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| Country Name | The One Village One Product Promotion Project |
| Federal Democratic Republic of Ethiopia | |

I. Project Outline

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| Background | Rural and agricultural development was of great importance for Ethiopia since approximately 85% of the population lived in rural areas and more than 40% of GDP was produced by the agricultural sector in 2009. The Southern Nations, Nationalities, and Peoples' Regional State (SNNPR) was rich in biodiversity and favorable conditions for agricultural development in terms of climate, soil and water resources. Vegetable, fruits, spices, coffee and oilseeds produced in SNNPR had been well known in the country. However, despite of its high potentials, local farmers' activities were limited to production of primary commodities but not extended to processing, distributing and marketing of agricultural products. | | | | | | | | | | |
| Objectives of the Project | Through establishing the One Village One Product (OVOP) system and preparing an OVOP dissemination/scaling-up framework, the project aimed at promoting rural business based on local resources in the target communities, thereby contributing to diversifying the livelihoods of local farmers. | | | | | | | | | | |
| | <ol style="list-style-type: none"> Overall Goal: The livelihoods of local farmers are diversified through implementing OVOP approach. Project Purpose: The target communities are activated by promoting rural business based on local resources. | | | | | | | | | | |
| Activities of the Project | <ol style="list-style-type: none"> Project Site: 5 woredas (districts) (Andracha, Arba Minch Zuria, Boloso Bombe, Geta, Lanfaro) in SNNPR Main Activities: <ol style="list-style-type: none"> establishment of the proposal application and approval system to facilitate OVOP activities, establishment of the OVOP business support system, establishment of the OVOP group monitoring system, preparation of the operational framework for OVOP dissemination/scaling-up. Inputs (to carry out above activities) <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Japanese Side</td> <td style="width: 50%;">Ethiopian Side</td> </tr> <tr> <td>1) Experts: 5 persons</td> <td>1) Staff Allocated: 98 persons</td> </tr> <tr> <td>2) Trainees Received: 24 persons</td> <td>2) Land and Facilities: project offices, land for OVOP groups, etc.</td> </tr> <tr> <td>3) Equipment: vehicles, motorcycles, PCs, printers, etc.</td> <td>3) Local Cost: cost for utility of offices (electricity, water and telephone) and operational cost</td> </tr> </table> | | | Japanese Side | Ethiopian Side | 1) Experts: 5 persons | 1) Staff Allocated: 98 persons | 2) Trainees Received: 24 persons | 2) Land and Facilities: project offices, land for OVOP groups, etc. | 3) Equipment: vehicles, motorcycles, PCs, printers, etc. | 3) Local Cost: cost for utility of offices (electricity, water and telephone) and operational cost |
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| Project Period | March 2010 - May 2015 (extension: June 2014 - May 2015) | Project Cost | (ex-ante) 380 million yen, (actual) 445 million yen | | | | | | | | |
| Implementing Agency | Ministry of Agriculture (MoA), Bureau of Agriculture (BoA), Southern Nations, Nationalities, and Peoples' Regional State (SNNPR) | | | | | | | | | | |
| Cooperation Agency in Japan | None. | | | | | | | | | | |

II. Result of the Evaluation

<Special perspectives to be considered at the ex-post evaluation>

- The target area for the Overall Goal was not specifically stated in the project design. In the terminal evaluation report of the project, the entire area of SNNPR was deemed as the target area. It was because one of the outputs produced by the project (Output 4) was to prepare an operational framework for dissemination and scaling-up of the OVOP approach at federal and regional level. Therefore, based on the terminal evaluation report, the achievement level of the Overall Goal was assessed at the regional level, namely the entire area of SNNPR.

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| I Relevance |
| <p><Consistency with the Development Policy of Ethiopia at the Time of Ex-Ante Evaluation and Project Completion></p> <p>The project was consistent with the development policies of Ethiopia at the time of ex-ante evaluation and project completion. The national development policies and plans of the "Plan for Accelerated and Sustained Development to End Poverty (PASDEP)" (2005/06-2009/10), "Growth and Transformation Program I (GTP I)" (2010/11-2014/15) and GTP II (2015/16-2019/20) have aimed at the alleviation of poverty via economic growth by agriculture emphasizing the building of capacities of small-scale farmers.</p> <p><Consistency with the Development Needs of Ethiopia at the Time of Ex-Ante Evaluation and Project Completion></p> <p>The project was consistent with the needs of Ethiopia at the time of ex-ante evaluation and project completion. While rural headcount poverty declined from 45% in 2000 to 26% in 2016, it was still more than 10 points higher than the one of urban areas which was 15% in 2016. Along with agricultural development, income generation and job creation has been highly needed for rural communities.</p> <p><Consistency with Japan's ODA Policy at the Time of Ex-Ante Evaluation></p> <p>The project was consistent with the Japan's ODA policy for Ethiopia at the time of ex-ante evaluation. In the "Country Assistance Program for the Federal Democratic Republic of Ethiopia" (June 2008), one of the five priority areas was agricultural/rural development focusing on stabilization of food production and enhancement of production capacity, and diversification of income from other than agriculture.</p> <p><Evaluation Result></p> <p>In light of the above, the relevance of the project is high.</p> |

2 Effectiveness/Impact

<Status of Achievement of the Project Purpose at the time of Project Completion>

The Project Purpose was achieved by the time of project completion. A total of 22 groups out of the 25 OVOP groups surveyed at the time of project completion (88%) generated profits from their OVOP activities (Indicator 1). All of the 25 groups surveyed were satisfied with the OVOP services and activities provided by the project (Indicator 2). Out of the 25 groups surveyed, 19 groups (76%) conducted activities at their own initiatives including information exchange meetings and study tours with the members and non-members of the groups (Indicator 3).

<Continuation Status of Project Effects at the time of Ex-post Evaluation>

The project effects have partially continued since the time of project completion. According to the interviews with the woreda offices, 33 groups out of the 41 OVOP groups organized by the project (80%) kept operating their businesses. Among 21 OVOP groups surveyed by the ex-post evaluation, 15 groups (71%) continued their activities and 13 groups (87%) have generated profits. No new group was established after the project completion. According to the 21 OVOP groups surveyed, 12 out of 48 OVOP partners worked with the groups during the project period have continued their businesses after the project, and 15 OVOP groups currently operating have continuously used the service provided by the partners. In addition, the 15 groups have continued to hold regular meetings with the management members and general assemblies for group members.

The OVOP services supposed to be provided by the Rural Job Opportunity Creation and Development Agency (RJOCDA) have been discontinued because the administrative support for OVOP activities has not been explicitly mandated to RJOCDA despite the official transfer of the responsibility from BoA to RJOCDA in 2014. However, in some woredas such as Arba Minch Zuria and Boloso Bombe, the Woreda Cooperative Offices keep providing the OVOP support services instead of RJOCDA, and the businesses in these two woredas have been profitable. The OVOP implementation plan for dissemination formulated by the project has neither been disseminated nor implemented due to unclear responsibilities for its dissemination and implementation.

<Status of Achievement for Overall Goal at the time of Ex-post Evaluation>

The Overall Goal has not been achieved at the time of ex-post evaluation. Although it was expected to diversify local farmers' livelihoods in the entire area of SNNPR through the dissemination of OVOP approaches, the OVOP activities have not been extended to other areas other than the project target areas because the responsibility for the dissemination has not been clearly assigned to RJOCDA. Therefore, non-farming income in local area has not been increased (Indicator 1) and OVOP products have not become commercially viable in other areas (Indicator 2). Regarding the development of new income generation methods in the target areas (Indicator 3), the majority of the groups continuing their OVOP activities have not introduced new products because their original products were profitable, and they didn't feel any necessity to develop new products.

<Other Impacts at the time of Ex-post Evaluation>

According to the interviews with the OVOP group members, the project has made gender-related positive impacts. Since male members were also trained in the project on some food processing skills such as ensete (Ethiopian banana) processing which have been traditionally handled by women in communities, the men started working on those activities with women. The business of ensete processing keeps making profits. Besides, the female group members have been assigned in responsible duties such as chairperson, accountant, etc., and it has helped female members to improve their capacities on communication, teamwork and leadership. No resettlement and land acquisition were caused by the project, and no other negative impact on natural, social and economic environment has been observed.

<Evaluation Result>

Therefore, the effectiveness/impact of the project is fair.

Achievement of Project Purpose and Overall Goal

| Aim | Indicators | Results |
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| Project Purpose: The target communities are activated by promoting rural business based on local resources. | Indicator 1 At least 60 % of OVOP groups generate profits from OVOP activities. | Status of the Achievement: Achieved (partially continued) (Project Completion) A total of 22 groups out of 25 groups surveyed by the project (88%) generated profits at the time of project completion. (Ex-post Evaluation) <ul style="list-style-type: none"> ● According to the interviews with woreda offices, 33 OVOP groups out of the 41 groups established by the project (80%) keep operating their businesses. ● Out of 21 groups surveyed by the ex-post evaluation, 15 groups (71%) continue their activities. Out of these 15 groups, 13 groups (87%) keep generating profits from their activities. |
| | Indicator 2 60% of OVOP groups are satisfied with OVOP services and activities. | Status of the Achievement: Achieved (partially continued) (Project Completion) All of the 25 groups surveyed by the project at the time of project completion answered that they were satisfied with the activities introduced by the project. (Ex-post Evaluation) For the 21 OVOP groups surveyed by the ex-post evaluation, 12 OVOP partners are currently providing services including licensing, retailing, microfinance and loan services; and 15 groups out of the 21 (71%) keep using these services. However, due to insufficient administrative leadership and coordination, the number of partners has significantly decreased. In two woredas of Arba Minch Zuria and Boloso Bombe, the Woreda Cooperative Offices keep providing support services instead of RJOCDA, and the businesses in these two woredas have been profitable. |
| | Indicator 3 | Status of the Achievement: Achieved (partially continued) |

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| | Activities such as information exchange and study meetings are held voluntarily among local people. | (Project Completion) Out of 25 OVOP groups surveyed by the project at the time of project completion, 19 groups answered that they exchanged information with the members and non-members as necessary. (Ex-post Evaluation) Out of the 21 OVOP groups surveyed by the ex-post evaluation, 15 groups (71%) keep holding regular meetings with the management groups and general assemblies for the group members for information exchanges. |
| Overall Goal: The livelihoods of local farmers are diversified through implementing OVOP approach. | Indicator 1 Non-farming income in local area is increased. | (Ex-post Evaluation) Not achieved Non-farming income of local farmers through the OVOP activities in the entire area of SNNPR is not increased because the OVOP activities have not been extended to other areas other than the project target areas. |
| | Indicator 2 OVOP products become commercially viable. | (Ex-post Evaluation) Not achieved The OVOP products are not commercially viable in the entire area of SNNPR because the OVOP activities have not been extended to other areas other than the project target areas. |
| | Indicator 3 New methods of income generating activities are performed within the target area. | (Ex-post Evaluation) Partially achieved The majority of the groups continuing OVOP activities did not develop new income generating activities because the products introduced by the project have been sufficiently profitable. However, coping with the difficulties of production or marketing, some groups have changed their products or diversified their business by adding new products. |

Source: Project Completion Report (2015), questionnaires to and interviews with woreda offices and 21 OVOP groups.

3 Efficiency

The project period and the project cost were exceeded the plan (the ratio against the plan was 131% and 117% respectively). Because the transfer of responsibilities and mandates for OVOP support services from BoA to RJOCD A was decided about 6 months before the initial completion period of the project, the project was extended for one year to create OVOP model groups and to transfer technologies to RJOCD A. The outputs were produced as planned. Therefore, efficiency of the project was fair.

4 Sustainability

<Policy Aspect>

Under GTP II (2015/16-2019/20), the Agricultural Growth Program II (AGP II) (2015/16-2019/20) and the Agricultural Extension Strategy of Ethiopia (AESE) (2017-2020) place an emphasis on the transformation of Ethiopian agriculture from its subsistence state to market oriented production through increasing small-scale farmers' access to markets and value chain development. However, the state level policy backup has been insufficient resulting the unclear mandate assignment to RJOCD A and no dissemination and implementation of the Implementation Plan for Dissemination prepared by the project.

<Institutional Aspect>

One year before the project completion in 2014, the operation of the systems established by the project for registration, business support and monitoring for the OVOP groups were officially transferred to RJOCD A. However, due to unclear institutional mandating, most of the staffs of RJOCD A do not know that they are responsible for the OVOP activities, thus RJOCD A has not implemented OVOP related operations. Currently, the active OVOP groups are supported by the Woreda Cooperative Offices who provide assistance including facilitation of market linkage inviting OVOP groups to bazaars, bookkeeping follow-up, auditing and others. While there is at least one focal person trained by the project in each of 5 target woredas' cooperative offices, they are providing limited support for OVOP activities since it is not regarded as their formal responsibilities and duties.

<Technical Aspect>

According to the interviews with the officers and OVOP group members including active and non-active groups, they are satisfied with the knowledge and skills learned in the project including financing, business management, product development, marketing, accounting and others. The group members who continue the OVOP activities and the Woreda Cooperative Officers who assist them maintain these knowledge and skills by applying them in their daily activities along with using a variety of manuals prepared by the project. Training programs relating to OVOP activities were provided once after the project respectively by MoA, RJOCD A, JICA and Alive & Thrive (international NGO) on business management, local industry development, Kaizen activities, food safety and handling and others. Alive & Thrive used the training materials prepared by the project in its training program and plans to continue the training for another 2 year.

<Financial Aspect>

Although the budget has not been segregated specifically for OVOP activities on any level of MoA, Zone and Woreda, budget for agriculture on central level and woreda level offices are on increasing trends. According to the interviews with the woreda office officials, while the budget is increasing, the total amount of budget has not been sufficient for their agricultural activities including OVOP activities. Therefore, they keep seeking for external financial resources such as loans from cooperative unions, project budget from development partners including Food and Agriculture Organization (FAO) and NGOs.

<Evaluation Result>

In light of the above, some problems have been observed in terms of policy, institutional and financial aspects of the implementing agency. Therefore, the sustainability of the project effect is fair.

5 Summary of the Evaluation

The Project Purpose was achieved by making the OVOP groups organized by the project to be profitable and self-sustainable in the 5 target woredas. The Overall Goal is not achieved without implementing the Implementation Plan prepared by the project for disseminating OVOP activities to other areas in SNNPR other than the project target areas. As for sustainability, insufficient policy backup by the state resulting unclear assignment of the responsibilities and mandates for supporting OVOP activities casts a shadow over the institutional sustainability. While the budget for agriculture has been increasing, no budget has been prepared specifically for OVOP activities. As for efficiency, both of the project cost and period exceeded the plan. Considering the above points, this project is evaluated to be partially satisfactory.

III. Recommendations & Lessons Learned

Recommendations for Implementing Agency:

- It is recommended for MoA to designate a responsible institution for supporting and disseminating the OVOP activities and make the official announcement to all related parties. For this purpose, it is recommended for MoA as the first step to discuss and share its concerns with RJOCD and the Woreda Cooperative Offices, and decide the responsible organization for the OVOP activities. As a second step, MoA should supervise the official transfer of responsibilities and mandates for the OVOP activities to the institution decided and allocate the budget for the OVOP activities.
- It is recommended for the institution decided to be responsible for the OVOP activities to revitalize the non-active groups in the project target areas of 5 woredas by identifying the reasons why they ceased their activities and extend assistance for them to resume their businesses. The assistance includes the training on marketing, financing, accounting, bookkeeping which are required to be further strengthened for many OVOP groups.
- It is recommended for the institution decided to be responsible for the OVOP activities with the support of MoA to take an initiative to disseminate the OVOP activities in the entire area of SNNPR by conducting surveys for finding potential kebeles, preparing dissemination plans, finding OVOP partners and development partners if necessary.

Lessons Learned for JICA:

- In this project, while the transfer of management responsibilities for OVOP activities to the region level agency of RJOCD did not work well, the OVOP groups supported by woreda level agencies of the Woreda Cooperative Offices have been performing profitable and sustainable businesses. Because OVOP activities are rooted in localities and depend on local contexts, it could be one of the success factors of OVOP projects to nurture local level agencies who have direct contact with farmers' groups as major managing agencies, and a higher-level agency as a coordination and dissemination agency.



OVOP women's group preparing cassava powder in Arba Minch Zuria woreda



Farawacha Quality Pottery Processing and Marketing Cooperative in Boloso Bombe woreda