Case Study in using the DCED Standard
Tea in Vietnam, and livestock markets in Kenya, with SNV[1]

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This case illustrates (in the case of Vietnam) how a sector-wide results chain can be 'unpacked' into sub-chains for individual activities, and how indicators are derived from those chains. It also shows (in the case of Kenya) how the Standard approach can be retro-fitted to an activity that has achieved success. Overall, the case also shows how an organisation is starting to work towards aligning portfolios of programmes with the Standard.

Part 1: Summary of SNV's Experience with the Standard

Reasons for Interest in the Standard: SNV has been using results chains to articulate plans since 2008; however, it was not using them for strategic planning, operational planning, progress monitoring or impact measurement. Results measurement was being done mostly for evaluation, and less for monitoring or programme management.

SNV therefore decided to apply the Standard to one programme as an experiment, to see if it would be helpful in improving programme quality, and in conforming with internationally recognised standards. Once the approach was found to be effective in one case, SNV adopted a 'bottom-up' approach, introducing the Standard progressively at higher levels in the organisation.

Bottom-up approach
• Corporate
• Region
• Portfolio
• Programme
• Project

Sequence of introduction A project working in the tea sector in Vietnam was chosen by SNV in 2009, for piloting the Standard. Paul Weijers, Programme Manager, participated in the DCED introductory training course in 2009. He also commissioned a pre-audit consultancy, to coach project staff, and to ensure that the project was working on the right track to gain compliance with the Standard.

The Standard was picked up fast by staff because it helped them in managing for results; three other projects started to adopt the Standard framework. By the end of 2009, SNV Vietnam management developed a strategy paper for 2010-2012 in which all programmes (including those not working in private sector development) were recommended to apply the different elements of the Standard.

As of early 2011, all PSD and some non-PSD programmes in the Vietnam portfolio are in the process of alignment with the DCED Standard. In January 2010, SNV Asia regional

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management decided that all five countries in the region (Vietnam, Laos, Cambodia, Nepal and Bhutan) should start to work towards compliance with the Standard. Paul was assigned to visit each of these countries twice in 2010 for on-the-job training and coaching in selected projects, i.e. 2 to 4 projects per country. In each of the countries, two or three people were assigned as core-team to further guide the country programme in its alignment with the Standard. Furthermore, SNV with support from external consultants organised a 4-day training for basic skills in the Standard, which was held in Cambodia and attended by all the core team members.

In early 2010, the SNV Head Office showed an interest in the Standard. This was accelerated by a visit of the DCED Coordinator to the head office, and a field visit of one of the SNV directors to Vietnam. They felt that taking a common route to results measurement would enable more coordination and alignment within SNV, and allow them to aggregate the different results across programmes. In June 2010, the internal Planning, Monitoring and Evaluation procedures were compared with the Standard to create a list of recommendations for alignment, which were addressed in September 2010.

Also in September 2010, some of SNV Africa's programme staff attended an introductory training on the Standard that was held in Kenya. Following the training, programmes are taking various steps to integrate the different elements of the Standard into their work.

Costs involved in Participation: The cost of introduction of the Standard to the five different programmes of SNV in Asia was approximately USD81,000[2] in 2010. This includes costs for hiring international consultants to advise them on how to work towards the Standard; the cost for programme staff to attend trainings/seminars on the Standard; and the cost of having an internal expert in results measurement within SNV. In 2011, the Standard will be further promoted alongside the roll-out of the renewed internal system call "managing for results" or MfR. The budget for this for the five countries is USD 67,500. The objective is that all PSD projects are aligned with the Standards and that at least two programmes are audited towards compliance with the Standard.

Learning: It has been really helpful having an internal 'champion' within the organisation who can advise other programme staff as they work towards compliance. In Asia Paul Weijers has played this role, and James Mwai may play a similar role in Africa, going forward. Also, the exchange of lessons learned, within the organisation, has been very valuable.

SNV also found it useful to break down how they would systematically work to integrate the elements of the Standard in their Asia programme. This they did by setting out a road-map and breaking the process down into different intervals at the end of which all the different elements in the Standard would be integrated in the respective programmes. While it involved some simplification, since all the components are inter-locked and related to each other, SNV found it easier to break the process into different steps:

Phase 1 (Design phase): Implementation of the first three elements in the Standard, with results chains, indicators and baseline surveys to capture key indicators.

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[2] Euros have been converted to US$ at an approximate rate of €1 = $1.35

<u>Phase 2 (Contribution phase)</u>: Measurement, estimation or projection of attributable impacts

<u>Phase 3 (Reporting phase)</u>: The programme verifies whether the existing reporting system is compliant with the Standard and if not, make adjustments.

<u>Phase 4 (Auditing phase)</u>: A pre-audit will be undertaken by an external consultant, which will lead to fine-tuning the programme towards full compliance. This can be followed by an official audit.

Part 2: SNV's Work towards the DCED Standard

SNV Asia: Tea in Vietnam

1. **Articulating the Results Chains:** SNV Vietnam works in six value chains and chose to work towards compliance with the Standard for four of them (tea, cardamom, cassava and acacia) as work was coming to an end in the rest of the value chains.

In the tea sector, SNV Vietnam is working to increase income and generate employment for small holders in the northern region of Vietnam. Tea has a strong potential for poverty reduction in Vietnam given that it is cultivated mainly on small farms by ethnic minorities and considered labour-intensive with a great contribution to the daily income of poor households. From this, an estimated 40,000 are in the two target areas combined, i.e. Lai Chau and Ha Giang.

The project aims to have an outreach to at least of 25,000 of them by the end of the project period. The main intervention areas for the programme include:

- Improving the quality of tea produced by small holder farmers to make them competitive in the global market
- Improving access of smallholder farmers to market information
- Working to create a better business enabling environment by facilitating public private dialogue

Result chains are used in the programme as a basis for the planning and monitoring of project interventions. They are elaborated annually to make sure that the market realities are captured. The programme makes a results chain for the sector overall, and sub-chains for the individual interventions. Figure 1 on the next page shows the sector results chain; Figure 2 on the following page shows a sub results chain for an intervention on improving the market information for smallholder farmers.

Figure 1: Sector-level results chain for the tea sector in Vietnam, as prepared by SNV
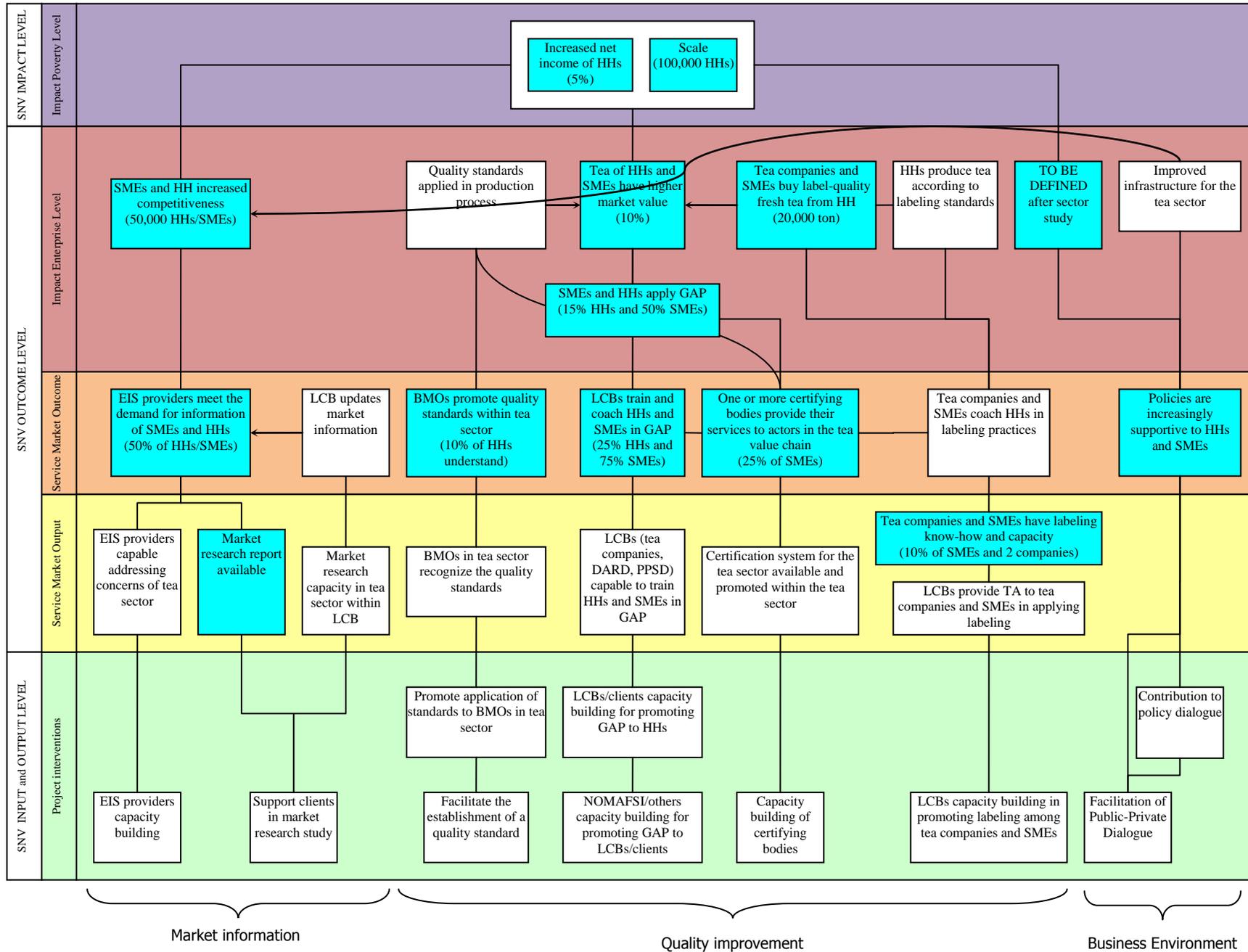
Figure 2: Sub results chain for improving market information for smallholder farmers
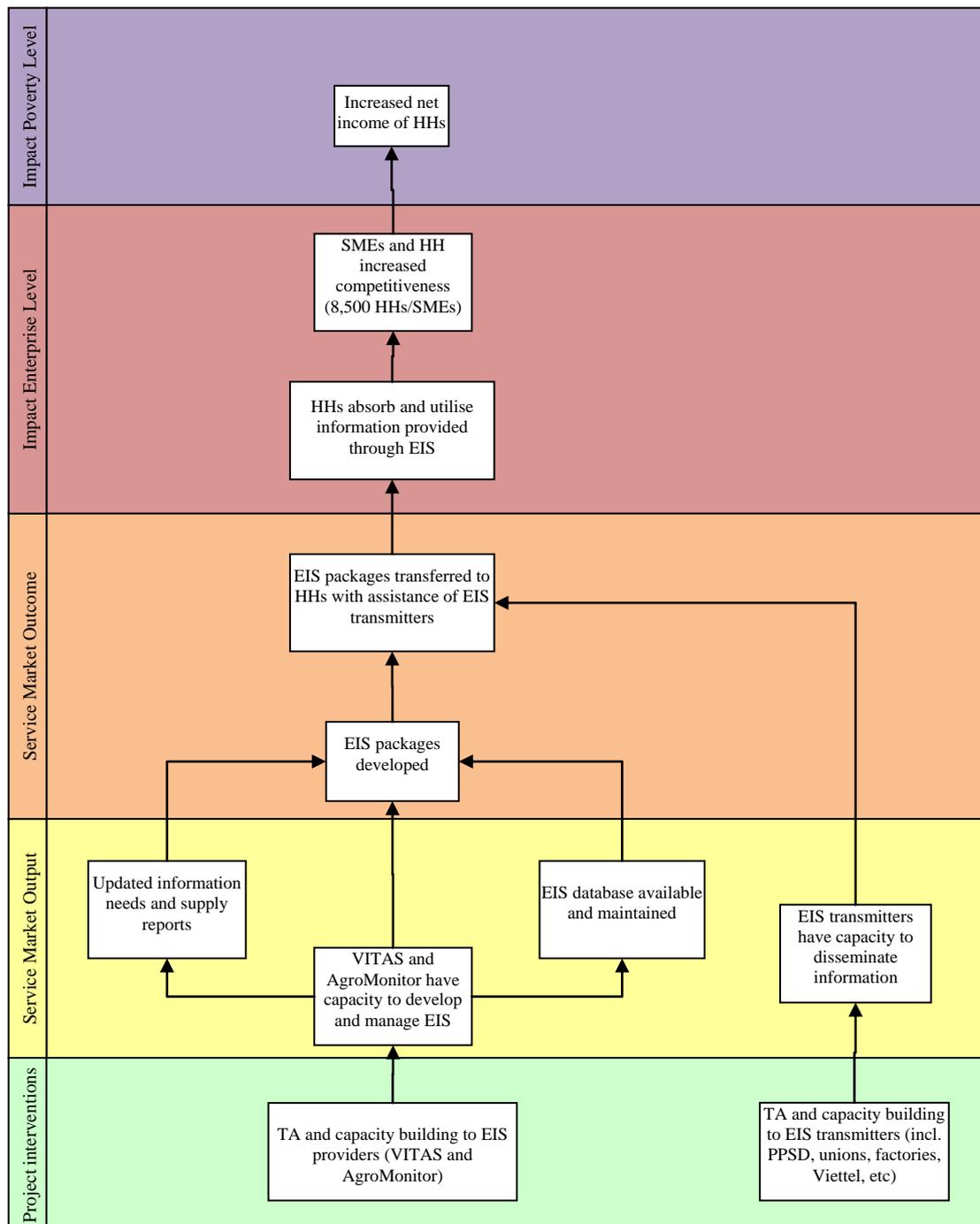
Similarly results chains are articulated for the rest of the value chains and other programmes in Asia also use them. As Nico Janssen Programme Manager from SNV Cambodia mentions, once they started using results chain, it has become an integral part of their work and they use it regularly in meetings to visualise how each of their activities will contribute to the results that they are aiming to generate in their programme.

2. **Defining Indicators of Change:** After articulating the results chain, the Vietnam programme also defines indicators of change for each of the levels of changes. In line with the Standard for results measurement, at the poverty the programme tries to measure the Universal Impact Indicators of scale and net income:

- The scale of outreach of the project in the tea sector in the northern provinces Lai Chau and Ha Giang is projected to be 25,000 households of the total estimated 40,000 households that are engaged in the tea sector in these provinces, i.e. 60%.
- The households that will be affected by project interventions are projected to have an average 5% increase of net annual income. This impact normally lags behind up to 2 years after the project interventions

For the sector results chain in Figure 1, the table below lists the indicators of change that have been set for regular monitoring. They include both qualitative and quantitative indicators, with targets for change. The qualitative indicators allow the programme to assess the quality of interventions.

At present, baseline information has been collected and the programme in Vietnam has done some preliminary impact assessment, however more impact assessments will be done in future in line with their **measurement plan** which are again drawn up for each of the results chains.

Figure 3: Indicators of Change

Level	Critical result	Indicator for critical results
Impact poverty level		
	Increased net income	Average 5% increase of net annual income of all households being reached (see scale-indicator) within 2 years after being reached for the first time. Within 1 year after being reached for the first time this will be 2%.
	Scale (= targeted HH)	By the May 2012, 25,000 households and 125 SMEs benefited from program interventions By the end of 2011 this is 20,000 HH and 100 SMEs By the end of 2010 this is 10,000 HH and 50 SMEs.
Impact enterprise level		
	SMEs and HH increased competitiveness	By May 2012, 12,500 households/SMEs benefit from EIS and as a result, increase the volume of production of raw material with average 5% By the end of 2011 this is 10,000 By the end of 2010 this is 5,000
	Quality standards applied in production process	*No indicators set → will contribute to result area "Tea of HHs and SMEs have higher market value"*
	Tea of HHs and SMEs have higher market value	As of the end of 2010, benefitting HHs earn average 5% per kg fresh tea more compared to HHs outside the project area.
		As of the end of 2010, benefitting SMEs earn average 10% more per kg processed tea compared to SMEs outside the project area in Vietnam.
	Tea companies and SMEs buy label-quality tea from HHs	As of May 2012, 5,000 ton of fresh tea is converted into labelled tea in Vietnam. By the end of 2011 this is 4,000

Level	Critical result	Indicator for critical results
		By the end of 2010 this is nil
	SMEs and HHs apply GAP	50% of the targeted SMEs and 15% of the targeted HHs apply GAP standards.
	HHs produce tea according to labelling standards	*No indicators set → will contribute to result area "Tea companies and SMEs buy label-quality tea from HHs"*
	Policy change for SMEs and HHs → to be defined as part of the sector study	To de defined a part of the sector study
	Improved infrastructure for the tea sector	*No indicators set → will contribute to result area "SMEs and HH increased competitiveness"*
Service market outcome level		
	EIS providers meet the demand for information of SMEs and HHs	50% of the targeted SMEs and HHs retrieve information that originates from EIS providers average at least monthly.
	BMOs promote quality standards within tea sector	50% of the targeted SMEs and 10% of the targeted HHs are aware of and understand the quality standards within the tea sector.
	LCBs train and coach HHs and SMEs in GAP	75% of the targeted SMEs and 25% of the targeted HHs received training and coaching in GAP standards.
	One or more certifying bodies provide their services to actors in the tea value chain	25% of the targeted SMEs used the services of a certifying body.
	Policies are increasingly supportive to HHs and SMEs	To be defined after the sector study
Service market output level		
	Market research report available	A market research report that provides ample market information about domestic and existing and potential international tea markets is available for all actors in the value chain by the end of 2009.
	Tea companies and SMEs have labelling know-how and capacity	2 Tea companies (by end 2010) and 10% of the targeted SMEs will have adapted labelling know-how and developed capacity to cope with labelling standards.

Figure 4: Measurement Plan (excerpt)

Level	Change	Indicator	What information will be gathered	How to gather information	How to calculate the indicator	Measurement intervals	Baseline
Impact at enterprise level							
	Tea of HHs and SMEs have higher market value	As of the end of 2010, benefitting HHs earn average 5% per kg fresh tea more compared to HHs outside the project area in Vietnam.	Average price per kg fresh tea that benefitting HHs as well as non-benefitting HHs receive.	A representative sample of benefitting HHs as well as a representative sample of non-benefitting HHs in a control group will be interviewed.	The findings in both the samples will apply for the total group of benefitting and non-benefitting HHs.	Annually	n/a, because comparison is with a control group
		As of the end of 2010, benefitting SMEs earn average 10% per kg processed tea more compared to SMEs outside the project area in Vietnam.	Average price per kg processed tea that benefitting SMEs as well as non-benefitting SMEs receive.	A representative sample of benefitting SMEs as well as a representative sample of non-benefitting SMEs in a control group will be interviewed.	The findings in both the samples will apply for the total group of benefitting and non-benefitting SMEs.	Annually	n/a, because comparison is with a control group
	Tea	As of the end of	Inquire with tea	- A comprehensive list	Count the absolute	Annually	During BS, a

Level	Change	Indicator	What information will be gathered	How to gather information	How to calculate the indicator	Measurement intervals	Baseline
	companies and SMEs buy label-quality tea from HHs	2012, 20,000 ton of fresh tea is converted into labelled tea in Vietnam. By the end of 2011 this is 5,000 By the end of 2010 this is nil.	companies and SMEs about the quantity of fresh tea of label-quality they buy from HHs.	of LCBs that are engaged in labelling will be prepared (same as with service market outcome level indicator here below). - Then, the LCBs will be requested to provide a comprehensive list of SMEs and tea companies that received TA in applying labelling - From this list a representative sample of SMEs and tea companies will be taken of 10%, but minimum 25 and maximum 50 SMEs/companies. - These will be visited for interview.	quantity of label-quality tea among the sample. This will be extrapolated to the total population of SMEs and tea companies that received TA in applying labelling.		sample of SMEs and tea companies will be asked the quantity of label-quality fresh tea that they buy from HHs.
	SMEs and HHs apply	50% of the targeted SMEs	Inquire with SMEs and HHs	- A comprehensive list of LCBs that are	The findings in the sample of SMEs	Annually	During BS, a sample of SMEs

Level	Change	Indicator	What information will be gathered	How to gather information	How to calculate the indicator	Measurement intervals	Baseline
	GAP	and 15% of the targeted HHs apply GAP standards.	whether they apply GAP standards. SMEs should be able to show the GAP certification.	engaged in GAP training and coaching will be prepared (same as with service market outcome level indicator here below). - Then, the LCBs will be requested to provide a comprehensive list of HHs and SMEs that received training and coaching in GAP. - Then a sample 10% of SMEs and 5% HHs, up to a maximum sample size of 500 in total will be interviewed	and HHs will apply for the total group of targeted SMEs.		and HHs will be asked whether they apply GAP. Producers should be able to show the certification.
	POLICY CHANGE FOR SMEs AND HHs → to be defined as part of the sector study	To be defined as part of the sector study	To be defined as part of the sector study	To be defined as part of the sector study	To be defined as part of the sector study	To be defined as part of the sector study	To be defined as part of the sector study

SNV Africa: Livestock markets in Kenya

The experience of using the Standard: In this case, the Standard was retroactively to a programme that already had its own results measurement system in place. It was prepared by the DCED Secretariat, in coordination with Thomas Were of SNV Kenya, as part of the materials for the introductory DCED seminar in September 2010. From the information already available, including a results chain, estimations of outreach, additional income and jobs could be generated.

Thomas Were found this exercise useful, as by articulating the results chain a complete picture could be drawn. By only checking a few additional facts from the field, a results chain could be retrospectively built to capture the impact in the market. Another useful learning from the exercise was that articulating the results chain, helped the programme to capture and quantify some unintended impact of the programme (story below).

Information about the case: 70% of the population in arid Districts of Kenya are livestock producers; more than half of their livelihood typically comes from dairy farming. Samburu County Council, SIDEP, KLMC and SNV have developed a business model that allows livestock markets to be established in remote areas, where no formal market had previously existed.

These markets mean that livestock producers do not have to herd their cattle to distant markets, a process that has always involved them in considerable additional costs. It also leaves them vulnerable to banditry and other losses. These new markets have also generated additional jobs for youth and women, who could not reach the distant markets at all. Figure 5, below, shows the results chain that was drawn.

While SNV was already aware of these benefits, articulating the results chain also prompted them to calculate these unintended benefits of the programme. The use of their own material helped the SNV Africa staff to better visualise and understand how the Standard could be applied retrospectively to their existing work; they are now holding more internal trainings to build the capacity of programme staff to work towards compliance with the Standard.

Figure 5: Results chain for new livestock markets in Samburu, Kenya

Impact at poverty level	Increased income of livestock producers (72,000,000 Kshs) → ← Increased employment in livestock sector (400)
Impact at enterprise level	Increased profit for livestock producers (Kshs 3000/bull)

Outcomes:
- Improved quality of livestock herd (less diseases, reduced mortality)
- Livestock producers receive a better price for their cattle (10% increase in price)
- Reduction in costs for livestock producers (less accidents, less roadside casualties)(20% drop in costs)
- Revenue used to set up revolving fund to give loans to livestock producers who want to expand their business
- Young children have access to education
- Nursery teacher appointed for community school
- 300 Women participate in small businesses
- Other small businesses (clothing, food stalls) set up at the livestock market
- 400 Youth hired for collection of tax and management of the livestock sale yard in the market
- More 5000 livestock producers sell their livestock at the interior livestock markets and share revenue with County Councils
- 1000 Livestock producers sell their livestock at the interior livestock markets
- Revenue generated for city council and communities through LMA in Samburu
- Other County councils copy the Samburu model and establish 5 more interior livestock markets

Outputs:
- 10 Vets offer good quality medicine and veterinary service to livestock producers
- County council and LMA forms interior livestock market for trading livestock in Samburu

Activities:
- SNV facilitates the city council to appoint 10 quality vets to provide services in the livestock market
- SNV helps to engage LMAs and the city council in a partnership
- SNV helps in establishing Local Marketing Associations (LMA) comprising of community members in Samburu
- SNV has a discussion with County Council to understand their needs in establishing a livestock market in Samburu
- SNV organizes a National public private partnership (PPP) seminar to disseminate learning