

Evaluation Brief



Strategic Evaluation of the WFP Pilot Purchase for Progress P4P Initiative (2008-2013)

Context

The role of small-scale, sustainable farming activities as a driver for wider socio-economic goals is a central theme in the development agenda. Many development agencies, donors and governments are explicitly focusing on linking small-holder farmers (SHF) to markets.

WFP's 2008–2013 Strategic Plan provided a favourable context for P4P through its corporate shift from food aid to food assistance. The Strategic Plan (2014–2017) retained and built on this shift by focusing on the broader development outcomes of WFP's operations with an explicit reference to leveraging WFP's purchasing power to connect SHFs to markets.

Purchase for Progress Pilot Initiative

P4P is the largest trust fund and pilot initiative managed by WFP to date, with contributions totalling USD 166 million covering 20 pilot countries and the Headquarter based coordination unit between 2008 and 2013, with a recent extension of one year.

The intended impact of the initiative is *"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."* The hypothesis, as stated in the P4P Primer is: "Increased income = Increased productivity + Capacity for aggregation and Quality Assurance + Market development + Enabling environment".

P4P applied four Approaches: use of Farmer Organisations (FOs) and capacity building partnerships; support to emerging structured demand platforms; purchase from emerging traders; and developing local food processing capacity.

Objectives and Scope of the Evaluation

The evaluation's objectives were to: i) Assess and report on the quality and results achieved by the P4P globally, in twenty countries, from 2008 - end 2013; and ii) Assess the extent to which the results

and learning can be used to inform the implementation of WFP's current Strategic Plan; and the development of relevant policies, strategies, guidance and tools to mainstream those Approaches found to be relevant, effective, efficient and sustainable.

Key Findings and Conclusions

Relevance: P4P was relevant to the needs of national governments and development partners, and aligned with WFP's mandate, Strategic Plan and policies. Insufficient attention was paid to the differentiation in SHF beneficiary groups. P4P's objectives were undermined by rapid scale-up, and by incomplete articulation of the theory of change especially identification and testing of key assumptions. In relation to design appropriateness for achieving development impact, some key assumptions proved problematic in a number of countries.

Gender issues were not initially well addressed in P4P design but this has improved during implementation.

Effectiveness: Clear models and guidance on best practice, essential for WFP to mainstream P4P approaches and for other stakeholders to use, have yet to be identified and promulgated.

There has been some measurable improvement in the capacity of FOs supported through partnership arrangements and this was the most common Approach applied across the 20 countries. However, improvement has been slower and less than envisaged. Compared to FOs, there is little evidence to assess the extent to which SHFs capacities have been built. However, anecdotal information collected through country visits suggested P4P-supported farmers are adopting improved production and post-harvest technologies.

Working with commodity exchanges has produced some results in Malawi, but not in the other four countries that applied this Approach. Purchasing from emerging traders has only been tested on a very limited scale and further testing would be beneficial. There is insufficient evidence to evaluate the effectiveness of developing local food-processing capacity, applied in six countries.

Efficiency. P4P was not designed in a way that facilitated the assessment of value for money, as the pilot design did not clearly establish comparable measurement of outputs produced (e.g. capacity built) and the costs of producing those outputs. Financial reporting focused on meeting donor requirements rather than testing the financial viability and cost-efficiency of the Pilot's four Approaches. As a result it has not been possible to make an overall assessment of the cost-efficiency of P4P, which is an important consideration in relation to mainstreaming.

Impact. P4P has had important benefits for WFP in terms of host-government perceptions of it as a development partner. It has enhanced WFP's corporate commitment to support FOs and small-scale production, resulting in significant increases in WFP's procurement from them using P4P Approaches. At farmer-organization level increased sales were observed in almost all countries where data were available. However, there was no evidence that these sales had led to increased SHF income attributable to P4P, and evidence of increased production attributable to P4P could be found in only one country.

Sustainability. Some level of sustainable capacity in FOs may have been developed, but continuing support will be required to enable lower-capacity FOs to continue to supply to WFP. It is not clear that they will continue to supply premium-quality products if there is not a consistent demand from WFP and if they do not receive continuing capacity-building support. While there have been some promising results, further analytical work is required to demonstrate that procurement is viable within normal cost parameters.

Mainstreaming Some aspects of P4P are ready to be mainstreamed. This includes the procurement adaptations and provision of procurement-related supply-side support to FOs. The core area where further testing is required concerns whether supply-side capacity-building can, indeed, lead to FOs being able to supply to WFP and others in the longer term through competitive tendering. Any further testing should be dependent on the completion of the pilot in 2015, along with further cost-benefit analysis and development of best practice models and practical guidance for future P4P-like work.

Piloting. P4P benefited from very strong support from WFP management at the highest level. Tension between P4P's twin aims of learning and achieving results could also have been reduced had greater consideration been given at the design

phase to evidence requirements. The M&E framework led to the most important data collection exercise undertaken by WFP, but its effectiveness was limited by the partial articulation of the theory of change at an early stage. In addition, the design of P4P did not include measures to track and measure cost-efficiency. These limitations, combined with the rapid increase in the number of participating countries, with varying implementation arrangements, funded by a range of donors, constrained comparability of cases tested by the pilot.

Partnerships. These have ranged from strategic high-level collaboration with Rome-based and other agencies as well as donors, to various types of partnership related particularly to supply-side capacity-building. There is potential for WFP to involve FAO in particular, along with potential donors, in the design of future mainstreaming or further testing of P4P activities. Options for joint funding and programming are worth pursuing. The P4P pilot initiative contributed significantly to an evolution of WFP's partnerships with host governments, strengthening sustainability of achievements, particularly where governments have sought to buy directly from SHF/FOs for national food reserves and other public programmes.

Recommendations

The following strategic recommendations are supplemented by more detailed suggestions in the evaluation report.

1. WFP to complete the Global Learning Agenda, analysis of existing data and assessment against outstanding questions.
2. Focus future programming activity where favourable conditions exist or can reasonably be expanded, strengthened or promoted.
3. WFP should concentrate on its areas of comparative advantage by mainstreaming the demand-side of P4P-like programmes, and placing less emphasis on developing its supply-side capability where there are already many players
4. WFP to consider whether and how systems may need to be adapted at global, regional and country level to support mainstreaming of P4P-like activities where viable.
5. WFP to develop guidelines for future pilots.



Reference: Full and summary reports of the evaluation and the Management Response are available at www.wfp.org/evaluation For more information please contact the Office of Evaluation WFP.evaluation@WFP.org