internal reporting requirements and reporting requirements to the donor (the Bill and Melinda Gates Foundation).	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: Review of agency-wide Programme Guidance Manual to determine if it effectively addresses local procurement as a development tool.

Additional Comments: None.

Logframe Component: Outcome 4.1

Indicator (including precise <u>Unit of Measurement</u>): Number of P4P pilot country's in which risk management strategies explicitly acknowledge risks associated with pro-smallholder procurement. **Unit:** P4P pilot countries	

Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.

Logframe Component: Outcome 4.1: By 2013, WFP has transformed its programming, policies, rules, and regulations to incorporate a strategic focus on local procurement with a focus on smallholder/low income farmers

Indicator Description: This indicator measures the number of P4P pilot countries in which risk management strategies explicitly (i.e., in written form) incorporate local procurement through P4P modalities (also in written form).

Rationale/Critical Assumptions for Indicator: P4P potentially introduces unique risks into WFP's procurement process (e.g., market distortion, pipeline risks, quality risks, etc.). Building P4P procurement into country-level risk management strategies is an indicator explicit consideration of these risks and thus of institutionalizing P4P procurement models within WFP. The indicator assumes that P4P modalities are an effective way to procure locally.

Data Source(s): Country Office risk management strategy documents.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: WPF P4P Unit in Rome reviews Country risk management strategies.

Additional Comments: None.

Logframe Component: Outcome 4.1

Indicator (including precise <u>Unit of Measurement</u>): Percentage of PRROs, EMOPs, and country programmes that incorporate pro-smallholder local procurement as a programme component (disaggregated by country). **Unit:** PRROs, EMOPs, and country programmes	

Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.

Logframe Component: Outcome 4.1: By 2013, WFP has transformed its programming, policies, rules, and regulations to incorporate a strategic focus on local procurement with a focus on smallholder/low income farmers

Indicator Description: The indicator measures the number of Country Office PRROs, EMOPs, and country programmes that are in effect at a given time that explicitly mention P4P modalities as in their procurement strategies.

Rationale/Critical Assumptions for Indicator: Explicitly including P4P modalities among its strategies to procure food is an indicator that WFP is incorporating P4P into its operations. The indicator assumes that P4P modalities are an effective way to procure locally.

Data Source(s): PRROs, EMOPS, and Country Programme documents.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: WPF P4P Unit in Rome reviews Country Office PRROs, EMOPs, and country programmes to determine whether they incorporate procurement using P4P modalities. The denominator of the percentage ratio is the number of PRROs, EMOPs, and Country Programmes in effect during a given data collection period. The indicator is not cumulative.

Additional Comments: None.

Logframe Component: Output 4.1.1

Indicator (including precise <u>Unit of Measurement</u>): Percentage of pro local procurement policy proposals presented to WFP's Executive Board that are adopted. **Unit:** Percentage of presented proposals	

Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.

Logframe Component: Output 4.1.1: WFP policies reflecting pro-smallholder procurement best practices endorsed by Executive Board

Indicator Description: The P4P Unit in Rome will help develop and present the pro-local procurement policy proposals to the Executive Board. The Unit will determine which proposals are relevant to this indicator.

Rationale/Critical Assumptions for Indicator: Adoption of pro-local procurement policy proposals by WFP is an indicator that WFP is transforming its food purchase programmes to better support sustainable small-scale production.

Data Source(s): Executive Board meeting minutes and records.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: WFP P4P Unit in Rome staff will track pro-local procurement policy proposals presented to the Executive Board and document their adoption or lack thereof. The indicator value is the number of proposals adopted divided by the number presented with the quotient multiplied by 100. The indicator is cumulative over the five-year pilot project.
Additional Comments: None.

Logframe Component: Output 4.1.2

Indicator (including precise <u>Unit of Measurement</u>): Percentage of required Steering Committee and Stakeholder Group meetings convened. **Unit:** Percentage of meetings
Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.
Logframe Component: Output 4.1.2: Integration and coordination across WFP operational units relevant to P4P implementation established.
Indicator Description: Steering Committee and Stakeholder Group meetings are part of the P4P programme (at both the country office and headquarters levels). Steering Committee meets monthly and the Stakeholder Group meets every other month.
Rationale/Critical Assumptions for Indicator: Meetings of Steering Committees and Stakeholder Groups are important venues for sharing lessons across WFP operational units and is critical to widespread acceptance of identified best practices throughout the organization. Input from stakeholder groups also provides critical guidance to the implementation of P4P globally.

Data Source(s): WFP country office and P4P Unit implementation records.	**Disaggregation:** None.
Schedule/Frequency of Data Collection: Annually to coincide with WFP internal reporting requirements and reporting requirements to donors.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: WFP country office and P4P Unit in Rome staff will attend (and thus track the occurrence of) all Steering Committee and Stakeholder Group meetings. The indicator value is the number of meetings convened divided by the number required (12/year for Steering Committee and 6/year for Stakeholder Group) with the quotient multiplied by 100. The indicator is cumulative over the five-year pilot project.
Additional Comments: None.

Logframe Component: Output 4.1.3

Indicator (including precise <u>Unit of Measurement</u>): Percentage of total annual procurement from local sources. **Unit:** Percentage of quantity (i.e., weight) procured	

Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.

Logframe Component: Output 4.1.3: Country offices reliance on identified best procurement practices for local food procurement increased.

Indicator Description: Commodities from local sources includes all commodities purchased from within the countries or regions in which WFP is distributing food (including both P4P and LRP purchases).

Rationale/Critical Assumptions for Indicator: If P4P is successful, it should increase the quantity of staple commodities available and WFP's procurement of commodities from local sources.

Data Source(s): WFP country office procurement records cross checked with HQ procurement records.	**Disaggregation:** Disaggregated by type of supplier. Types of suppliers include traders, farmers' organizations, processors, etc. and by country (i.e., Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos).
Schedule/Frequency of Data Collection: Annually to coincide with annual reporting requirements.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: The P4P Unit in Rome will extract the data for this indicator from the procurement database. WFP is currently redesigning its procurement database. Specific procedures will be determined to extract the information for this indicator when the procurement database is finalized. The indicator value is total procurement from local sources (in metric tonnes) divided by total procurement (in metric tonnes) with the quotient multiplied by 100.
Additional Comments: Analysts will need to ensure that they convert country-specific units of measure to metric tonnes.

Logframe Component: Output 4.1.3

Indicator (including precise <u>Unit of Measurement</u>): Quantity of food procured locally.   **Unit:** Metric tonnes
Objective: Objective 4. To transform WFP food purchase programmes so they better support sustainable small-scale production and address the root causes of hunger.
Logframe Component: Output 4.1.3: Country offices reliance on identified best procurement practices for local food procurement increased.
Indicator Description: Local sources include commodities purchased from within the countries or regions in which WFP has operations (including both P4P and LRP purchases).
Rationale/Critical Assumptions for Indicator: If P4P is successful, it should increase the quantity of staple commodities available and WFP's procurement of commodities from local sources.

Data Source(s): WFP HQ procurement records.	**Disaggregation:** Disaggregated by commodity, procurement modality, and country. Relevant commodities include all commodities that WFP buys locally. Procurement modalities include competitive tendering (LRP), modified competitive tendering (LRP), modified competitive tendering (P4P), direct contracting (P4P), and contracting for risk reduction/forward contracting (P4P), and developing pro-smallholder processing options (P4P). Countries include Afghanistan, Burkina Faso, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Malawi, Mali, Mozambique, Nicaragua, Sudan, Tanzania, Uganda, Zambia, Democratic Republic of Congo, Liberia, Rwanda, Sierra Leone, and Laos.
Schedule/Frequency of Data Collection: Annually to coincide with annual reporting requirements.	**Data limitations and Quality Assessments:** None.

Method/Approach of Collection/Calculation: The P4P Unit in Rome will extract the data for this indicator from the procurement database. WFP is currently refining its procurement database. The P4P Unit is developing queries to extract the information for this indicator. The indicator value is the quantity (in metric tonnes) of all food procured locally during the 12 month reporting period.
Additional Comments: Analysts will need to ensure that they convert country-specific units of measure to metric tonnes.   The P4P proposal anticipates that the quantity of food WFP purchases from smallholders will increase by 33 percent annually throughout the five-year P4P pilot. This includes all food purchased from smallholder farmers under both P4P and LRP. Note that this indicator measures only local purchases and will have to be adjusted to account for the proportion of local purchases provided by smallholder farmers to determine whether WFP has met the target of doubling purchases from smallholders. It is not clear whether the increase is measured from the baseline or from some long-term average level of procurement.

Assessing Impact

The logframe specifies that some indicators should be analyzed *relative to baseline and comparison groups*. This means that the analysis should assess the impact of P4P on the indicator. The impact of P4P is the difference in the indicator value that is attributable to P4P and is calculated by comparing the change in the indicator value for participating farmers or farmers' organizations with the change in the indicator value for a comparison group of non-participating farmers or farmers' organizations.

To calculate the impact of P4P on an indicator, calculate the indicator value at the time of the baseline for both comparison groups (i.e., P4P and non- P4P), subtract the baseline value of the indicator from the current value for each comparison group, and then subtract the result for the non-P4P group from the result for the P4P group. The formula for calculating impact is:

$$impact = \left(indicator_{pc} - indicator_{pb} \right) - \left(indicator_{nc} - indicator_{nb} \right)$$

where *indicator* refers to the indicator value, *p* refers to participating farmers' organizations, *n* refers to non-participating organizations, *c* refers to the current data collection period, and *b* refers to the baseline data collection period.

The monitoring and evaluation system will collect the detailed data necessary to rigorously assess programme impacts in only a handful of "impact assessment" countries.[1] Only the impact assessment countries will be able to calculate "impact" versions of indicators based on comparison of P4P and non-P4P groups. All other countries (i.e., non-impact assessment countries) will calculate only the value of the indicator for the P4P groups.

Discounting Monetary Values

The indicator worksheets specify that all indicators measured in monetary units be discounted so that values obtained over time are comparable. Inflation, deflation and other factors mean that the value of money is not constant over time. Furthermore, each of the 21 P4P pilot countries will experience different rates of change in the value of money. To account for differences in the value of money over time, and the different rates of change in this value across different countries, those who calculate the indicator values need to discount the values collected at different points in time and in different countries to obtain comparable measures.

Each country should use 2009 (the year in which baseline data are collected) as the base year and discount any future values to the base year. Published price indices (e.g., the consumer price index) usually provides the basis for determining the rate of change in the value of money. For example, the value of a monetary indicator collected in the third year of data collection (time = t3) discounted to the baseline year (time = t0) is:

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[1] At the time of this writing, the impact assessment countries had not yet been selected.

$$V_{t0} = V_{t3} \frac{PI_{t0}}{PI_{t3}}$$

where V_{t3} is the monetary value measured in year 3, V_{t0} is the value discounted to the baseline year, PI_{t0} is the value of the relevant price index in the baseline year, and PI_{t3} is the value of the price index in year 3. The relevant price index will usually be a consumer price index (CPI) that reflects changes in households' cost of living. In countries that publish an urban and a rural CPI, the rural CPI is likely the most relevant.

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