

Summary of the Evaluation

I. Outline of the Project	
Country: Vietnam	Project Title: Project on Capacity Development on Artisan Craft Promotion for Socio-economic Development in Rural Areas in Vietnam
Issue/Sector:	Cooperation Scheme: Technical Cooperation Project
Division in Charge: Vietnam Office	Total cost (as of the time of evaluation): 447,470,000 JPY
	Partner Country's Implementing Organization: Department of Processing and Trade for Agro-Forestry- Fisheries Product and Salt Production, Ministry of Agriculture and Rural Development (MARD-DPT)
Cooperation Period	(R/D): 22 nd of October, 2008
	Three years (Nov. 2008 – Oct. 2011)
Supporting Organization in Japan: JICA in collaboration with Nippon Koei Co., Ltd.	
<p>1. Background of the Project</p> <p>Government of Vietnam has promoted rural industry development for socio-economic growth in the rural area to narrow the gap among regions as well as among ethnic groups, which was one of the key strategies of the Vietnam Socio-Economic Development Plan 2006-2010.</p> <p>Following the implementation of the two Master Plan Studies, “Study on Artisan Craft Development Plan for Rural Industrialization in Vietnam (in 2004)” and “Study on Improvement of Rural Living Conditions in Northwestern Mountainous Regions in Vietnam (in 2008)” and based on the request of technical cooperation from Government of Vietnam, “the Project on Capacity Development on Artisan Craft Promotion for Socio-economic Development in Rural Areas in Vietnam (hereinafter, referred to as “the Project”) ” has been implemented by Ministry of Agriculture and Rural Development (MARD) with technical cooperation of Japan International Cooperation Agency (JICA).</p> <p>The Project aims at the establishment of the comprehensive model for rural industry development and for community people's livelihood improvement in the rural areas, through conducting the Project activities in the pilot sites selected in the four provinces of the north-west region, Dien Bien, Hoa Binh, Lai Chau and Son La Provinces. The Project period is for three years from December 2008 to November 2011.</p>	
<p>2. Project Overview</p> <p>(1) Overall Goal</p> <p style="padding-left: 40px;">Good and competitive products which utilize local resources are developed in areas similar with the target areas by applying the model established by the Project</p> <p>(2) Project Purpose</p>	

Comprehensive model for rural industry development is established through practical activities including developing good and competitive products which utilize local resources and contribute to increase of people's income

(3) Output

Output 1:

Structure for rural industry development is enhanced by strengthening network among relevant government agencies, social organizations, communities and other stakeholders including private enterprises and non-governmental organizations.

Output 2:

Capability of central and local agencies related to rural industry development is enhanced.

Output 3:

Activities for rural industry development in the selected pilot sites are enhanced for establishing model, aiming at improving people's living conditions.

Output 4:

The experience for rural industry development both in the targeted area and in the pilot sites are shared with other areas.

II. Evaluation Team

Member of the evaluation team	Mr. Takafumi Ueda Mr. Satoshi Yamamoto Dr. Yoko Ishida Ms. Yoshiko Takahashi	Leader, JICA Cooperation Planning, JICA Evaluation Analysis I, Internaional Development Center of Japan Evaluation Analysis II, Y's Consulting Office
Period of the Review	4 September 2011 – 27 September 2011	Type of Evaluation: Terminal Evaluation

III. Results of Evaluation

III-I Achievemnt of Outputs

(1) Projeyct Outputs

Output 1: During the implementation, the Project has collaborated with sixty-seven (67) organizations and individuals. These collaborations were mainly on technological aspects as well as marketing and public relations. The organizations collaborated are Vietnam Handy Craft Research and Promotion Center (HRPC: local NGO), Fruit and Vegetable Research Institute (FAVRI), National Institute of Agriculture Planning Program (NIAPP), Food and Industry Research Institute (FIRI), Vietnam Fine Arts Museum (shop), Hanoi University of Industrial Fine Arts, Hanoi Architectural University, Hanoi National University, Vietnam Public Information Online and many others.

Output 2: Capacity of central and local C/Ps on rural industry development has been enhanced not only by the training provided but also through the practical activities of the Project such as participating in exhibitions, utilizing network with other organizations for support services, developing new products (organic tea, apple wine, handicrafts) and

monitoring activities on the pilot projects. C/Ps facilitated necessary support services to the pilot projects by introducing specialized institutes or individual technical experts from their existing network. The C/Ps of each DARD have also carried out monthly monitoring activities on the pilot projects since February 2011. Training for central and local government officers have been organized four (4) times by the Project in Vietnam and twenty-four (24) C/Ps and officers relevant participated in C/Ps Training in Japan. (Refer to ANNEX-3 Achievement Grid Output2.)

Output 3: Eight (8) pilot projects have been implemented in the four (4) provinces for establishing model aiming at improving people's living conditions through the activities of the Project. The degree of the impact on producers (indicator 3.4) has been increased at the moment of the terminal evaluation. However, the level of impact of the pilot projects on agricultural processing production and handicraft are different mainly due to the initial level of experience in conducting business activities. The brocade cooperatives have acquired technical knowledge and skills through the project activities, although three cooperatives out of four are facing difficulties on cooperative management.

Output 4: The Project organized the first 2-day study tour to visit Pilot projects, for which DPT played a major role. DPT and DARDs in four provinces received the tour participants. According to the DPT, the participants from twenty three (23) provinces were mostly satisfied and they mentioned that local officers could learn from other local officers, and that it was important to know existing needs first and then plan a project to meet the needs. The latter was emphasized by an officer from a province, where their Craft Village had some difficulties. The 2nd study tour and Experience Sharing Workshop will be organized in October, 2011.

(2) Project Purpose

The Evaluation Team understands "Comprehensive model for rural industry development" as a model of the Government both at the central and local levels to facilitate and provide support services to local enterprises/groups.

Although at the time of the Terminal Evaluation, some of the Outputs have yet to be achieved. The Project purpose is likely to be achieved to some extent by the end of the Project.

The "Case Study Report" and the "Practical Manual" based on the experiences of the Pilot activities are being drafted mainly by the Japanese Experts. The laws and decrees collection is going to be drafted mainly by DPT (Objectively Verifiable Indicator 1).

The capacity of the local government officers in charge has been enhanced to some degree as shown in the results of Output 2 through the pilot projects. However, it is not clear whether the individual capacity developed will lead to the improvement public services for the rural industry development (Objectively Verifiable Indicator 2).

III-II Outline of Evaluation Results

(1) Relevance

Relevance to Vietnamese and Japanese Policy

The Overall Goal is still consistent with Vietnamese National Policy and with Japanese

government assistance policy to Vietnam.

According to the ex-ante evaluation form, the Overall Goal of the Project is relevant with the Vietnam Socio-Economic Development Plan 2006-2010 and the MARD 5-year Plan 2006-2010. At the time of the terminal evaluation, the new Vietnam Socio-Economic Development Plan 2011-2015 has not been officially released yet; however, the government policy is likely to continue to give priority to poverty reduction and gap narrowing among the regions and among the ethnic groups, which means the Overall Goal of the Project is relevant with the Vietnamese national development policy and agriculture development policy at the time of the terminal evaluation in September 2011.

Japan's Country Assistance Program for Viet Nam (July 2009) has the three development goals of 1) support for the goal to emerge from the status as a low income country and to become an industrialized nation; 2) support for improving the living conditions of the Vietnamese people and realizing a fair and just society; and 3) support for sustainable development.

Relevance to Needs of Target Group

Target group of the Project are personnel in both central and local government, personnel in social organizations and community people who are in charge of rural industry in the region, as shown in PDM. The role and objective of "comprehensive model" has not been fully discussed. Institutional structure of the public support service for rural industry development has not been established by the Project yet. Therefore, the Project Purpose is still relevant to the needs of the target group of the Project. The needs to raise income and improve living conditions are still high among beneficiaries, which show the Project Purpose is relevant to the needs of beneficiaries, as well.

(2) Effectiveness

Effectiveness of the Project is moderate.

The first indicator of the Project Purpose "practical manual and case study report are developed" is most likely achieved because the case study report and the manual are being drafted mainly by Japanese Experts and the laws and decrees collection is being drafted mainly by C/P.

It is likely that the second indicator of the Project Purpose "degree of satisfaction of beneficiaries" will be achieved by improving quality of public support services, within the next 2 months.

(3) Efficiency

Efficiency of the Project is moderate.

Project Title "the Project on Capacity Development on Artisan Craft Promotion for Socio-Economic Development in rural Areas in Vietnam" caused confusions about whether the target area of the project was the 4 target provinces, as shown in PDM's target area, or the whole country, as Project Title may imply. Financial management of the Project has been conducted according to the Action Plan and needed MARD approval. Provincial Council for Rural Industry Development was not established, as initially planned.

These events mentioned above caused the delay of MARD approval of the Action Plan and the official commencement of the Project in the first year of the Project (January to December 2009).

Although the actual implementation period of the Project was shortened, most of the project activities have been implemented according to the Action Plans, which are not fully in line with the

Project PDM.

(4) Impact

Some positive and negative impacts are observed as follows:

Positive impacts in the pilot sites are:

- The awareness of the female cooperative members have been improved and understanding of and support for their income generation activities from the family members are improved.
- In Son La and Hoa Binh Provinces, PPC/DPC/CPC and DARD/sub-DARD plan to enhance the handicraft pilot projects and to start Craft Village Program through tourism promotion.
- Linkage between Na Sang II cooperative and the cooperative they visited during the study tour to Laos has been getting more active and Na Sang II has already received orders.
- Wine producer in Son La could get ISO22000 certificate.
- Organic tea production in Than Uyen has developed community people's awareness and interest in organic grown products.
- Various business and other relationship between Hoa Binh and other three provinces was developed.

There is possibility of negative impact that non-beneficially community members may feel that they do not receive any direct benefits in the short term from the Projects, if public support services are not fully developed.

(5) Sustainability

Sustainability of the Project is moderate.

Rural industry development will be one of the key strategies of the Vietnamese government's policy and MARD/DPT shows the commitment to secure the budget to disseminate the experiences and learning from the pilot projects to the other areas in the target provinces and to the other provinces.

For example, DARDs in Lai Chau and Hoa Binh Provinces have developed a concrete plan to provide support services to promote tea production based on the Project experience. DARDs in Hoa Binh and Son La Provinces are formulating a plan to establish a Craft Village by utilizing Project achievement.

Based on the manual developed by the Project, the central and local governments are likely to strengthen their support service for rural industry development.

III-III Factors that promoted realization of effects

(1) Relate to Components of the Plan

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(2) Relate to Implementation Process

Japanese Expert Team and Vietnamese Experts have fully efforted to succeed Pilot Projects.

III-IV Conclusion

To develop rural industry, various support services are needed: for example, management, production technology, marketing, finance etc., and various organizations at the central and local levels are needed to be involved.

During The Terminal Evaluation Period, various good practices and outputs were observed in the pilot sites. The Terminal Evaluation Team hopes that the Government of Vietnam will successfully develop a network of service providers based on the wide variety of lessons and experiences of the Project.

III-V Recommendations

The Terminal Evaluation Team recommends, before the termination of the Project, that experiences and lessons learnt from the pilot projects should be reviewed and discussed based on the case study report by the Project,:

The Team also recommends to DPT that, based on the manual prepared by the Project, roles and responsibilities of the central and local governments and the central and local relevant organizations/groups should be fully clarified for rural industry development

III-VI Lessons Learnt

The followings are the lessons learnt from the Project, which need to be utilized to improve the future project implementation:

- (1) Common understanding of nature of the Japanese technical cooperation should be developed prior to the project commencement, which can be the key pre-conditions.
- (2) Terminologies used in PDM, such as “model” and “project” as in pilot project, needs to be explained clearly. When the Project find that there are unclear terminologies, they should be clarified and agreed by the Project whenever those are found.
- (3) Selection criteria of pilot sites need to be transparent in order to prepare the model for dissemination through pilot project implementation.