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**Executive Board  
First Regular Session**

**Rome, 9–10 February 2015**

# EVALUATION REPORTS

Agenda item 5

*For consideration*

# E

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## SUMMARY REPORT OF THE STRATEGIC EVALUATION OF WFP'S PILOT PURCHASE FOR PROGRESS INITIATIVE (2008–2013)

Executive Board documents are available on WFP's Website (<http://executiveboard.wfp.org>).

## NOTE TO THE EXECUTIVE BOARD

**This document is submitted to the Executive Board for consideration.**

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

Director, OEV:                      Ms H. Wedgwood                      tel.: 066513-2030

Senior Evaluation Officer:        Ms A.-C. Luzot                      tel.: 066513-2509

Should you have any questions regarding availability of documentation for the Executive Board, please contact the Conference Servicing Unit (tel.: 066513-2645).

\* Office of Evaluation

## EXECUTIVE SUMMARY

This evaluation of WFP's 2008–2013 Purchase for Progress pilot initiative was commissioned by the Office of Evaluation and contributes to accountability and learning. It is a strategic final evaluation that assesses the results achieved by December 2013 and the extent to which results and learning can be used to inform future work within WFP.

The evaluation found that Purchase for Progress was highly relevant to WFP and wider development debates, although there was insufficient attention paid at the design phase to differentiation in smallholder farmer beneficiary groups; the key assumptions to be tested along with associated data needs; and comparability of the countries selected for inclusion in the pilot. Challenges stemmed from the lack of early assessments of questions to be addressed by the end of the pilot particularly concerning which approaches were viable in which context and clear models for their replication.

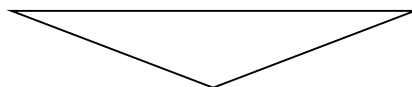
There has been some measurable improvement in the capacity of farmer organizations supported through Purchase for Progress. However, the amount of capacity-building improvement has been less – and has taken longer to achieve – than was envisaged, due to the lower than anticipated initial capacities of farmer organizations. It is not clear that farmer organizations will continue to seek to supply quality products if there is not a consistent demand from WFP and if they do not receive continuing capacity-building support.

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

Purchase for Progress benefitted from strong support from the highest level of WFP management and from the setting up of temporary systems and processes to facilitate implementation. Greater consideration at the design phase of the evidence required for learning could have decreased tension between the pilot/learning and development/achieving results aspects of Purchase for Progress.

The evaluation recommends that: WFP complete ongoing learning activities and analysis of existing data and assessment against outstanding questions; future programme activity be focused where favourable conditions exist or can reasonably be expanded, strengthened or promoted; WFP concentrate on its areas of comparative advantage by mainstreaming the demand (procurement) side of Purchase for Progress-like programmes, placing less emphasis on developing its supply-side capability where there are already many players; WFP consider adaptation of organizational systems to support mainstreaming of Purchase for Progress-like activities where viable; and WFP develop guidelines for future WFP pilots.

## DRAFT DECISION\*



The Board takes note of “Summary Report of the Strategic Evaluation of WFP’s Pilot Purchase for Progress Initiative (2008–2013)” (WFP/EB.1/2015/5-C) and the management response in WFP/EB.1/2015/5-C/Add.1, and encourages further action on the recommendations, taking into account considerations raised by the Board during its discussion.

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\* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.

## INTRODUCTION

### Evaluation Features

1. The summative final evaluation of the WFP Purchase for Progress (P4P) pilot initiative (2008–2013) is intended to assess the quality of the initiative and the results it achieved by December 2013, and the extent to which those results can be used to inform implementation of the WFP Strategic Plan.
2. The evaluation questions were framed on the basis of the Development Assistance Committee's evaluation criteria, as follows:
  - *Relevance.* How relevant is P4P to the needs of stakeholders and the contexts within which it has been implemented? How well is P4P designed to achieve its objectives?
  - *Effectiveness.* Has P4P achieved its objectives?
  - *Efficiency.* Has P4P provided value for money in using the resources provided? Could the same or more have been achieved by using the money in other ways? Are the procurement approaches and best practices developed cost-efficient?
  - *Impact.* Has P4P facilitated increased agricultural production and sustained market engagement and thus increased incomes and livelihoods for participating smallholder/low-income farmers?
  - *Sustainability.* Has P4P developed sustainable best practices? Will results that have been achieved through the pilot initiative be sustained?
3. The evaluation was conducted between November 2013 and November 2014. The approach involved an inception phase followed by a data and document review, visits to six of the twenty P4P pilot countries, surveys and interviews. Data were triangulated, analysed and validated through country- and global-level debriefs and a two-day consultative workshop. The evaluation also drew on data captured by the P4P monitoring and evaluation (M&E) system including baseline and follow-up reports, impact assessments, procurement data and farmer-organization (FO) records to assess changes over the period of the initiative, along with more qualitative evidence collected during country visits.
4. The evaluation was limited by the fact that M&E outputs were not uniformly available for all 20 countries and that the financial reporting and M&E systems were not designed to assess issues of cost-efficiency and viability. These limitations put constraints on the evaluability of some evaluation questions.

### Context

5. 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 smallholder farmers (SHFs) to markets – including WFP.
6. 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 (Strategic Objective 3, Goal 2<sup>1</sup>).

### Key Elements of the P4P Pilot Initiative

7. P4P is the largest trust fund and pilot initiative managed by WFP to date, with contributions totalling USD 166 million. As indicated in Table 1, this amount was spread over 20 pilot countries and the Headquarter-based coordination unit between 2008 and 2013, with a recent extension of one year.

P4P pilot countries	20: Afghanistan, Burkina Faso, Democratic Republic of the Congo, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, Kenya, Liberia, Malawi, Mali, Mozambique, Nicaragua, Rwanda, Sierra Leone, South Sudan, Uganda, the United Republic of Tanzania and Zambia.
Number of donors; the main ones are the Bill & Melinda Gates Foundation (BMGF), the Howard G. Buffett Foundation (HGBF) and Canada	15: Belgium, BMGF, Brazil, Canada, <i>Comitato Italiano</i> , European Union, France, HGBF, Ireland, Luxembourg, Netherlands, Saudi Arabia, United States Agency for International Development, United Parcel Service Foundation, Zynga United States.
Approaches tested	1. FO and capacity-building partnerships 2. Support to emerging structured demand platforms 3. Purchase from emerging traders through modified tendering 4. Development of local food processing capacity
Procurement modalities	3: Direct, soft tender* and forward-delivery contracts.
Hypothesis tested	Increased income = increased productivity + capacity for aggregation and quality assurance + market development + enabling environment
Objectives	1. To identify and share best practices for increasing profitable smallholder/low-income farmer engagement in markets. 2. To increase the capacity of SHFs to produce for, and engage in, markets in order to increase income levels. 3. To identify and implement best practices for increasing sales. 4. To transform WFP food-purchase programmes so that they better support sustainable small-scale production and address the root causes of hunger.
P4P Trust Fund confirmed contributions**	USD 166 131 514
Grant expenditure**	USD 110 243 771

\* Soft tendering retains all the transparency and cost-efficiency characteristics of the competitive tendering process while simplifying certain aspects for smaller vendors.

\*\* Source: Data as at 31 December 2013 provided by the P4P finance team.

8. Because the initiative was a pilot, the evaluation needed to make a distinction between the pilot theory of change and the development theory of change. The pilot theory of change relates to how the initiative is intended to achieve the objectives and make use of the outputs related to learning and identification of best practice. The development theory of change (hypothesis tested – see Table 1) relates to how specific activities undertaken are expected to generate development impact. The 2011 mid-term evaluation provided a critical review

<sup>1</sup> Strategic Objective 3, Goal 2 — Leverage purchasing power to connect smallholder farmers to markets, reduce post-harvest losses, support economic empowerment of women and men and transform food assistance into a productive investment in local communities.

of P4P's intervention logic and identified core assumptions underlying P4P which at the time had not been fully articulated or tested against evidence. The assumptions and intervention logic were further explored and tested during the course of this evaluation.

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## FINDINGS

9. The full evaluation report and annexes document the findings, conclusions and recommendations in greater depth. Note that in several places footnotes are provided with updated data relating to the same evaluation period as that in the main text. This data was not available until very late in the evaluation process, and while it could not be analysed the evaluation agreed to refer to it.

## Relevance

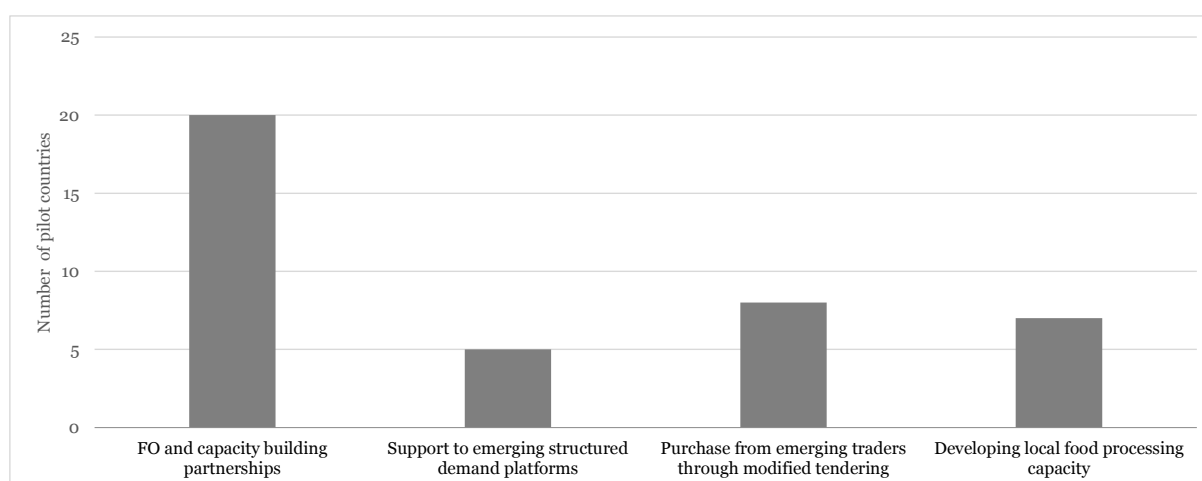
10. P4P has been highly relevant to the wider international agenda on agriculture-led food security and poverty reduction strategies, and P4P activities have been coherent with pilot-country national policy objectives for SHF agricultural development. P4P is well aligned with WFP's mandate, with the Strategic Plan's focus on leveraging purchasing power to connect SHFs to markets, and with relevant policies; and with the Rome-based agency strategic themes and complementary areas of expertise. In practice, the Food and Agriculture Organization of the United Nations (FAO) has proved to be a more suitable partner than the International Fund for Agricultural Development (IFAD), but a lack of definition of roles has caused friction in some instances.
11. At country level, the design phase was underpinned by contextual analysis, but design quality varied. There was insufficient attention paid to the implications of differentiation among SHFs in their market engagement, and the characteristics and performance of national private-sector trading systems. The decentralized process of design and implementation led to variations in the operationalization of P4P, with significant constraining implications for its pilot nature. Gender issues were not addressed well at first, but became better addressed during implementation.
12. The P4P design did not incorporate a systematic approach to articulating and testing the validity of the design assumptions. The evaluation team identified seven particularly significant assumptions and examined their validity in 13 countries, 6 of which it visited. The assumptions most frequently verified related to the effective participation of women and the availability of effective partners. Some key assumptions proved problematic in a number of countries – specifically, that FOs with sufficient capacities could be identified, or that capacity could be built within the planned timeline in the pilot; that sufficient supplies could be sourced at viable prices; and that WFP was able to provide sufficient predictable demand. The overall design of P4P was undermined by: its rapid scaling up from a proposed 10 to 20 countries in less than a year; a lack of full articulation of the theory of change at the start of the pilot; and a lack of systematic identification and testing of key assumptions.

## Effectiveness

13. A range of learning processes at country and global levels took place throughout the P4P pilot period. From the mid-term evaluation onwards more emphasis was placed on ensuring a good balance between learning and doing. To provide more focus on learning, the ambitious Global Learning Agenda of 17 themes was agreed in 2012 and was being completed during 2014, which was a transition year added to the pilot period at the beginning of the evaluation. The P4P pilot used an effective communication strategy that allowed lessons to be shared through a range of media.

14. P4P publications mostly identify lessons on the demand side relating to how WFP's procurement demand and pricing could be modified to facilitate purchases from non-traditional sellers. There has been limited progress in consolidating and communicating best-practice models for increasing sales, and the use of lessons to produce a replicable programme, and guidance for mainstreaming have yet to be drawn up.
15. Building the capacity of SHFs and FOs is at the core of P4P activities. This was mainly done by providing training and facilitating the acquisition of assets such as storage facilities and agricultural equipment, and through the procurement process itself. Capacity has been built for some FOs in terms of increasing agricultural production and market engagement of SHFs in order to raise their income levels, but this was not as rapid or as far-reaching as anticipated.
16. An important premise for P4P to build capacity was that there be development partners. The most effective partnerships were those in place from the design phase where both WFP and the partner(s) contributed resources. However, partnerships were not always suitable or readily identifiable, and there have been challenges in coordinating capacity-building activities conducted by multiple partners.
17. The P4P pilot initiative adopted four approaches (see Figure 1). Establishing FO and capacity-building partnerships were the most widely used approach, but the effectiveness of training provided by partners varied and was considered to be most effective when second- and third-tier FOs were targeted.<sup>2</sup> Purchasing from emerging traders through modified tendering was used to a limited extent and made up 6 percent of the total contracted volume over the pilot period. Only 2 percent of the total contracted volume focused on the development of local food processing capacity.<sup>3</sup> Emerging structured demand platforms have been supported by work with commodity exchanges and warehouse receipt systems. This approach has had some success in Malawi, but has failed elsewhere.

**Figure 1: Approaches taken in P4P pilot countries between 2008 and 2013**



<sup>2</sup> Those FOs most involved in P4P are first-tier FOs ranging in size from ten to several hundred SHFs. Second-tier FOs are umbrella groups representing individual FOs. Third-tier FOs have second-tier FOs as members and are super-umbrella bodies – most often with nationwide representation.

<sup>3</sup> P4P Procurement Snapshot, September 2008–December 2013 (March 2014).

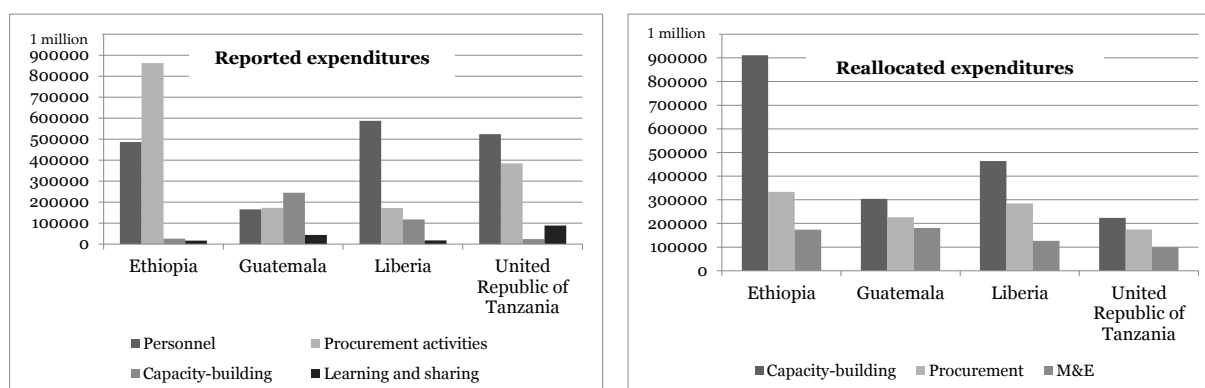


18. P4P has contributed to a major change in WFP's corporate commitment to support FOs and SHF development. At the time of the evaluation 319,324 mt of food was delivered to WFP through P4P with a value of USD 131.5 million.<sup>4</sup> Procurement through P4P approaches in the 20 pilot countries shows positive trends, growing from 8 percent of local and regional procurement in 2009 to 11 percent in 2013.<sup>5</sup> WFP purchasing from FOs continues to be constrained by limited FO capacity, limited access by FOs to finance and adequate storage, and inside selling and defaults, which cannot be addressed solely through internal adjustments to WFP's procurement system.

## Efficiency

19. P4P was not set up so that models being tested were clearly identified and their cost-efficiency measured as part of the M&E framework. The need for such data was not identified during the design phase. The evaluation team was not able to conduct a cost-efficiency assessment, but did conduct an expense re-allocation exercise in four countries that provided useful information on relative expenditure on procurement activities, capacity-building and M&E. As indicated in Figure 2, reallocated expenditures show a strong emphasis on capacity-building expenditures, reflecting P4P activities in countries more adequately.

**Figure 2: Comparison of reported expenditures and reallocated expenses, 2013 (USD)**



Source: WFP Information Network and Global System, P4P and evaluation calculations

20. As indicated in Table 2, patterns of P4P spending over the evaluation period show that average cost per FO member and average non-food cost per mt delivered are highest in post-conflict countries.

<sup>4</sup> May 2014 Procurement Snapshot. The evaluation was provided with updated figures towards the end of the evaluation. Dated October 2014, the figures were from the same period and indicate that 366,658 mt were delivered, with a value of USD 148 million.

<sup>5</sup> P4P Procurement Snapshot, September 2008–December 2013 (March 2014). Updated figures from mid-2014, for the same period, indicate that the proportion of P4P procurement in local and regional procurement amounted to 22 percent by the end of 2013.

**TABLE 2: P4P EXPENDITURE, QUANTITY CONTRACTED, AVERAGE COST PER PERSON TRAINED AND MT DELIVERED, BY COUNTRY CLASSIFICATION\***

	Post-conflict countries**	Low-income countries	Lower-middle income countries
P4P total expenditure in country (USD)	29 681 871	43 943 940	36 617 961
Quantity delivered (mt)	14 089	212 118	93 117
Average cost per FO member (USD)	1 254	29	793
Average non-food cost per mt delivered (USD)	2 107	207	393

\* Post-conflict countries are: Afghanistan, Democratic Republic of the Congo, Liberia, Sierra Leone and South Sudan. Low-income countries are: Burkina Faso, Ethiopia, Kenya, Malawi, Mali, Mozambique, Rwanda, Uganda and the United Republic of Tanzania. Low middle-income countries are: El Salvador, Ghana, Guatemala, Honduras, Nicaragua and Zambia.

\*\* It should be noted that post-conflict settings include a very large investment in capital equipment, for example, in Afghanistan.

Source: P4P financial and procurement data 2008–2013 (May 2014)<sup>6</sup> and evaluation calculations.

21. On the positive side, activity completion milestones have been achieved; oversight and management of the pilot initiative has been effective and implemented in line with how roles and responsibilities were designed; and the support and guidance to the country offices from the Headquarters coordination unit has been effective. A number of advisory and working committees have played critical roles at various stages of decision-making and implementation of P4P, enabling P4P to access expertise in areas that were not core to WFP. Even so, P4P was only partially able to meet its human resource (HR) needs: notable gaps were identified in market development and gender expertise.
22. The initial M&E design was very ambitious with a full impact assessment planned for each pilot country. The challenges related to the scale of data to be generated in a diversity of contexts, led the mid-term evaluation to recommend refocusing M&E activities. In 2011, external support was also brought in to ensure a more consistent approach to data collection and analysis. Overall, the survey-based M&E outputs became available towards the end of the pilot and, therefore, could not inform management decisions. Furthermore, output-level databases were partial; for instance, FO records were initiated half-way through the programme for a subset of countries.

## Impact

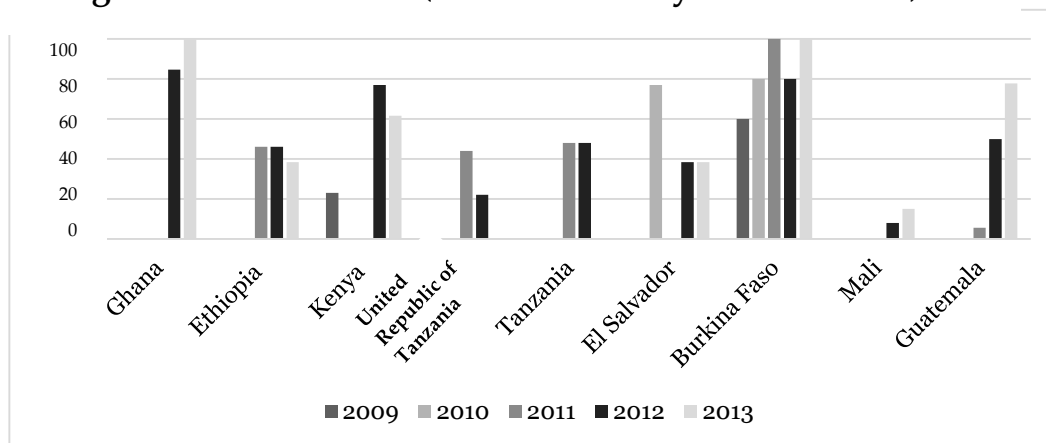
23. The limitations of the evidence with regards to level of data disaggregation available in baselines, follow-up reports and impact assessments restrict the depth of findings. Impact assessments were available for El Salvador, Ethiopia and the United Republic of Tanzania, and, in these cases, it is possible to attribute effects observed at the FO and SHF level to P4P.
24. There is some evidence of capacity built and improvement in services offered by FOs. FOs that did not previously sell as a group are now aggregating and selling to WFP and others. Follow-up reports available for 9 of the 20 pilot countries found that between 2009

<sup>6</sup> Updated figures from mid-2014, for the same period, indicate that 450,102 mt have been contracted at a value exceeding USD 177 million with over 81 percent of this amount delivered.

and 2013, 78 percent of these FOs increased their marketing services and sold over 200,000 mt to non-WFP buyers.<sup>7</sup>

25. Increased sales to WFP were reported in nearly all countries where data is available (see Figure 3), although sales through FOs were concentrated among a relatively small proportion of farmers. At the same time, over the duration of the pilot defaults fell from 59 percent in 2008 to 10 percent in 2013 (averaging 20 percent of the pilot period).<sup>8</sup> Apart from government markets, there is limited evidence of markets willing to procure sustainably from SHFs or to pay a price premium for quality products.

**Figure 3: Sales to WFP (% of FOs surveyed at baseline)**



Source: Evaluation compilation from available P4P follow-up reports.

26. At SHF level, there is evidence of production increase attributable to P4P in El Salvador, but not in Ethiopia or the United Republic of Tanzania (the three countries where an impact assessment was conducted). The exclusion of farmers with more than 2 hectares in the survey samples might account, in part, for this finding.<sup>9</sup> There was no evidence from the three available impact assessments that the target of increasing household incomes by USD 50 had been met. While incomes had increased in households that were members of FOs participating in P4P, these increases were not significantly more than those in the control group.
27. P4P made a concerted effort to have gender impacts. While country visits and interviews suggested increased confidence among women FO members, the survey-based monitoring data were not disaggregated by sex, preventing the drawing of firm findings about the impact of P4P on women.
28. There is evidence of important changes in the way WFP is viewed as an organization by host governments and, consequently, there is improved policy-level engagement. There have also been positive internal changes within WFP including more effective approaches to gender considerations, and cooperation among different units such as programme, logistics and procurement for common objectives, leading to better internal alignment and coherence.

<sup>7</sup> These data correspond to face value of at least USD 50 million. See Summary P4P Procurement Report: September 2008–December 2013 (March 2014). Note that FOs were making some sales to others before P4P, but data were not available regarding the extent of these sales.

<sup>8</sup> Calculated on closed contracts only. Summary P4P Procurement Report: September 2008–December 2013 (March 2014).

<sup>9</sup> There are indications that those that were excluded from the impact assessments might have benefitted most from the initiative.

## Sustainability

29. Building capacities of FOs requires significant investment and long-term commitment. At this stage, and in the absence of the market incentives noted above, it is not clear that FOs will continue to seek to supply premium quality products if they do not receive continuing capacity-building support. This is particularly true for first-tier and low-to-medium capacity FOs. In these cases, finding suitable supply-side partners is particularly important. There is scope for collaboration with the Rome-based agencies whose longer-term programmes may provide a more sustainable approach to capacity-building.
30. Outside of WFP, markets for premium-quality FO/SHF products are limited except where there is a policy of public institutional procurement, which enhances potential sustainability. Increasing the predictability of WFP's demand is, therefore, a critical element of P4P sustainability.
31. Showing that procurement from SHFs and FOs can be undertaken at viable cost would demonstrate the sustainability of P4P approaches for WFP. In the meantime, there is strong partner government and donor support for continued P4P initiatives, and progress has been made in minimizing defaults.

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## CONCLUSIONS

### Overall Assessment

32. 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 with 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. Specifically, it was challenging to identify FOs with sufficient capacity or with capacity that could be rapidly built; to source sufficient supplies of product at viable prices; and for WFP to provide sufficient predictable demand.
33. Clear models and guidance on best practice, both for WFP to mainstream P4P approaches and for other stakeholders to use, have yet to be identified and promulgated. Some additional time and resources will be required to complete this essential first step to mainstreaming.
34. There has been some measurable improvement in the capacity of FOs supported through partnership arrangements. However, improvement has been slower and less than was envisaged. Compared to FOs, there is little evidence to assess the extent to which SHF capacities have been built, though anecdotal information collected through country visits suggested P4P-supported farmers are adopting improved production and post-harvest technologies.
35. Working with commodity exchanges has produced some results in Malawi, but not elsewhere. 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.
36. Some best practices for increasing SHF sales to WFP have been identified, but progress in consolidating and communicating best practice models has been slow.

37. P4P has contributed to increased WFP corporate commitment to support FOs and small-scale production, and P4P has led to the use of P4P approaches to procurement from FOs. However, important constraints remain that have not been fully addressed.
38. P4P was not designed in a way that facilitated the assessment of value for money, as the pilot design did not clearly incorporate the measurement in a comparable way of outputs produced – for instance the capacity built – and the costs of producing those outputs. Financial reporting focused on meeting the requirements of donors rather than the testing of the financial viability and cost-efficiency of different approaches. As a result it has not been possible to make an overall assessment of the cost-efficiency of P4P, especially as regards the four approaches tested, which is an important consideration in relation to mainstreaming.
39. Many of the management and oversight aspects of the P4P pilot have been efficient. Challenges related to availability of appropriate expertise, and the extent to which M&E informed management decisions.
40. The limitations of the evidence base restrict the depth of the conclusions that can be drawn in relation to impact. In none of the three countries for which impact assessments are available was there evidence of attainment of the target of increasing SHF incomes by USD 50. However, at the SHF level, there was evidence of an increase in production attributable to P4P in one of the three countries surveyed – El Salvador. There is evidence of increased sales to WFP in most countries where data were available.
41. P4P has had important benefits for WFP as a development partner to host governments, contributing to improved policy-level engagement. The pilot initiative has had an impact on WFP as an organization and has led to an increased focus on supporting SHFs for example through increasing or initiating government procurement from FOs.
42. 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 FOs 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.

### **Conclusions Regarding What to Mainstream, Test Further or Discontinue**

43. Some aspects of P4P are ready to be mainstreamed – notably on the demand/procurement side where WFP is most easily able to effect change. This includes the procurement adaptations and provision of procurement-related supply-side support to FOs.
44. 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, as along with further cost-benefit analysis and the development of models and practical guidance for future P4P-like work. If these activities demonstrate viability, then investment in mainstreaming is justifiable.

## Conclusions Regarding P4P Being a Pilot Initiative

45. P4P benefited from very strong support from WFP management at the highest level, including authorization to set up dedicated temporary systems and processes to facilitate implementation. Challenges stemmed from the lack of early assessments of questions to be addressed by the end of the pilot, particularly concerning which approaches were viable in which contexts and clear models for their replication.
46. 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, funded by a range of donors, constrained comparability of cases tested by the pilot.

## Conclusions Related to Partnerships

47. Partnerships 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 no data on the relative effectiveness of each type of partnership. There was no one definition of "partnership". A more systematic approach that differentiated types of partnership would have provided a starting point for their comparative analysis.
48. 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

Recommendations	Proposed Responsibility
<p><b>Recommendation 1: WFP should complete the Global Learning Agenda activities, analysis of existing data and assessment against outstanding questions.</b></p>	
<p>1.1 Future programming should be informed by clear, practical and viable models; guidance and practical “how-to” notes should be based on:</p> <ul style="list-style-type: none"> <li>a) further testing of assumptions and further analysis of costs and benefits in selected countries in which P4P still has funding and which have sufficient data; and</li> <li>b) synthesis and analysis of the Global Learning Agenda outputs at global level, followed by their communication and dissemination tailored to various audiences within and outside of WFP.</li> </ul>	<p>Action to be decided at corporate level by the P4P Steering Committee – early 2015</p>
<p><b>Recommendation 2: Focus future programming activity where favourable conditions exist or can reasonably be expanded, strengthened or promoted.</b></p>	
<p>2.1 Prior to the implementation of P4P a feasibility assessment should be undertaken in each country to assess:</p> <ul style="list-style-type: none"> <li>a) the capacity of FOs and the associated challenges building capacity poses – a predominance of second- or third-tier FOs, or medium- to high-capacity first-tier FOs, engaged in producing and potentially marketing staple food crops is favourable;</li> <li>b) WFP’s ability to provide secure long-term demand at viable prices;</li> <li>c) the viability of a long-term premium market that these FOs can supply;</li> <li>d) the medium- to long-term existence of relevant supply-side partner projects that are building capacities of FOs; and</li> <li>e) the policy and market environment. P4P-like activities should not be attempted in contexts where: emergency food is needed; there is insufficient food; there is post-conflict – unless WFP chooses to bear the higher costs of purchasing from SHFs in these areas; there is a declining country or regional demand for food; there are no suitable partners; government policy is not broadly enabling; or FOs are mainly first-tier and of low capacity.</li> </ul> <p>In collaboration with government and partners WFP should then decide whether to implement P4P and, if so, the most appropriate ways to do it, so as to best ensure positive impact on SHF productivity and livelihoods.</p>	<p>Country offices with the support of the Policy, Programme and Innovation Division (OSZ) and regional bureaux</p>
<p>2.2 Following the feasibility assessment, a contextualized theory of change, a logframe, impact pathways and assumptions should be developed and clearly communicated to partners so that there is a common understanding of the</p>	<p>The country office that is initiating or mainstreaming aspects of P4P</p>



Recommendations	Proposed Responsibility
underlying development pathway and expected impact.	
2.3 Integrate P4P activities with broader country plans, and link them with other WFP initiatives such as the Home Grown School Feeding and cash and voucher-based activities.	Country offices/OSZ
<b>Recommendation 3: WFP should concentrate on its areas of comparative advantage by mainstreaming the demand side of P4P-like programmes, placing less emphasis on developing its supply-side capability where there are already many players.</b>	
3.1 WFP should continue to test other approaches – notably working with small and medium traders. The WFP procurement policy and manual could be updated to ensure adequate guidance for those countries taking up P4P-like procurement.	Procurement Division (OSP)
3.2 WFP should continue to collaborate closely with partners. Wherever there are appropriate and funded supply-side partners, WFP should give them the lead and focus on the demand side.	Country offices/ regional bureaux/OSZ
3.3 Where WFP continues to undertake capacity-building related to supply-side activities through partners, it should establish clear measures of costs and capacity-building outcomes. This will enable comparative results assessment by types of training, equipment and infrastructure support.	Country offices/ regional bureaux/OSZ
<b>Recommendation 4: WFP should consider how systems may need to be adapted at global, regional and country levels to support mainstreaming of P4P-like activities where viable.</b>	
4.1 WFP procurement, financing and human resources (HR) systems should be adapted to support mainstreaming, keeping in mind the comparative advantages of WFP and partners.	Operations Management Department (OM)/Resource Management and Accountability Department (RM)/Human Resources Division (HRM)
4.2 WFP should develop a cost model that can be applied to future programming. a) The model is intended to ensure that appropriate financial analysis be carried out during the design phase of P4P mainstreaming and further testing; and that appropriate baseline and interim costs are recorded for value-for-money and/or cost-efficiency assessment. b) Finance and reporting aspects of trust funds should be reviewed to ensure that measurements of activities, outputs, outcomes and associated financial costs are available and comparable across donors.	RM
4.3 P4P activities should be resourced to enable staffing considerations, assessments at the design phase and ongoing M&E to take place. Ideally, resources would come from multi-year funding given the long-term implications of linking SHFs to markets.	Country offices/regional bureaux, with support from HRM and the Government Partnerships Division (PGG)



Recommendations	Proposed Responsibility
<p>4.4 Sufficient resources should be allocated to M&amp;E to ensure robust and comprehensive reporting.</p> <p>a) Baseline and interim surveys are important for any further testing; impact assessments with counterfactuals should continue to be used to help identify the most effective approaches.</p> <p>b) Where P4P is being mainstreamed a light standardized M&amp;E system should be developed to test that assumptions remain plausible and continue to hold.</p>	Performance Management and Monitoring Division (RMP), in consultation with OSZ
<p>4.5 Regional capacity should be built to support mainstreaming. Regional capacity can be supported by continuing regional partnerships established during the pilot.</p>	Regional bureaux
<p>4.6 WFP should develop new P4P-based competencies in existing staff and/or recruit new staff to match modified job descriptions. Secondment from other United Nations agencies, in particular FAO, could be worth considering.</p>	HRM/OSZ
<p><b>Recommendation 5: WFP to develop guidelines for future pilots.</b></p>	
<p>5.1 Corporate-level WFP guidance not available to P4P at the pilot stage should be available for future pilots. Such guidance should include the following:</p> <p>a) a clear definition of what WFP means by “pilot”, including definition of pilot objectives, expected outcomes and impact, how these are to be communicated, and at what levels the pilot is intended to bring about change;</p> <p>b) instructions to keep pilots at an appropriate size to enable systematic learning and inform replication based on context;</p> <p>c) advice on main elements and time required for pilot design – including theory of change and design assumptions – and pilot management – including allocation of adequate resources for appropriate staff and M&amp;E, given that M&amp;E is critical to pilots and requires more attention than for mainstreamed activities;</p> <p>d) the benefits of establishing a Steering Group and external technical review panel, their composition and terms of reference.</p>	OM

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## ACRONYMS USED IN THE DOCUMENT

BMGF	Bill & Melinda Gates Foundation
FAO	Food and Agriculture Organization of the United Nations
FO	farmer organization
HGBF	Howard G. Buffett Foundation
HR	human resources
HRM	Human Resources Division
IFAD	International Fund for Agricultural Development
M&E	monitoring and evaluation
OM	Operations Management Department
OSZ	Policy, Programme and Innovation Division
P4P	Purchase for Progress
RM	Resource Management and Accountability Department
RMF	Finance and Treasury Division
SHF	smallholder farmer