Annual Review – post April 2018

Title: Market Development in the Niger Delta II - (MADE II)		
Programme Value £ (full life): £6.75m		**Review Date: 21st – 24th May 2019**
Programme Code: 202585	**Start Date:** 1st May 2018	**End Date:** 28th Feb 2020

Summary of Programme Performance

Year	**2019**							
Programme Score	**A**							
Risk Rating	**Major**							

DevTracker Link to Business Case:	https://devtracker.dfid.gov.uk/projects/GB-1-202585/documents
DevTracker Link to Log frame:	https://devtracker.dfid.gov.uk/projects/GB-1-202585/documents

A. Summary and Overview (1-2 pages)

Description of programme (1/2 page)

The Market Development Programme in the Niger Delta - phase two (MADE II) is a follow-on market development programme from MADE I; implemented by DAI Europe (contract supplier) in the Niger Delta. MADE I had specific objectives to improve market access for poor producers, increase economic activity and trade, and raise incomes of 150,000 poor men and women within the 4.5-year period (September 2013 to February 2018). At the end of phase I, MADE had raised the income of 150,233 poor people by at least 15% over their baseline income level, contributing £17,969,107[1] additional income.

Market development projects are high risk, delivering results at scale usually only after considerable experimentation and adaption in preceding years. MADE I ended at the point where several intervention areas showed significant promise of expanded impact with continued work and support. Therefore, MADE II was aimed at working to graduate interventions and/or sectors that have reached the tipping point for sustainable growth; focusing increasingly on achieving scale and triggering more fundamental, and wider changes to market systems.

DFID approved phase II (2018 – 2020) with the objective to double the income impact and other measured results of the project in half the time, and at half the cost of the original project; improve market access for poor producers, increase economic activity and trade and raise incomes of an additional 155,000 poor men and women. At least 30,000 incomes will be derived from sectors considered as aspirational by potential victims of trafficking[2].

[1] MADE I 2018 Annual Review report; vault no 46264820

[2] MADE will conduct market analysis to determine the Aspirational sectors and potential market size; this figure may be subject to revision.

MADE I & II are contracted and measured separately but are governed under a single business case. In addition, to the Market Development component, MADE II also includes a new component[3], the Edo State Investment Portfolio (ESIP) aimed at exploiting the presence and expertise of the project team in relation to the Modern Slavery agenda; which was in response to the commitment by the Prime Minister and SoS to doubling DFID's spend on this issue. MADE's Market Development approach was seen as relevant for establishing alternative livelihoods and aspirations to reduce the push factors behind migration, to complement other interventions to be developed through a separate anti-slavery business case. This ESIP component is targeted at people vulnerable to becoming victims of modern slavery and human trafficking. MADE II covers all the states in the Niger Delta region, but with a focus to increase its impact in the four frontline states (Delta, Bayelsa, Rivers, and Akwa Ibom). The focal state for the ESIP combatting Modern Day Slavery component is Edo - especially in Benin city at the epicentre of the trafficking crisis.

MADE II started with inception phases: one month for the fully developed market development component and three months for ESIP. The primary objective of the inception phase for the market development component was to deepen the learnings, achievements and wider systemic changes of ongoing interventions. During the inception phase of ESIP, MADE II conducted studies to identify sectors of greatest interest and opportunity based on the following characteristics: (i) ***relevance*** - subsectors that are relevant to MADE II's target beneficiaries and will already have high numbers of poor or disadvantaged youth, especially women; (ii) ***growth potential and competitiveness –*** subsector that is competitive with strong growth potential; and (iii) f***easibility for quickly stimulating systemic change –*** as ESIP only has two years to achieve its results . The strategy is based on leveraging the interests and commitment of select lead firms to enter or expand their business activities in Edo and/or northern Delta.

The market development component continues to facilitate change and improve performance, sustainability, and pro-poor growth in selected markets by:

- Working on the five value chains - the fisheries (aquaculture and smoked fish), cassava, palm oil, agricultural inputs, and poultry sectors (dropping the leather intervention as it was least rewarding of all the sectors), with numerous interventions in each sector to stimulate increased income earning opportunities for poor men and women;
- Motivating market actors to change their behaviour in a sustainable and catalytic way;
- Facilitating access to new knowledge, information, services and/or technologies to small/medium-scale farmers and entrepreneurs;
- Identifying and communicating enabling environment challenges with government and other donors, and developing strategic interventions to address them; and
- Building the capacity of local Non-Governmental Organisations (NGOs), consulting firms and Civil Society Organisations (CSOs) to adopt and implement market systems development approaches and become more effective agents, facilitating economic growth in the Niger Delta.

The Edo State Investment Portfolio component targets sectors that are 'aspirational' and attractive to low-skilled youth and women susceptible to human trafficking. Examples of these 'aspirational' sectors include ICT, hospitality, wholesale and retail, the creative industries and some agribusiness sectors. The aim is to stimulate investment and growth and thereby reduce drivers for emigration and human trafficking.

[3] Addendum to MADE Business Case

Summary supporting narrative for the overall score in this review (1/2 page)

Over the course of the review period, MADE II has performed well and assessed to have an overall score of an "A" because the programme exceeded milestone targets for outputs 1 & 2; but failed to meet one out of the two milestone indicators for output 3. This is however a strong "A" in its first year supported by evidence gathered during the field visit which indicated that outputs are leading to the outcomes predicted.

Given that MADE II will be building on MADE I achievements to realise the results at half the cost and timeframe, it was agreed that the number of lead firms and service providers (output indicator 1.2 & 1.3) investing in MADE piloted interventions can be cumulative of MADE I and II; while the rest of the results from outreach to impact level must be reset to zero. Hence, the total outreach of 177,450 from output indicators 1.1 & 3.1 reported by end of March 2019 constitute additional results delivered in MADE II (includes 59,551 indirect results which was not counted under MADE I; this means that 117,899 smallholder farmers and entrepreneurs reached were from MADE II).

Below is the table showing output results achieved in MADE I in comparison to MADE II

Indicator reference number	Performance indicator	February 2018 target	Feb 2018 achieved	2019 Target	March 2019 Achieved
Output 1: New and/or improved inputs, products, services and technologies that benefit poor people are introduced in target markets					
Output Indicator 1.1	Outreach	219,375	258,201	130,000	167,831
Output Indicator 1.2	Lead Firms	22	25	28	32
Output Indicator 1.3	Service providers	325	518	650	956
Output 2: Development agencies, support service providers (private, public, and NGO) and private investors change their approach to engaging with the poor in the Niger Delta region					
Output Indicator 2.1	Investors adopting additional intervention	6	12	16	18
Output Indicator 2.2	Development agencies and NGOs adopting additional interventions	8	9	13	17

With the results achieved to date as reflected in the table above, the MADE II programme seems to be on track to achieve the goal of reaching 155,000 people with increased incomes. At the end of March 2019, a cumulative of 72,398 farmers (53% women) were experiencing positive increases in incomes defined as a minimum of 15% against baseline income that can be attributed to MADE II's intervention. Beneficiaries with increased incomes represent 75% of those that reported increased yields/productivity and sales. Over 50% of beneficiaries with increased incomes (52,878) are indirect beneficiaries attributable to interventions made during MADE I.

Output 1 has specific targets for reaching the poorest, women and front-line states. The programme was able to achieve an outreach of 167,831 (48% women) against a target of 130,000 with 84% of those reached classified as ‘poor’ based on the joint poverty impact assessment conducted in 2018 by MADE II and Partnership Initiative in the Niger Delta (PIND). In addition, MADE II exceeded the target of the number of lead firms investing in the market development component of the programme by achieving 32 investments against a target of 28. At the support market level, the programme recorded an additional 438 service providers, giving a cumulative total of 956 service providers and entrepreneurs against a target of 650 firms by end of March 2019.

The farmer engagement models introduced to lead firms in MADE I became more fully institutionalised as some firms adapted the model (including addition of new crops into the demos) as they deemed fit. With a deeper understanding of the potential demand and business opportunity to service smallholder farmers, service providers are acquiring new skills, creating new products, adopting and promoting technologies and services to sell to more than 50,000 small holders’ farmers. The innovations vary from green energy efficient technologies proven to reduce environmental pollution, to offering affordable products costed to the purchasing power of the farmers. They are also expanding into new sectors that can use similar products to broaden and diversify their own businesses.

On the ESIP component, the programme has begun to identify priority sectors that are attractive to the target audience (returnees, potential victims and vulnerable households) within the endemic areas of Edo South and Edo Central senatorial districts. The programme identified eight ‘aspirational’ sectors and developed sector strategies for engagement and interventions with the aim of identifying growth areas for investment and employment generations. In order to target the right demographic groups and geographies that are particularly vulnerable to human trafficking and irregular migration, MADE II facilitated some viable mission-aligned initiatives with EdoJobs, Edo State Investment Promotion Office (ESIPO), the International Organization for Migration (IOM), Edo State Taskforce Against Human Trafficking (ETAHT), and other NGOs/CBOs (e.g. REPAIR Foundation – a social enterprise established by the First Lady of Edo) working in the modern-day slavery space. While there is no direct link between ESIP and the DFID Stamp out slavery in Nigeria programme, MADE II was very helpful with providing support to the Cabinet Office on the slavery comms campaign; sorting out admin support by contracting Genius Hub (MADE II partner) on behalf of the SOSIN programme.

While it is still early days for the programme achieving the ESIP targets, there are some promising initiatives e.g. EdoJobs, the Edo Innovative Hub, Edo Production Centre & Entertainment. The Edo Innovative Hub facilitated innovative programmes that benefited 1,384 start-ups owned by those at risk of being trafficked; with some business start-up ideas being linked to investors. With the technical support from a Hub manager (funded by MADE), the hub has been able to transition from 100% government financed to commercially viability with a 95% occupancy rate for start-ups. The hub has also attracted $150,000 World Bank investment to set up state of the art computer facilities.

Recommendations for the year ahead (1/2 page)

- In its final year, MADE II needs to put greater emphasis on strengthening intervention sustainability and, put in place plans for exit strategies particularly for the more mature interventions.
- The final year should also see much greater emphasis given to communications, advocacy and external engagement, building on MADE strengths in knowledge management and learning.
- Two years is too short for ESIP to achieve its ambitions targets; and therefore, it should be seen as laying the foundations for future investment and innovation led programming in the Niger Delta. It is recommended that MADE II as part of its Year 2 workplan, share the learning/understanding it has gained with DFID funded programme SOSIN and relevant stakeholders.
- Both the outcome and output indicators may need to be revisited or at least more finely tuned for ESIP and investment related activities by end of July 2019. Investment, for example, relates to 'aspirational sectors' rather than just outside investors but a clearer definition and measurement approach are required to make these targets operational.
- MADE should work with utmost urgency to resolve all the outstanding finances issues with Bank of Industry & Cosmopolitan Bank, ensuring that funds are recovered – particularly with regards value / period of loans for borrowers that may extend beyond the length of the programme.
- The risk register will need to be reviewed quarterly particularly with regards to interventions which are unlikely to be sustainable or incomplete; including a proper risk analysis for the ESIP component.
- With regards to future programming after MADE II finishes in February 2020 and gap between 2020 and March 2021 when PropCom ends, it is recommended that DFID explores options before the end of this calendar year.
- The programme should ensure that it fully documents key lessons and experiences about the business models introduced through the programme; and share or disseminate widely.
- There is greater need for monitoring by DFID through at least 2 field visits over the remaining life time of the programme; and where possible drawing on resources from the South East / South South Regional Co-ordinator and other HMG staff who can support monitoring.

B: DETAILED OUTPUT SCORING (suggest 1 page per output)

Output Title	New and/or improved inputs, products, services and technologies that benefit poor people are introduced in target markets		
Output number per LF	1	**Output Score**	A+
Impact weighting (%):	65%	Impact weighting % revised since last AR?	N

Indicator(s)	**End of March 2019 Milestone(s)**	**Progress**
1.1: Number of small/medium-scale farmers and entrepreneurs who are assisted to access new and/or improved inputs, products, services, and technologies (Cumulative of direct and indirect)	Target 130,000 # women: 65,000 # poor: 110,500	Achieved: **167,831 (129%)** **# women: 81,167 (125%)** **# poor: 140,987 (128%)**
1.2: Number of lead firms investing in MADE piloted innovations (Cumulative)	Target: 28	Achieved: **32 (114% of target)**
1.3: Number of service providers investing in MADE piloted innovations (Cumulative)	Target: 650	Achieved: **956 (147% of target)**

Provide supporting narrative for the score

Each of the milestone targets for 2019 for output 1 were exceeded. MADE II has a good results measurement system in place to track outreach numbers as it did in MADE I; this result will be further validated by the independent evaluation starting in July.

Overall the quality of support provided to farmers and entrepreneurs was good. The number of small / medium scale farmers and entrepreneurs who are assisted to access new and /or improved inputs, products, services and technologies in the different target markets (output 1.1) was exceeded (130%). The programme achieved an outreach of 167,831 (48% women); with 84% of those reached classified as ‘poor’. The cumulative outreach reported for the year includes indirect outreach of 97,599 farmers and entrepreneurs (52% women) from interventions carried forward from MADE I. Within the year, the programme was also able to achieve 128% of its sub-target for reaching poor beneficiaries and 125% of its sub-target for reaching female beneficiaries.

New Lead Firms (output 1.2) - MADE II exceeded the Year 1 indicator target for number of lead firms investing in the market development component of the programme by achieving 114% of the target. While the programme established that only 18[4] of the 25 firms counted at the end of MADE I were still

[4] A total of seven lead firms counted in MADE I were dropped off for two reasons. MADE II could not find any evidence that five of the seven firms counted in MADE I continued with the model as a result of change in management, lack of shared vision and ownership to take initiative forward; the remaining two firms were reclassified as service providers (major service providers).

investing, 14 additional firms (e.g. large oil palm plantation, private nursery operators/seed companies, feed finishing, apiculture) began investing during the reporting period, giving a cumulative total of 32 lead firms, exceeding the target of 28. A few of the lead firms counted in MADE I are also investing in ESIP aspirational sectors and this is reported separately under Output 3.

The number of Service Providers (output 1.3) investing in MADE II's piloted innovations increased by 438 from the 518 recorded at the end of MADE I - giving a cumulative total of 956 service providers. This achieves 147% of the Year 1 target of 650 service providers and entrepreneurs that are investing in market development interventions and in ESIP aspirational sectors.

A few service providers that had cost-share arrangements with MADE I have continued to invest in the different sectors independent of MADE's initial support. This continues to increase farmers' access to inputs as reflected in increased sales reported from the lead firms. A few of the service providers we interviewed – Arkshore, GSI Tech & BioSphere confirmed that they are continuing to adopt market systems approach to drive additional initiatives and attract funding from other donors without further support from MADE II.

The leading agricultural input suppliers are deepening and expanding their distribution channels to increase sales; with stronger support service providers linking agro input companies to farmers. In the cassava sector, the Master Village Seed Entrepreneurs (MVSEs) are expanding product offerings (e.g. training on stem multiplication and supply of improved stem varieties) to small scale agro-dealers and farmers. There is increased information exchange on types and sources of new improved varieties, greater awareness of benefits of improved stems varieties within the farming clusters across the region, driving the interest of potential Village Seed Entrepreneurs (VSE) to enter the business and seeking trainings from MVSEs

The oil palm sector is experiencing increased interaction between fabricators and users of the technologies due to adaptation and modification of these technologies. Lead fabricators now focus on the small-scale millers as potential market and investing in further adaptations of the Small Scale Processing Equipment (SSPE). Conversely, some fabricators are now marketing semi-automated mills that can process both wild and improved fruits varieties in the region. Other marketers of harvesting technologies are marketing and conducting demos within oil palm cluster.

The poultry sector intervention has triggered the interest of Veterinary Pharmaceutical Companies and distributors of poultry inputs in responding to provision of vaccines, drugs and other relevant inputs for the small-scale segment of the market. More vaccine companies are crowding-in and are engaging with small scale poultry farmers in local communities though farmers' fora and developing networks of distributors.

In the fisheries sector, the master aquaculture service providers (MASPs) have independently continued to increase their service offerings by recruiting more support service providers who are training more farmers. Training cycles are being adapted from six months to three months in response to a segment of the target market who require shorter production cycle for fish required for smoking.

Lessons identified this year, and recommendations for the year ahead linked to this output

Lessons

- The increase in the number of small / medium scale farmers and entrepreneurs who are assisted to access new and /or improved inputs, products, services and technologies appear to be driven by training on good agricultural practices and the use of agricultural inputs; increased services provided by crop sprayers to farmers.
- An integrated capacity building approach is improving the performance of the local support market actors (agro-retailers and agro service providers) in providing appropriate agricultural information, inputs and services to smallholder farmers within the region.
- The oil palm seed market has growth potential. This is more evident as companies who operate from outside Nigeria are seeking means of increasing their market share, particularly in the Niger Delta where there is growing competition between the new companies and the Federal Government Owned seed company (NIFOR); however, the key challenge remains the price of palm oil when compared to price of palm oil being smuggled.
- In order to achieve scale, the buy-in of strategic leadership (chief executive, Board) of private sector companies are required. This necessitates that companies have piloted, measured, adapted innovations and business models over a period; and have gathered sufficient trend data and information to convince the Board about the need to aggressively pursue and scale out wide reaching and large scale pro- poor innovations.

Recommendations

- In its final year, MADE II needs to put greater emphasis on strengthening sustainability of interventions by ensuring continued presence of private sectors in low-income markets that make business sense to them including co-operative solutions that will enhance the market power of smallholder farmers.
- The mature market development activities in MADE II are building on MADE I and have led to achieving increased numbers in cassava, agricultural inputs; therefore, we recommend that the priority for MADE II is to identify these matured activities / interventions with early optimal exit routes / strategies.
- Work is stepped up on regulatory enforcement to protect smallholder farmers from exposure to the increasing availability of sub-standard and counterfeited crop protection products and to remove them from the market. Improved regulatory enforcement is also needed to ensure the supply of appropriately sized drugs and vaccines to meet the demand of small-scale poultry farmers.
- It is recommended that further work is undertaken on supporting reputable service providers to provide maintenance and repairs with agro clusters. Availability of localised after sales support service is required for sustenance of newly introduced technologies.

Output Title	Development agencies, support service providers (private, public, and NGO) and private investors are influenced to change their approach to engaging with the poor in the Niger Delta region		
Output number per LF	2	**Output Score**	A+
Impact weighting (%):	15%	Impact weighting % revised since last AR?	N

Indicator(s)	**End of March 2019 Milestone(s)**	**Progress**
2.1 Number of investors adopting additional pro-poor (including trafficking sensitive) market development approaches (Cumulative of Direct and Indirect)	16	Achieved: 18 (112% of target)
2.2 Number of development agencies and NGOs influenced to implement additional market development interventions (including trafficking sensitive) attributable to the programme (Cumulative of Direct & Indirect)	13	Achieved: 17 (131% of target)

Briefly describe the output and provide supporting narrative for the score

Building on MADE I success, a cumulative of 18 investors against a target of 16 had adopted additional market development interventions independent of MADE's financial support; while a cumulative of 17 development agencies and NGOs against a target of 13 have been influenced to implement market development interventions. This implies that the programme achieved 112% of the target of investors adopting additional interventions (Output Indicator 2.1) and 131% of the target for development agencies and NGOs influenced to implement market development interventions (Output Indicator 2.2).

Indicator 2.1 – focuses on number of new interventions undertaken by investors independent of MADE's initial cost share arrangements and excluding the programmes pilot interventions. MADE II recorded 9 investors that have adopted additional pro-poor market development approaches in the poultry, fisheries and palm oil sector. For example, Aqua Green an aquaculture service provider increased investment in the Niger Delta covering a range of professional services to farmers. The investor developed shortened production cycle to target fish smokers, thereby increasing profitability for small holder fish farmers. Some of these investors have also seen increases in the number of small holder farmers, company economic growth and staff strength from an average of 6 to 20; all of which is driving healthy competition in the market space. A few of these investors are also developing the skills of Associates to their companies who are able to earn income for services rendered.

Indicator 2.2 – focuses on the adoption of market development approaches by development agencies and NGOs to reach the critical mass of actors that can ensure sustainable growth in the target value chains. The NGOs influenced to implement market development approaches include three organisations that are also addressing modern day slavery; e.g. NAME Foundation, Idia Renaissance and Edo Exporters Cluster. Progress regarding Output 2 is leading to improvement in farmers' and entrepreneurs' access to inputs, products and services in target markets. And benefits to farmers and entrepreneurs include:

- Aggregation of chickens for off-taking in Ondo State as reported by GSI Tech;
- Improved access to market for fish farmers in Cross River State;
- Increased access to improved processing technologies (smoking kilns and palm oil small scale processing equipment);
- Availability of business development support service e.g. Arkshore Consulting to fish farmers and linkage with financial institutions;
- Improved access to stems of improved varieties as delivered by NGO co-facilitators supporting implementation of the cassava VSE intervention;
- Provision of agricultural extension services mobilised by youth through the effort of Quintessential Business Women Association (QBWA) in Delta State;
- Increased access to Noiler breed of birds in Imo State and;
- Increased awareness of the adverse effects of irregular migration from Edo and Northern Delta.

Lessons identified this year, and recommendations for the year ahead linked to this output

Lessons

- The coaching and mentoring programme as an offshoot of the M4P CAPABLE training has been a powerful tool for influencing Service Providers, local NGOs and Development Agencies to implement sustainable approaches based on M4P principles.
- The use of the Niger Delta Development Forum (NDDF) platform and close partnership with PIND have been an effective means of building the capacity of local NGOs and development agencies to implement market development interventions.

Recommendations

- During this last year of MADE II, the project should focus on strengthening and expanding the role of the service providers to drive MADE’s interventions. The service providers have been extremely dynamic in their adoption and expansion of MADE promoted products.
- MADE II should more deeply analyse the transformations taking place in key investors, lead firms, service providers to better understand and report on wider impact they are having.
- MADE II should continue to engage with key private sectors and encourage their participation beyond the support of MADE II; demonstrating the viability of inclusive business models for low-income markets.

Output Title	New and or Improved economic opportunities available for susceptible populations in Edo and Delta States		
Output number per LF	3	**Output Score**	B
Impact weighting (%):	20%	Impact weighting % revised since last AR?	N

Indicator(s)	End of March 2019 Milestone(s)	Progress
3.1: Number of trafficking susceptible small/medium-scale farmers and entrepreneurs who are assisted to access new and/or improved inputs, products, services, and technologies (Cumulative of Direct and Indirect) in formal and informal sectors (in Edo and Delta States)	Target 12,000 # women:6,000 # poor: 10,200	Achieved: 9,627 (80% of target) # women: 4,595 (77% of target) # poor: 8,041 (79% of target)
3.2: Number of lead firms investing in MADE piloted innovations (Cumulative of Direct and Indirect) in Edo and Delta States	Target: 5	Achieved: 8 (160% of target)

Provide supporting narrative for the score

Output indicator 3.1 is targeting access to improved services in sectors seen as aspirational by the susceptible target groups in endemic areas prone to incidents of human trafficking and irregular migration. ESIP outreach targets returnees and potential victims of human trafficking, and vulnerable households in high human trafficking endemic communities in Edo and Northern Delta State; therefor poverty profiling therefore plays an important role in detailing the level of vulnerability.

ESIP has made an impressive start in its first year with lots of new and interesting interventions and initiatives. These include support to EdoJobs and Edo Innovates Hub, Genius Hub which specialises in training vulnerable women and Noiler chick raising mother units - a project dear to the heart of the First Lady of Edo State. There is little doubt that strong support from the Governor and his wife for economic development and tackling modern slavery have been important factors in the programme getting off to a good start.

In spite of the above, MADE II indicated that the programme was only able to reach 9,627 beneficiaries with increased access to new and or improved products (output indicator 3.1), achieving only 80% of the target of 12,000. Following delays in contracting and completing the inception phase which took the first six months of the year during which time there were no results, the project has gradually been gaining steady traction in the last two quarters with at least 80% of ESIP outreach in Year 1 being in high-endemic or medium endemic areas; while the rest of the outreach is in low endemic areas.

Eight of the lead firms counted under output indicator 1.2 are investing in ESIP aspirational sectors. Hence, the programme achieved 8 lead firms (160%) against the logframe target of 5 lead firms. The access to market intervention has witnessed increased interest from major aggregators to institutionalise viable aggregation and offtake models to link rural producers to high value markets. Major off-takers like

Elephant Group and Okomu started investing in out grower scheme and contract farming in the cassava and oil palm value chain respective. In addition, farmers are beginning to learn good agronomic practices.

Attributing investment to programme interventions is notoriously difficult as many other factors come into play. Asanita's plans to build an ethanol plant in Edo, for example, is based on the location of likely off takers and the abundance of cassava growing rather than support from MADE II. However, MADE has been helpful with sourcing of cassava and making contacts for the potential investors but it would be misleading to attribute the entire investment on this basis.

While the Apiculture intervention is still in the pilot phase and not yet matured, a few market system changes have been recorded. Apiculture Service Providers are adopting the model by selling trainings that expose farmers to best beekeeping management practices and the beekeepers are adopting the beekeeping management best practices. Trained beehive carpenters are producing more affordable improved beehives to meet increased demand. Through the collaboration of MADE II with Thrive Agric, the later has invested £6,000 in inputs and credit provision for a demo with 10 beekeepers (100 beehives). In addition, Thrive Agric has increased its investment (innovation venture capital funding approach) to provide input credits to beekeepers across 14 viable beekeeping clusters in Edo state following an off-taker guarantee of 2,000 litres of honey by Sehai Foods.

In the micro retailing intervention, local NGOs and BMOs are beginning to appreciate the benefit of adopting the business model and have commenced mobilising members through the cluster heads. The Fast Moving Consumer Goods (FMCG) firms now see the value in last mile distribution and are beginning to invest in the model through linkages to their major distributors in select locations. A technology service provider, PAYBAYANA is optimising its business model to take on the role of facilitating the relationships between the Business Membership Organisations buying groups and FMCGs; while integrating its App as an enabler to manage inventory, aggregate demand, and record keeping for the micro retailers.

Animal Care started a feed finishing (fattening) of small ruminants in Edo and Northern Delta State. Animal Care invested in ruminant feed production machinery, training of trainers' for paravets, deployment of personnel to support trainers during farmers training and demos, distribution of feed to strategic locations and purchase of project vehicles for its Edo operations.

Genius hub is adapting a business model that mainstreams local producers into a supply chain that guarantees regular products production and services. Handy Jacks commenced promotion of its online platform to apex artisans' associations and trade unions to increase the visibility of artisans in select informal sectors. Artisans are beginning to appreciate the business model and subscribing to the platform.

Lessons identified this year, and recommendations for the year ahead linked to this output

Lessons

- Use of market systems approach to address the challenges of informal migration and human trafficking is relatively new. Therefore, it will take quite some time before the interventions could start gaining traction. While they are gaining traction, rolled-out interventions may not be mature enough to achieve the targets within the short two year MADE II timeframe.

- Innovativeness is required in design and implementation of agricultural sector interventions as a means of attracting vulnerable youths to the sector. There is need for innovations in making agriculture more attractive to young people in Edo.
- It is sometimes challenging to persuade profit-oriented private sector partners to target unskilled and less educated youth in skill acquisition and employment schemes. To address the challenge, the programme is working with agencies that have youth employment and development as their mandate (e.g. Genius Hub and Handy Jacks).
- Lead private sector firms with the capacity to sustainably drive market systems approach interventions are often outside Edo & Delta State.
- There are capacity gaps among Edo-based CSOs and other organisations working in the anti-human trafficking and irregular migration space

Recommendations

- As some interesting work has been done on the demographics of vulnerable groups, this needs to inform programme priorities going forward. Age, gender location (urban or rural, just Edo or include other Delta) are all relevant to the choice of sectors and nature of interventions. However, the programme should not identify opportunities first and then try to retrofit the target beneficiaries.
- Both the outcome and output indicators may need to be revisited or at least more finely tuned for ESIP and investment related activities. Investment for example relates to ‘aspirational sectors’ rather than just outside investors but a clearer definition and measurement approach are required to make these targets operational.

C: THEORY OF CHANGE AND PROGRESS TOWARDS OUTCOMES (1-2 pages)

Summarise the programme's theory of change and any major changes in the past year (1/2 page)

The Market Development Component Theory of Change (ToC) remains unchanged and remains valid. Field visits, reports and interview with a few lead firms Service Providers and farmers support the ToC. The MADE programme influences lead firms interested in investing in the target markets (agricultural inputs, cassava, fisheries, poultry, palm oil) defined by products, geographies and relevance to the poor who then collaborate with local service providers to reach smallholder farmers and entrepreneurs with new and/or improved inputs, products, services and technologies. Access to these drives behaviour change, improved productivity and increases in income for smallholder farmers and entrepreneurs.

By working with the private sector, MADE II's approach seeks to change the way markets work so that poor people are included in the benefits of growth and economic development. The aim is to tackle market failures and strengthen the private sector in a way that creates large-scale, lasting benefits for poor people. The programme interventions are designed to address underlying constraints within select agricultural markets, especially those that affect the poor and women. Addressing these constraints, is expected to result in improvements in the performance of the market system for low-income farmers, processors and traders to receive better prices for their produce and expand production; achieve supply chain improvements and access to cheaper, higher quality inputs and services, improvements in efficiency; cost savings and more efficient information flow.

Critical assumptions can be summarised as:

- Firms and service providers are willing to invest in the target markets, and achieve profitability
- Farmers are willing to change their practices, and this drives income improvements
- Conflict, economic, or political factors beyond programme control do not undermine results

On the other hand, the ESIP component is applying market-based approaches to livelihoods improvement with the aim of deterring potential victims of human trafficking in Edo and Northern Delta. The ESIP ToC has two pathways to reducing incidence of human trafficking: (i) a pathway through livelihoods improvement (major focus) and (ii) a pathway through increased awareness of the dangers of irregular migration (secondary focus). The first pathway overlaps with the market development component, as ESIP is working with private sector partners (lead firms and/or service providers) to become more sensitive to the circumstances and needs of the women and the youth that are more susceptible to human trafficking. In the second pathway, ESIP is working with local CSOs to improve their response to irregular migration.

Describe where the programme is on track to contribute to the expected outcomes and impact, and where it is off track and so what action is planned as a result in the year ahead (1/2 page)

While the Theory of Change for ESIP is yet to be tested rigorously as the interventions are yet to mature, it is unlikely that the programme will be able to achieve the expected outputs, outcome and impact within 2 years.

Overall, the output to outcome assumptions underlying the design of the market development component have remained valid as the output level results have led to improved performance of smallholder farmers and entrepreneurs in each of the target markets. The Outcome of the programme is

better performance of poor small-scale farmers and entrepreneurs in target markets. Because of improved access to quality inputs and support services, innovations and adoption of best practices introduced through the programme, it has resulted to changes in behaviour of farmers and ultimately increased yield/productivity and sales.

Based on sample surveys conducted within the year by MADE II, a total of 149,355 farmers and entrepreneurs (84% of direct and indirect outreach) made changes to their farming and business practices. Those making changes to their farming and business practices include 68,905 'copy' farmers and entrepreneurs. The assessment also shows that a total of 104,273 of that group are experiencing increased productivity and sales. Farmers and entrepreneurs that reported increased productivity within the year include 65,692 indirect beneficiaries as over 50% of them reported behaviour change in MADE I but were yet to be counted as they needed more time to experience increased productivity. Productivity gains as experienced by beneficiaries vary from sector to sector with women constituting 49%.

The programme is on track to achieve the goal of 155,000 people with increased incomes. At the end of the fiscal year, a cumulative of 72,398 farmers (53% women representation) were experiencing positive increase in incomes defined as a minimum of 15% against baseline income that can be attributed to interventions. The programme counted a total of 52,878 indirect beneficiaries that can be linked to MADE I. An impact assessment conducted in February 2019 showed additional net attributable income change (NAIC) for the 2018/19 farming and business cycle of £7,598,658. The NAIC gained by women was equivalent to £3,858,929 while that for 'the poor' was £3,498,025. The NAIC reported at end of the year includes a total of £5,694,077 as indirect results attributable to conversion of 'copying' to increased productivity and eventual increase in incomes.

Table 1 below shows, the programme's reported direct and indirect results along the entire programme results chain

Logframe result	Results linked to MADE I (indirect)	MADE II results (direct and indirect)			Total (Column 2+ Column 5)
		Direct	Indirect	Total	
Net additional income change	£5,694,077	£1,907,581		£1,907,581	£7,598,658
Increased incomes	34,978	20,192	17,228	37,420	72,398
Productivity	65,692	38,581		38,581	104,273
Behaviour change	66,095	80,450	2,810	83,260	149,355
Outreach specific to market development	59,551	71,052	37,228	110,053	167,831
ESIP outreach		9,619		9,619	9,619
Total outreach	59,551	80,671	37,228	117,899	177,450

Explain major changes to the logframe in the past year (1/2 page)

There was no further review to the programme logframe in 2018/19 beyond the revision at the beginning of MADE II – which is doubling of all key results, adding targets to investments in sectors that will produce jobs that are 'aspirational' to potential victims of trafficking.

Describe any planned changes to the logframe as a result of this review (1/2 page)

Following the 2019 AR, the review team strongly believe that it is unlikely that MADE II will be able to meet the milestone target of output indicator 3.1 as it looks ambitious, therefore, further discussions will be held with the MADE II team to consider a review by end of July 2019.

D: VALUE FOR MONEY (1-2 pages)

Assess VfM compared to the proposition in the Business Case, based on the past year (1 page)

Summary

The MADE II Business case was premised upon MADE II achieving the results MADE I had, but in half the time. This is the first year of MADE II and it is likely that the results will be met for the market development component. MADE II has built on the foundations of MADE I and used this to improve on its results. Given the contribution of indirect results, MADE II achieved good value for money (VFM) for outreach and additional income generated – exceeding targets. As expected of an M4P project reaching maturity with success: while economy is maintained, there are efficiency improvements as output delivery benefits from lessons learned (and poor VfM activities dropped).

Cost drivers and economy

MADE spent £3.2m in 2018-19 (April 2018 - March 2019), which is similar to previous year spend. This is because MADE II was building upon the investment costs from MADE I. The main cost drivers for the project remain labour (staff costs), expenses, grants and activities, with labour being 47%. Compared to the previous year, spend on grants stayed relatively the same while labour dropped, and expenses increased slightly. The decrease in labour was due to a few staff changes during the year, where an international position was converted to National. However, this cost is anticipated to increase in the final year because, MADE II will have more top heavy spend and short-term consultants; as attracting and retaining long-term staff is increasingly difficult because the programme has less than a year left. The set-up for the ESIP component is also responsible for the increase in expenses.

Cost drivers (MADE II)

Year	[5]**2018-19**	
Cost element	*Value (£)*	*Percentage*
Labour (staff costs)	£1,611,808	47%
Expenses	£ 774,183.13	23%
Grants and Activities	£1,030,136.14	30%
Total	**£3,416,127.27**	**100%**

5 These AR figures for 201819 include figures from April and March 2018 (transition period)

Cost drivers (MADE I)

Year	**2016-17 (2017 Annual Review)**		**2017-18 (until Feb 2018)[6]**	
Cost element	Value (£)	Percentage	Value (£)	Percentage
Labour (staff costs)	£1,800,807	45%	£1,926,093.18	54%
Expenses	£ 681,549	17%	£529,928	15%
Grants and Activities	£1,518,721	38%	£1,111,393.97	31%
Total	**£4,001,077**	**100%**	**£3,567,415.15**	**100%**

For MADE II, there has been significant improvement in the core VFM indicators, and these are monitored and reported each quarter. Overall improvements in VfM is partly due to knowledge transfer between programme participants and non-participants, diffusion of innovation beyond the programme participants; with at least half of the access outreach attributable to systemic change that MADE I interventions triggered.

Economy

The total operating costs (Other Direct Costs + 12% of fees as admin and management cost) constitutes 28.3% of the total MADE budget costs during the first year; and this is higher than the 21% recorded at the end of MADE I. This is expected as the ESIP component required initial start-up costs in Edo State, and investment in grants to stimulate demand during the pilot phase. The total operational costs for MADE II (Year 1) was £967,600.52 (includes March 2018), and is higher than it was for the last 2 years of MADE I.

Efficiency

For every pound spent, MADE II is leveraging private sector investment of £1.08, where total private sector cost is £3,683,175. This increase from £0.84 last year (MADE I's final year) is attributable to the investment in ESIP's aspirational sectors which are new – measured by outcome indicator 3.1.

Effectiveness

The cost of generating results and higher-level impacts has also improved. The average cost of an increase in productivity was **£212 in March 2016, £78.79 by March 2017, £42.53 in February 2018 and is currently £32.76 in March 2019**. The NAIC per person increased from **£52 in 2017 to £93 in February 2018 and now £104 in MADE II**, which is a better VFM in terms of additional income per beneficiary. The programme recorded a VfM ratio of £1 spent to £2.22 income gained by smallholder farmers and entrepreneurs - an increase from £1.28 last year. However, discounting indirect beneficiary linked to MADE I, the VfM is adjusted to £1 spent to £0.55 realised.

This cost of £2.22 is at pace with the business case expectation that the programme income gain per £ post-programme end in March 2020, would have a VfM ratio of £1 spent to £2.54 tracking with the MADE I results. However, the business case targets that building on the results of MADE I, the VfM ratio in March 2020 should be £2.13, considering MADE II will focus more on frontline states, modern slavery and scale up of existing interventions. This is supposed to build up post programme in 2022 to £5.03 income gain.

6 MADE I reported up until February 2018 for ease, as this is when the MADE team concluded MADE I.

New indicators of cost per beneficiary under ESIP component have been included in effectiveness and is currently at £26.96 as average cost of reaching a potential victim of human trafficking. Increased income of beneficiaries in the ESIP component has not yet been measured as this is its first year.

Equity

Equity indicators were driven by efficiencies and effectiveness overall. The poor farmers and female farmers were 48% of total farmers reached. Income increases for women is £31.72 which is almost similar to income increases for farmers generally at £32.76. In MADE I, this was not the case as it was noted that women had limited access to productive assets (financing, input, equipment etc) which inhibited their adoption of best practice and innovation; in addition, cash crops such as cocoa were male-dominated markets. However, in MADE II, 53% of people with increased income are women who have now benefitted from the maturity of the access to cassava stems intervention (in MADE I), as women dominate the cassava markets.

VFM matrix for 2018/19

Total Cost: £3,416,127.27 (i.e. ODCs, Labour and Activities & Grants)		
VFM Dimension	**VFM Indicator**	**Year 1 VfM performance**
Economy	Total operational costs[7] /total costs	**£967,600.52/£3,416,127.27 =28.3%** **total operational costs from start of hybrid contract* ***total costs from start of hybrid contract*
Efficiency	Private sector investment leverage per £ spent	Total private sector investment: **£3,683,175** **Therefore** **£3,683,175/£3,416,127.27 = £1.08**
	Cost per farmer or entrepreneur benefitted (engaged with projects)	Total number of farmers: **177,450** **Therefore** **£3,416,127.27/177,450= £19.25**
Effectiveness	Cost per farmer or small-scale rural entrepreneur recording an increase in sales, productivity and/or quality	Total number of farmers: **104,273** **Therefore** **£3,416,127.27/104,273= £32.76**
	Beneficiary income gain per pound spent	Net additional income: **£7,598,658** **Therefore** **£7,598,658/£3,416,127.27=£2.22**
	Cost per beneficiary under the MDS component (MDS)	Total number of farmers: **9,627** Therefore **£259,565.61/9,627 = £26.96**
	Cost per beneficiary with increased income gain (MDS)	Total number of farmers: **yet to be measured**

7 Total operational costs equal ODCs + 12% of fees as admin and management cost.

VFM Dimension	VFM Indicator	Year 1 VfM performance
Equity	Cost per female farmer or entrepreneur benefitted (engaged with projects)	Total number of female farmers: **86,155** Approximate cost of reaching women = **£1,669,935.24** **Therefore** **£1,669,935.24/86,155 = £19.03**
	Cost per female farmer / small scale rural entrepreneur recording an increase in sales, productivity and / or quality	Total number of farmers: **51,695** **Therefore** **£1,691,806.18/51,695=£32.72**
	Cost per poor farmer / small scale rural entrepreneur recording an increase in sales, productivity and / or quality	Total number of farmers: **86,630** **Therefore** **£2,836,765.92/86,630=32.73**

Explain whether and why the programme should continue from a VfM perspective, based on its own merits and in the context of wider portfolio

With the favourable VFM recorded for the year, and the fact that the theory of change for the programme continues to hold true, the MADE II programme continues to represent good value for money and interventions should be continued. However, the programme is yet to measure VfM metrics of effectiveness with respect to ESIP and some market development interventions (e.g. access to harvesting technology, access to fish processing technology, oil palm best management practice demos). The early results attributed to ESIP interventions as captured during case studies indicate that beneficiaries will realise additional incomes from the first quarter of Year II.

E: RISK (½ to 1 page)

Overview of programme risk (noting the rating from p.1) and mitigation

Following close support provided by DFID during the period under review and based on the analysis of the state of play at the time of the 2019 annual review, overall risks rating for MADE II has been assessed as **Major**. The MADE programme operates in a complex, unstable, rapidly changing, and often politically fraught context and unstable region with high likelihood of disruption due to violent conflict and insecurity; as was evident during the elections in Rivers state.

Attached as Annex 1 is the risk assessment carried out. There are currently no risks which exceeds DFID Nigeria's risk appetite. The SRO will continue to monitor progress during the remaining months of the programme.

Outstanding actions from risk assessment

The risk assessments and Delivery Chain Mapping (DCM) will be refined by the end of July 2019, ensuring it captures risk analysis and controls in place; and reviewed and agreed quarterly by DFID and MADE II.

F: DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE (1-2 pages)

Performance of partners and DFID, notably on commercial, and financial issues (1-2 pages)

DAI is the only implementing partner on the MADE II programme and has been performing well in managing the programme. The results of the programme also feed into the overall Six Monthly Review returns in terms of reporting at least 15% increase in the programme beneficiary incomes.

Following the recommendations of the DFID external audit of MADE I, MADE II have now taken on board the recommendations and this has helped shape the operational process of MADE II. Major emphasis was on the strengthening of internal control system in terms of internal operations and the management of MADE II partners. MADE II works with Lead Firms, Co-facilitators, Service providers and consultants. As part of their internal control strengthening process, due diligence and other various forms of vetting are conducted on these partners before their engagement.

Financial Management: There has been a remarkable improvement in the 2018/19 financial year in terms of forecasting and spend. MADE II had a £3.1m budget to spend (£3.4m, including the transition spend- March and April 2018); and at the end of the financial year, the programme spent £3,079,148 (£3.4m from March 2018), with a burn rate of 99.6% - split as follows: Milestone (47%), Grant and Activities (30%), Other Direct Costs (23%). The project did not only ensure it met DFID Nigeria's ODA target but with the current spend trend is on track to meet the contract value if £6.75m for MADE II.

MADE II contract has KPIs included to incentivise keeping variances to 5% and under for 9 out of 12 months in a financial year. The first two quarters of 2018-19 financial year were challenging for MADE around forecasting; but by the third quarter, after substantial conversation, MADE did not go above a 4% variance and by the fourth quarter, was between 0-1% in monthly forecasting accuracy. This is a huge improvement and involved honest conversations with MADE's senior management and programme management team, realistic review of the budget and a reiteration of DFID's financial capturing systems. For an M4P project operating in a volatile security and economy context, some planned interventions are bound to see sudden delays, therefore, a risk-based forecasting system that applies discounts to aggregates of intervention budgets is required to minimise this.

DFID also has had a financial training for partners to ensure timelines and processes are appreciated and followed. As previously mentioned, financial management has been improved by:

- Engaging with Top Management on finances: periodic meetings to discuss and review budgets, what is working and what can be better, as well as setting realistic expectations and encouraging risk-based financing.
- Financial reporting – MADE includes a section on financial reporting in their quarterly reports to capture financial data, comparing actuals against budgets, variance and reasons for variance, and to help monitor what funds have been used for and its financial performance.

On grants management, the programme now ensures compliance to systems, processes and procedures in engaging organizations who partner with MADE II. This involves ensuring adherence to DAI and DFID policies, adopting best practices and standards, conducting due diligence/capacity assessment, documentation, capacity building of partners on systems, processes and procedures, financial management, internal control, etc. – all of which were observations in MADE I as well as the DFID external audit observations and recommendations. All the audit recommendations have been taken into consideration in implementing MADE II project grant management. To mitigate project risks, funds transfer to partners and consultants are made based on reimbursable agreements; and only after activities have been carried out and reports verified. The results from the 2019 independent financial audit is expected to test the controls put in place by MADE II.

Commercial: DFID and MADE worked between August 2018 and Dec 2018 on getting an amendment approved as we sought to hire a locally employed Operations Manager. Challenges were largely related to new procurement systems and requirements; in the end these were well managed, requiring significant flexibility, understanding and effort on the part of DFID and contractor's staff. A no cost substantive contract amendment is currently underway, with several staff changes - an increase of short-term consultants as well as senior management staff time, as it is increasingly difficult to hire long-term staff for the remainder of the programme. This will require a virement of funds from fees to activities. In addition, travel costs for programme activities are now being charged to the grants and programme lines associated with that piece of work.

Date of last narrative financial report(s)	April 2019 Vault # 48895791
Date of last audited annual statement (s)	December 2017 Vault # 48896675

G: MONITORING, EVIDENCE & LEARNING (1-2 pages)

Monitoring (1/2 page)

At programme level, the results as defined in the logframe are monitored to date has mainly related to regular updates from the programme status, delivery of agreed work plan activities (detailing progress and next steps in each intervention area) and milestones. This has been supplemented by regular check point meetings and consultations with DFID and through quarterly, milestone and annual progress reports.

The Monitoring and Results Measurement (MRM) team has established an effective mechanism system for monitoring and reporting programme results; and is used to inform the management team about progress of programme intervention and results and provide feedback where interventions should be adjusted. The baseline surveys conducted by MADE II is also being used to monitor progress on a yearly basis. The MRM system also enables the programme to convert all results that are measured through results chain indicators into logframe indicators. In addition, the MRM strategy includes a geographical information system (GIS) which helps with robustness of the MRM system. The GIS enables MADE to analyse programme impact by location and even produce value for money maps using location specific programme costs.

While MADE has made significant progress in developing their results and measurement systems; and a comprehensive results measurement approach is now in place for each intervention with an effective system for aggregating into programme level summary results. Over the course of the remaining months of the programme, MADE needs to use the results data to understand the interventions from sustainability perspective and make quick decisions for early exits of matured interventions.

Evaluation

MADE II has generated sufficient data drawn from measurement surveys of samples of beneficiaries (direct and indirect) on exposure to good agricultural practices, new techniques, adoption, yield increases and income. This data is disaggregation by gender, poverty status and programme sector; and has been built from experiences from MADE I. Findings from each of the surveys proved that the theory of change for the market development component was holding true. The results conversion rate generated from each survey are used to inform the estimation of outcome and impact level results. At the start of quarter 2, the programme undertook a series of client satisfaction surveys providing evidence of how clients feel about the assistance they were receiving.

While ESIP interventions has been implemented for only a year, we feel that it is too early to prove that the findings by MADE II from the preliminary behaviour change survey focusing on three ESIP interventions provide evidence that the theory of change for ESIP is valid. The outreach to behaviour change conversion rate was relatively low, implying more time is required for ESIP interventions to mature. Case studies and success stories developed include direct quotes from programme participants about the impact of the interventions on their incomes and livelihoods.

As most of the indirect results captured and reported during the year are attributable to the access to stems intervention, a mini impact assessment of the intervention was conducted by MADE II. The findings provide evidence of the indirect results reported during the year. As women dominate the cassava sector and indirect results reported during the year are largely attributed to MADE I achievement, evidence from the mini impact assessment clarifies the larger proportion of women at the impact level than the access outreach level.

M4P programmes are challenged by the difficulties of capturing evidence of attributable system-wide change; and to disentangle from other factors driving change in markets. While the Annual Review team identified evidence of market change based on discussions with MADE II partners – e.g. sales figures of agricultural input market by companies show establishment and growth of these markets in project target areas; an independent Impact Evaluation of the MADE I & II programmes has been contracted out to Nathan Associates. The purpose and objectives of the review which will be in two phases are:

a. To determine the extent to which the programme achieved its objectives and;
b. To contribute to the body of knowledge regarding M4P programmes, particularly those implemented in conflict-prone and fragile regions;
c. To assess the programme's overall impact, particularly the programme's contribution to poverty reduction and;
d. To examine the extent of pro-poor systemic change the programme has achieved;
e. To document lessons learned during implementation, including those specific to implementing market development programmes in conflict-prone and fragile environments;
f. Assessment of the extent to which the programme has influenced development agencies and local NGOs to adopt market development approaches

The following additional objectives to be considered during the second phase of the review are:

g. To review the extent to which interventions conducted under ESIP contributed to reduction in incidence of human trafficking in Edo and Delta States; and

h. To ascertain the extent to which MADE II contributed to influenced local NGOs and other partners to adopt more sustainable approaches in addressing modern day slavery in Edo and Delta States

The impact evaluation and learning at the end of the evaluation will be synthesised and made available to DFID and other donors and be useful in the programme design of REACH.

Learning

The programme reported a few lessons of relevance both to the future of the programme, and to similar projects in related contexts.

During the year under review, MADE hired a full-time knowledge management specialist to coordinate knowledge management and lessons learning. In addition, the link between M&E and knowledge management/learning was also strengthened as the full-time KM specialist reports to the M&E manager. The team organised a series of five learning events during the year and learning papers were prepared articulating the lessons for wider dissemination. Each learning event provided opportunities to engage stakeholders in validating and consolidating the lessons from their perspective.

Some of the key lessons learned during the reporting period are outlined below:

- MADE's service providers are expanding their product offering and their direct outreach to smallholder farmers at a much greater rate than anticipated, which is very positive for long term sustainability
- Smart subsidies, built from a good initial diagnosis to understand the underlying problems that need to be solved, can be effective in stimulating investment in target markets. These learnings may be useful as DFID expands develops new programme in the North East and other conflict prone regions.
- When introducing initiatives, there is a need to focus on the value being offered. As farmers or agribusiness actors see the value in an innovation, their willingness to pay for products and services will increase. This has been evident from the application of the NEERC training by farmers and other agricultural business practitioners.
- By exposing farmers to their business challenges, farmers become more aware of their problems and see the value proposition of purchasing solutions. This has made it a very useful tool for the service providers to build their market base and increase their viability.

Progress on recommendations from previous reviews

A few of the recommendations have been addressed; however, many of them are ongoing and will continue in year 2 as part of programme implementation of systems and processes set up by DAI. The full list of MADE II's progress on the 2018 AR recommendations is attached as Annex 2.

Smart Guide

The Annual Review is part of a continuous process of review and improvement and a formal control point in DFID's programme cycle. At each formal review, the performance and ongoing relevance of the programme are assessed and the spending team needs to decide whether the programme should continue, be restructured or stopped. Teams should refer to the section on annual reviews in the Smart Rules and may also like to look at relevant Smart Guides e.g on Reviewing and Scoring Projects. When planning a review, re-read the 10 Delivery Questions in the Smart Rules and when writing the findings reflect anything relevant related to them.

The Annual Review includes specific, time-bound recommendations for action, consistent with the key findings. These actions – which in the case of poor performance will include improvement measures – are elaborated in further detail in internal delivery plans.

The Annual Review assesses and rates outputs using the following rating scale. The Aid Management Platform (AMP) and the separate programme scoring calculation sheet will calculate the overall output score taking account of the weightings and individual output scores

Description	Scale
Outputs substantially exceeded expectation	A++
Outputs moderately exceeded expectation	A+
Outputs met expectation	A
Outputs moderately did not meet expectation	B
Outputs substantially did not meet expectation	C

Teams should refer to the considerations below when completing this template. Suggested section lengths are indicative. Teams can delete spaces between sections on the template as needed, but the headings and sub-headings must not be altered or removed unless otherwise indicated in the template. Some reviews may need to be longer and others can be shorter (eg first year of a programme which has largely focused on mobilisation activities) – it is for the SRO and Head of Department to decide. All text needs to be suitable for publication. Bullets rather than full narrative may make sense for some sections.

A: Summary and Overview

Programme Code is the AMP I.D. number (same on Devtracker)

Enter risk rating (Minor, Moderate, Major or Severe) at the time of the review, taken from AMP

Describe the programme in 1-2 paras including what it is aiming to achieve. You might want to include headline points on changes in the operating context, partner performance, DFID management of the programme or other points relevant to the 10 Delivery Questions in the Smart Rules.

Describe –without repeating detail from Section B- progress in the past year and why the programme has scored as it has against the output indicators. Capture the key recommendations for the year ahead factoring in all the text from the report. You don't need to include the detail of all lessons and recommendations from each output.

B: Detailed Output Scoring

Output Title, Number, Weighting, Indicators and milestones

Use the wording exactly as is from the current logframe. This will need to be entered on AMP as part of loading the Annual Review for approval. Indicate (Yes or No) if the impact weighting has been revised since last Annual Review and if Yes in which direction (up or down). Input progress against the milestone for this review

Output Score

Enter the rating (using the scale A++ to C) exactly as generated on the programme scoring calculation sheet

Provide a brief description of the output (unless obvious from the information in the box above) and supporting narrative for the score

Lessons and recommendations linked to this output. Some of these may inform or need to be included in the summary of recommendations on page 1. For anything that can't be published please use the Delivery Plan

Repeat above for each Output in the logframe and add new sub-sections for additional outputs.

C: Theory of change and progress towards outcomes

Theory of Change (ToC). You might want to use a diagram to summarise it. You should flag any major changes in the past year. You should consider if the steps to achieving outcome and impact are still valid e.g. are the ToC logic, supporting evidence and assumptions holding up against implementation experience? Is there any new evidence which challenges the programme design or rationale? If relevant you might also want to flag any major changes since the programme started rather than just over the year in question.

Is the programme on track to contribute to the expected outcomes and impact? Review this in view of the overall programme score; but it is possible that outputs are being delivered but the envisaged outcomes or impact may not be achieved – or vice versa – and consider reasons for this. It is not unusual for programmes to be off track against at least some of the expected outcomes or impact: just set out what you plan to do about it. You should refer to the indicators in the logframe. Are there any unexpected outcomes emerging? Have there been any significant changes in the planned timetable for delivery of the programme? Are there any changes to expected outcomes or impact on gender equality compared to what was described in the approved Business Case?

Logframe. Describe major changes in the past year –including when they were made and why- and what their implications are for the programme. Ideally changes should not be made to any targets or indicators less than six months before they are being reviewed unless agreed with the Head of Department. All changes should be recorded as part of the programme's documentation (there is a 'change frame' tab on the logframe template). If relevant you might also want to flag any major changes since the programme started. Flag any planned changes (impact, outcome, output etc) as a result of the review and once agreed at the approporiate level record them in the change frame tab.

D: Value for Money

VfM assessment compared to the proposition in the business case You should refer to VfM measures and metrics from the Business Case and/or previous annual review. Changes in cost drivers (e.g costs of major inputs) and the theory of change may be relevant. The assessment should encompass the 4 E's of DFID's value for money framework – economy, efficiency, effectiveness and equity, including gender equality (referring back to the relevant text in the approved Business Case's Strategic Case may be relevant), disability and leaving no one behind.

Explain whether it makes sense to continue with the programme from a VfM perspective

Based on the above analysis of outcome and output attainment, theory of change, VfM and evidence analysis, is there sufficient evidence for the programme to continue, or should it be restructured or closed down?

You should also consider the programme as part of the wider portfolio in your department (e.g Business Plan) and if relevant for this document, DFID as a whole (e.g. Single Departmental Plan) or HMG as a whole

E: Risk

Provide an overview of the programme's risk (noting the rating from page 1) and mitigation

Note the overall risk rating now as captured in AMP and on p1. Flag any changes to the overall risk environment/ context and how they impact on the programme, along with key risks that affect the successful delivery of the expected results. Use DFID's standard risk terminology where possible eg categories of risk and risk appetite.

Are there any different or new mitigating actions that will be required to address these risks and whether the existing mitigating actions are directly addressing the identifiable risks? Remember to take account of any relevant recommendations from Due Diligence Assessments on implementing partners.

Some relevant information may not be suitable for publication but ensure the risk register on AMP and Delivery Plan are updated as necessary following this review

Update on Partnership Principles.

For programmes for where it has been decided (when the programme was approved or at the last Annual Review) to use the PPs for management and monitoring, provide details on:

a. Were there any concerns about the four PPs over the past year, including on human rights?
b. If yes, what were they?
c. Did you notify the government of our concerns?
d. If Yes, what was the government response? Did it take remedial actions? If yes, explain how.
e. If No, was disbursement suspended during the review period? Date suspended (dd/mm/yyyy)
f. What were the consequences?

For all programmes, you should make a judgement on what role, if any, the Partnership Principles should play in the management and monitoring of the programme going forward. This applies even if when the BC was approved for this programme the PPs were not intended to play a role. Your decision may depend on the extent to which the delivery mechanism used by the programme works with the partner government and uses their systems.

F: Delivery, Commercial and Financial Performance

Issues to consider for both the implementing partner(s) and DFID include: quality and timeliness of narrative reporting and audited financial statements; proactive dialogue on risks and updating of delivery chain maps; quality of financial management eg accuracy of forecasting; monitoring of assets. Consider also how DFID could be a more effective partner to help deliver the programme.

If there is a contract involved, set out:

- Delivery against contract KPIs (and Terms and Conditions)
- Compliance with the Supply Partner Code, where applicable, drawing on advice from PCD.
- Compliance with the new cost and transparency requirements, where applicable (i.e. highlighting any profit variance and challenge and use of Open Book Accounting)
- Performance of Partners. Where applicable, an annual summary of the new SRM scorecard assessment for each delivery partner involved in delivering this programme.

G: Monitoring, Evidence and Learning

Monitoring.
Summarise monitoring activities throughout the review period (field visits, reviews, engagement with stakeholders including beneficiary feedback) and how these have informed programming decisions. Where there is an external M&E supplier, how are they engaging with the programme implementer(s) and DFID. Briefly describe the Annual Review process itself including any inputs from outside the programme team (within or beyond DFID).

Evidence
Describe any changes in evidence and implications for the programme. Any relevant comments on the quality/breadth of the evidence.

Monitoring data, evidence and learning should consider the 'Leave no one Behind' agenda and as far as possible disaggregate information by age, sex, disability, geography (update geocoding information on AMP as needed) and other relevant variables.

Where an evaluation is planned set out what progress has been made.

Learning

What learning processes have been used over the past year to capture and share lessons, new evidence and know-how?

What are the key lessons identified over the past year for (i) this programme (ii) wider DFID and development work?

Any specific implications of that learning for this programme and priorities for follow-up in the year ahead may be best captured in the recommendations part of Section A

Do you have any learning aims for the programme for the coming year?

Progress on recommendations from previous review(s)

It is important to keep track of this. Some may not be publishable and feature in the Delivery Plan. But a brief update on progress against any recommendations from previous ARs (unless this is the first) should be provided