



FDOV Malawi management response on evaluation report

The Facility for Sustainable Entrepreneurship and Food Security (FDOV) is a programme for public-private partnerships. FDOV supports food security and private sector development in developing countries. The programme consisted of 2 tenders, 1 in 2012 and 1 in 2014. These tenders resulted in a portfolio of about 40 projects in Africa, Asia and Latin America. The vast majority of them have been completed.

The Netherlands Enterprise Agency (RVO) commissioned an independent evaluation study of 2 FDOV projects in Malawi, "Going Nuts" and "PPP Macadamia Value Chain Enhancement" (Macadamia VCE). This document briefly describes the 2 projects, followed by a management response to the evaluation report.

The Going Nuts project

The Going Nuts project aimed to strengthen the groundnut value chain in Malawi by setting up an infrastructure for diversified quality groundnut products. First, it aimed to increase the sustainable production of quality groundnuts by providing farmers with agricultural inputs and training courses. Second, it aimed to build a reliable market relationship between smallholder farmers and a Malawian groundnut processor. The project also involved establishing a groundnut processing plant consisting of buildings and machines to add value to the commodity.

The Macadamia VCE project

The Macadamia VCE project aimed to strengthen the macadamia value chain in Malawi, similar to Going Nuts, while working with 3,000 smallholder farmers who had to be reintroduced to macadamia management farming. Thanks to the project, the farmers received 300,000 18-month-old macadamia trees, 100 for each farmer. It also taught them how to grow these trees into healthy, mature ones that produce plenty of macadamia nuts after 5 to 7 years of care. Furthermore, the project taught the farmers how to grow intercrops. Intercropping gives them an extra source of income while waiting for the nuts to be harvested. Also, the project aimed to build market linkages by supporting farmers in organising themselves in cooperatives and selling their high-quality macadamia supplies to a local processor and project partner. The local processor, in turn, sells macadamia to the Dutch project partner, who sells the macadamia on the European retail market. All value chain project partners were involved from the project planning phase.

Response to the evaluations

The evaluation report on the Going Nuts project concludes that the project did not achieve the results initially aimed for. Several challenges were outside the project's sphere of influence, such as side selling and COVID-19. At the same time, RVO saw many efforts to achieve the agreed results.

The results of the Macadamia VCE project came late due to a delay in the distribution of seedlings caused by theft and floods. When the evaluation team visited the project, the trees had a first harvest of only a few nuts. Again, several challenges were outside the project's influence, such as COVID-19 and Cyclone Freddy.

Extra notes

The evaluation team's method is limited in how they presented their findings. Considering that the evaluation team spent only limited time in the project areas and that the primary informants they spoke to were not completely representative, the team suggested many of their findings. By using the words 'seems' and 'apparently', they repeatedly implied that projects fell short in results and approaches. Also, some conclusions illustrate that the evaluator's understanding of RVO processes is insufficient.

For these reasons, the comments related to RVO's assessment of the projects' additionality criterium and embassy involvement lack relevance. While the evaluation points out flaws in the project design and assessment, RVO does not consider this relevant when looking at the results the project's efforts and involved partners yielded.

Considering the challenging context in which both projects were implemented, RVO recognises their positive contribution to setting up smallholder farmers' inclusive value chains. In particular, the Macadamia VCE project is a strong example of how committed partners can reach synergies. And how they make a positive impact beyond project implementation.

The Macadamia VCE project changed the narrative. Initially, the perception was that only large estates could venture into macadamia nuts production. With this project, smallholder farmers have successfully embarked on macadamia farming. They are now selling their nuts to the processor in Malawi, who sells the nuts to a buying company in the Netherlands. This way, their business is here to stay as the trees are mature and the farmers are professional macadamia producers organised in macadamia cooperatives. Also, market access is secured.