



Mid-Term Evaluation of Purchase for Progress

Executive Board Briefing, WFP, Rome on Wednesday 26th October 2011
Jonathan Mitchell and Henri Leturque





What is Purchase for Progress?

A five year pilot project with a **vision to promote development of agricultural markets so by 2013 at least 500,000 low-income smallholders will produce food surplus and sell at a fair price to improve their incomes.** P4P has \$140 million funding to date for 21 countries with 4 objectives:

1. Identify and share best practices to increase profitable smallholder engagement in markets
 2. Increase smallholder capacities for agricultural production & market engagement to raise income from agricultural markets
 3. Identify & implement best practices to increase sales to WFP & others
 4. Transform WFP food purchases to better support sustainable smallholder production & address root causes of hunger
Procurement
-



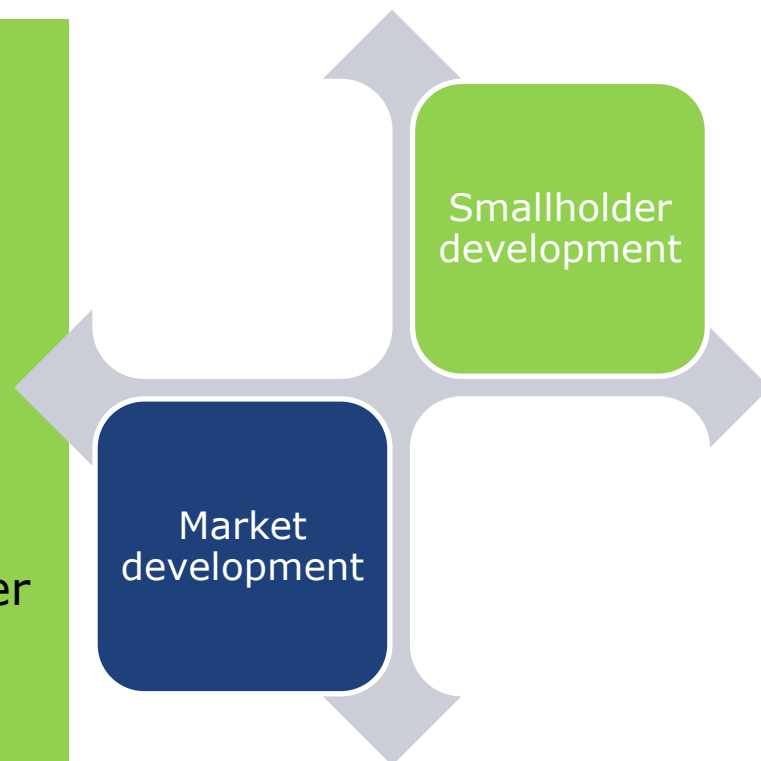
What is Purchase for Progress?

1. Identify and share best practices to increase profitable **smallholder engagement** in markets
2. Increase smallholder capacities for agricultural production & **market engagement** to raise income from agricultural markets
3. Identify & implement **best practices** to increase sales to WFP & others
4. Transform WFP food purchases to better support sustainable smallholder production & address root causes of hunger



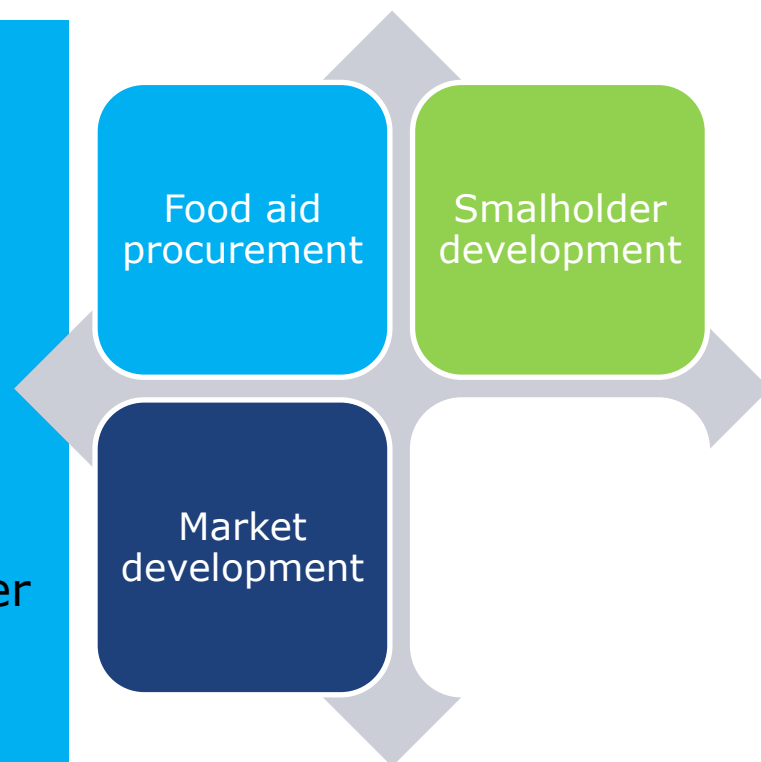
What is Purchase for Progress?

1. Identify and share best practices to increase profitable smallholder engagement in markets
2. Increase smallholder capacities for agricultural production & market engagement to raise income from agricultural markets
3. Identify & implement best practices to increase sales to WFP & others
4. Transform WFP food purchases to better support sustainable smallholder production & address root causes of hunger



What is Purchase for Progress?

1. Identify and share best practices to increase profitable smallholder engagement in markets
2. Increase smallholder capacities for agricultural production & market engagement to raise income from agricultural markets
3. Identify & implement best practices to increase sales to WFP & others
4. Transform WFP food purchases to better support sustainable smallholder production & address root causes of hunger



What is Purchase for Progress?

1. Identify and share best practices to increase profitable smallholder engagement in markets
2. Increase smallholder capacities for agricultural production & market engagement to raise income from agricultural markets
3. Identify & implement best practices to increase sales to WFP & others
4. Transform WFP food purchases to better support sustainable smallholder production & address root causes of hunger





Presentation structure

- Key findings
 - Successes
 - On the P4P radar
 - Tougher challenges
- Strategic Lessons
- Recommendations



Key findings



Major Successes

Design:

Vision to use WFP procurement footprint as a development tool,
Relevance to rural development policy priorities,
Diversity of partnerships,
Country office autonomy

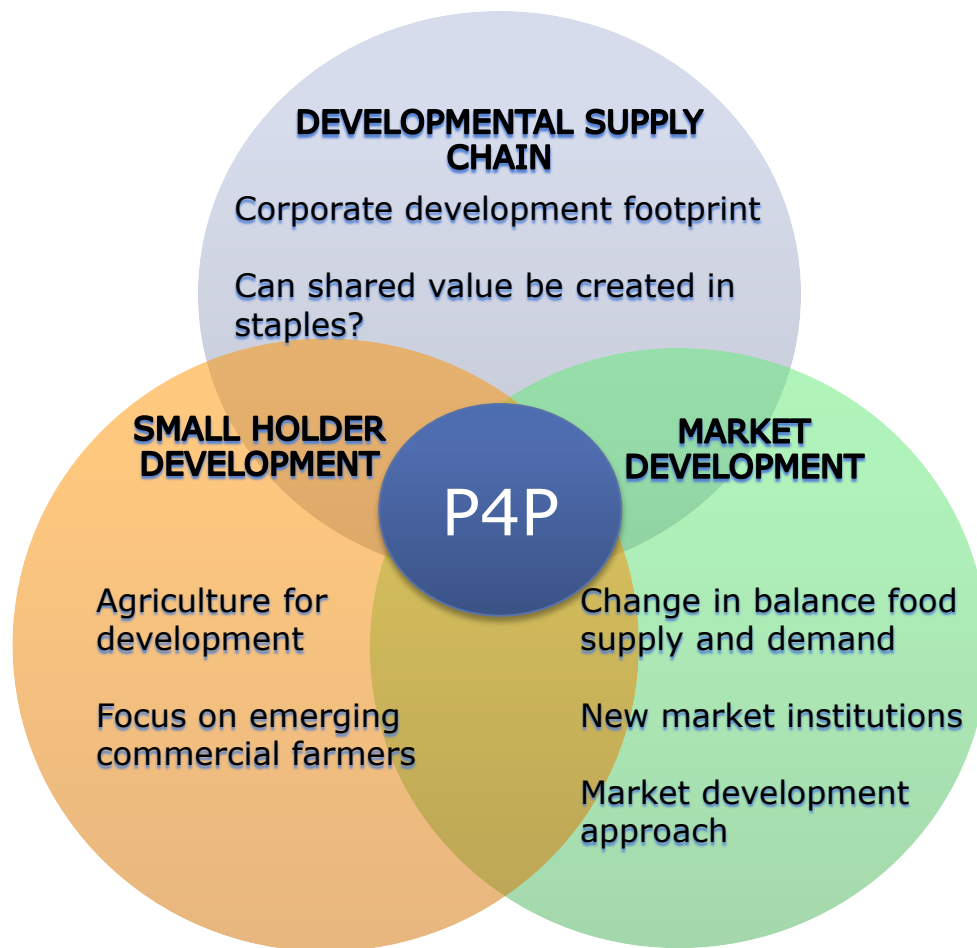
Performance:

Important progress in terms of volume purchased, diversity of modalities tested

Contributing Factors:

WFP staff commitment,
image of P4P, change in business practices.

The relevance of P4P





Issues on P4P radar

Design:

P4P targets are either ambitious (# farmers), arbitrary (income gain) or inadequate (gender participation).

Performance:

High default rates: a major barrier to scaling up,
Limited effects on empowerment of women

Contributing Factors:

Managing farmers and partners expectations
Knowledge and expertise gap (market development, local storage...).



Tougher challenges

Design:

Insufficient analysis of project assumptions,
Risks poorly factored in project design,
Balancing short term (procurement)
and longer term (market development)
objectives

Performance:

Concern with P4P impact and sustainability,
Concern R&D is unlikely to yield results
Need to measure cost-effectiveness of P4P

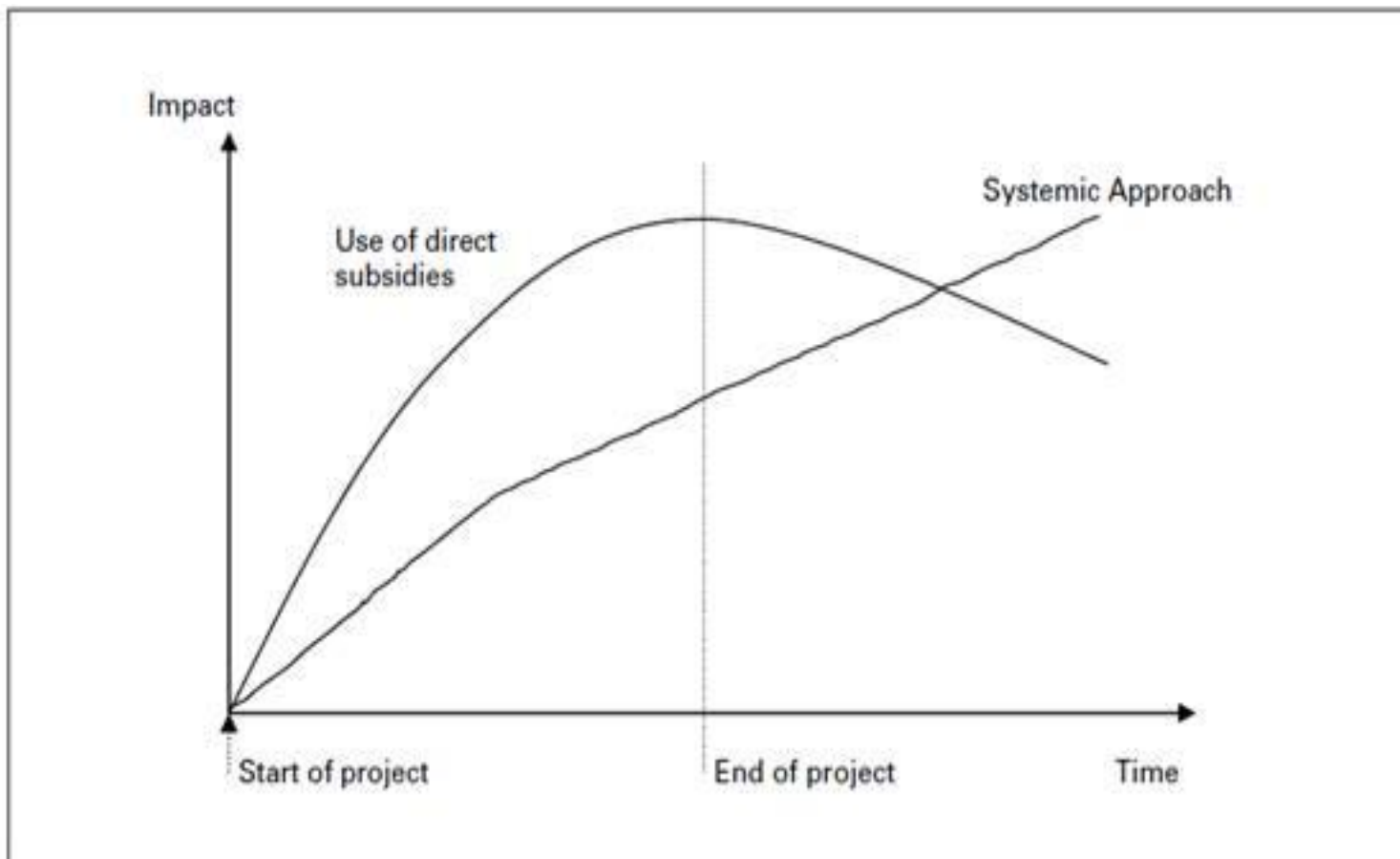
Contributing Factors:

High P4P profile putting pressure on a
pilot project
Trade offs of impact, attribution, cost
effectiveness & sustainability across
different modalities



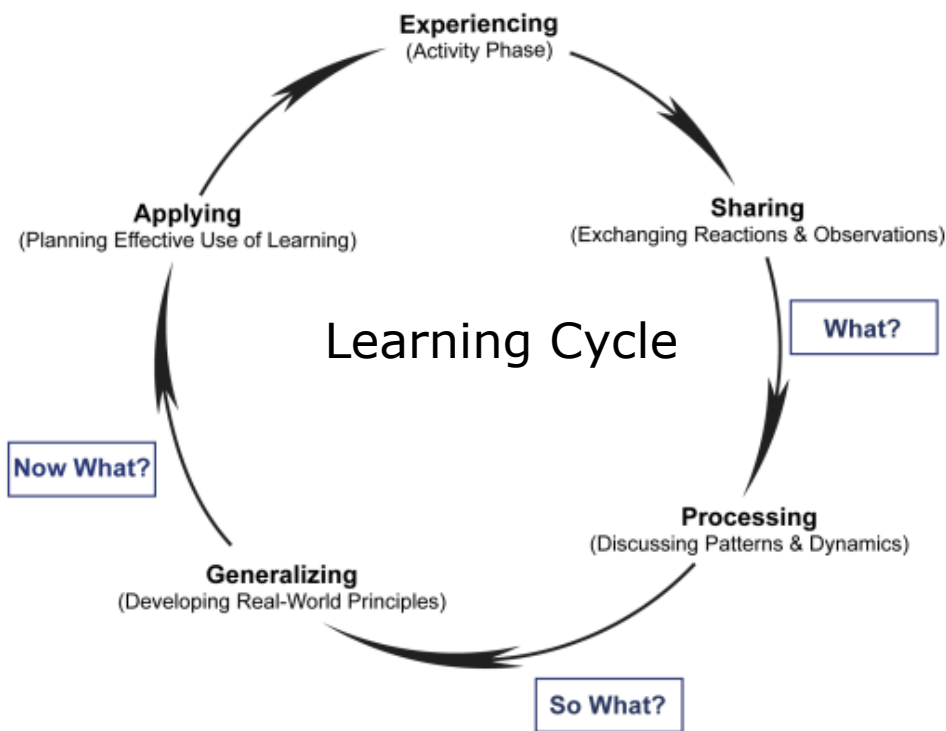
Strategic Issues

1. Prioritise market development



2. Keep learning

Pilot & show-case Monitoring & adapting





Recommendations



For now

P4P must remain a pilot

- Do not expand further P4P until the end of the pilot phase. Communicate on successes and challenges: Top management at WFP should provide sufficient space for P4P to allow the project to make mistakes and share these publicly to manage expectations.
- Test assumptions & identify risks: this pilot phase should be seen as an opportunity for WFP to test underlying P4P assumptions.
- P4P should review projects targets and renegotiate those which are unrealistic with the funder.



Direction of travel

P4P should prioritise market development objectives

- Do not engage in a context where potential market development benefits of P4P are unclear, and seriously consider withdrawal from contexts where such benefits are absent (antagonist public policy, too wide competitiveness gap...).
- Rethink the gender strategy – be honest with yourselves as to the priority
- Prioritise modalities that can be taken over by market intermediaries.



P4P should adapt the M&E system to encourage R&D

- Skip the second round of household surveys and give enough time to AERC to review and analyse the first round.
- Implement a practical system to quickly collect and analyse proxy and process indicators (prices, margins, delays, satisfaction). Expand on qualitative approaches: identify a list of 10 priority learning-themes and run them as soon as possible.
- Measure cost effectiveness: P4P costs and smallholder and market efficiency benefits should be analysed and compared other approaches for market development and regular LRP.



**Thanks to Office of
Evaluation and the P4P
staff**

**Thank you for your
attention**