

# Internal Ex-Post Evaluation for Technical Cooperation Project

conducted by Vietnam office: October, 2011

Country	The Project for Strengthening of food Industries Research Institute
Viet Nam	

## I. Project Outline

Project Cost	605 million yen	
Project Period	September 2002 - September 2007	
Implementing Agency	Food Industries Research Institute (FIRI)	
Cooperation Agency in Japan	N/A	
Related Projects (if any)	Japanese cooperation: Dispatch of JICA experts to FIRI in food processing techniques (April-September 1999)	
Background	In Vietnam, small- and medium-scale food processing enterprises (SMEs) have played an important role in economic development by production of high value added agricultural products and by processing, distribution and consumption of farm surpluses. Also, after the realization of the ASEAN Free Trade Area (AFTA), the production of high value-added processed foods with quality has become more important for Vietnam to have a comparative advantage in the area. FIRI is a national institute in charge of researches for producing high value added foods, diversifying processed foods and offering technical instructions to food processing SMEs. However, FIRI lacked financial source, skill, equipment and capable researchers to fulfill its function nationwide.	
Inputs	Japanese Side	Vietnam Side
	<ol style="list-style-type: none"> <li>1. Experts: 8 for Long term, 21 for Short term</li> <li>2. Trainees Received: 36</li> <li>3. Equipment: 116 million yen</li> <li>4. Local Cost: 8 million yen</li> </ol>	<ol style="list-style-type: none"> <li>1. Staff allocated: 49 persons</li> <li>2. Equipment: Laboratory equipment</li> <li>3. Local Cost: 271,722 US dollar</li> <li>4. Buildings and facilities of FIRI</li> </ol>
Project Objectives	Overall Goal The food processing technologies are improved in small-and medium-scale food processing firms in Vietnam.	
	Project Purpose FIRI's capability of developing food processing technology is strengthened and the function of Food Industries Research Institute (FIRI) as an institute which offers required information for certification is strengthened.	
	Outputs Output 1: The characteristics of quality of major processed foods in Vietnam are clarified Output 2: FIRI researchers improve their ability of application for the utilization of microorganisms and enzymes. Output 3: FIRI researchers improve their ability to examine and analyze the components and the qualities of the processed foods required for the domestic certification. Output 4: FIRI researchers improve their capability for the technical guidance in the quality control and food processing to small- and medium-scale food processing firms.	

## II. Result of the Evaluation

Summary of the Evaluation
<p>FIRI is a national institute in charge of researches for producing high value added foods, diversifying processed foods and offering technical instructions to food processing SMEs. However, FIRI lacked financial source, skill, equipment and capable researchers to fulfill its function nationwide.</p> <p>This project has well achieved the project purpose of strengthening FIRI's research and information dissemination capabilities as shown in the approval of four utility solutions (intellectual property rights) of food processing techniques, 44 technical guidance to food processing SMEs, as well as the acquisition of the ISO accreditation. In consequence, the project has continued to achieve the overall goal of improving SMEs' food processing techniques. As for sustainability, some problems have been observed in terms of financial aspects due to lack of budget for spare parts of expensive laboratory equipment items.</p> <p>For relevance, the project has been highly relevant with Vietnam's development policy, development needs, as well as Japan's ODA policy. For efficiency as well, the project period was as planned but the project cost were much higher.</p> <p>In the light of above, this project is evaluated to be satisfactory.</p>

1 Relevance
<p>This project has been highly relevant with Vietnam's development policy "promotion of small- and medium-scale food processing enterprises as set in the Scio-Economic Development Plans 2001-2005 &amp; 2006-2010", development needs "high quality food processing nationwide" as well as Japan's ODA policy for Vietnam, at the time of both ex-ante evaluation and project completion. Therefore, its relevance is high.</p>

## 2 Effectiveness/Impact

This project has largely achieved the project purpose of strengthening FIRI's research and information dissemination capabilities for its target indicators: it applied for intellectual property right on six utility solutions of food processing techniques by the end of the project, and four of them have been approved (example: generic method of improving strain). Also, technical guidance on food processing was given to SMEs 44 times. In March 2007, the FIRI laboratory was certified according to VILAS259 (Viet Nam Lab. Accreditation Scheme, same as ISO17025 – calibration and testing laboratories).



Entrance to the laboratory



Doing analysis

The achievement level of the overall goal of improving SMEs' food processing techniques is high, too. Since the terminal evaluation of this project in May 2007, FIRI has been transferring technologies related to Project results to 21 food processing SMEs. Some SMEs have tried to apply the technologies to make their products more marketable and profitable. For example, some SMEs could make the color of fermented sour shrimp sauce (their product) more attractive and shorten the time of fermentation.

Therefore, effectiveness/impact of this project is high.

### Achievement of the project purpose and the overall goal

Outcomes	Indicators (planned)	Actual
Overall goal Food processing technologies are improved in food processing SMEs in Vietnam	20 SMEs receive technology transfer by FIRI and their processing techniques are improved.	<u>At ex-post evaluation</u> 21 SMEs received technology transfer by FIRI and processing techniques of some of them were improved.
Project purpose FIRI's capability of developing food processing technology is strengthened and the function as an institute which offers required information for certification is strengthened	(i) 6 utility solutions are applied (ii) 40 proceedings are presented. (iii) 35 times technical guidance are given to food processing SMEs.	<u>At project completion</u> (i) Same as plan; 4 of them were approved. (ii) Same as plan (iii) 44 times technical guidance

Sources: terminal evaluation report, expert completion report, interviews with counterparts and observation of the operation of the laboratory at FIRI

## 3 Efficiency

While inputs were appropriate for producing outputs of the project and project period was as planned (ratio against plan 100%), project cost was significantly higher than the plan (ratio against plan: 159%) due to an increase in the number and fields of Japanese experts after the mid-term evaluation because necessary activities to achieve Output 4 had not been fully undertaken by the time of mid-term evaluation. Therefore, efficiency of the project is fair.

## 4 Sustainability

No problem has been observed in policy background, technical and structural aspects of the executing agency. However, the project has some problems in financial aspects of the executing agency due to lack of budget for spare parts of expensive laboratory equipment items. This issue is considered to be more important when the executing agency becomes self-reliant after 2013 according to Decree 96/2010/ND-CP (September 2010) on the status of national scientific and technological research and development organizations, and thus the agency has to be more business-oriented and efficient in its operation. Therefore, sustainability of the project is fair.

## III. Recommendations & Lessons Learned

### Recommendations for Implementing agency:

When FIRI has to be more business-oriented, the staff has to improve the quality of the research, technology transfer to SMEs, the efficiency in operating the equipment. To some extent, such transform will be a good chance for FIRI to improve its efficiency as a whole. To have a successful transformation, FIRI can consider seeking more support from Ministry of Industry and Trade (supervising ministry) or business consultant to development business plan. A marketing/business development division can be established to get more clients for technology transfer and testing service and allow researchers focusing on the quality of their work rather than collecting more business.