Final Progress Report
1st August 2018 to 31st July 2019

Trade Sector Development Programme: Upgrading horticulture supply and sustainable tourism to develop business linkages
Project Code (MMR/17/02/UNO)

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO

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ILO Development Cooperation Final Progress Report

Donor: Swiss State Secretariat for Economic Affairs (SECO)
Admin Unit: SME Unit

Project title: Trade Sector Development Programme: Upgrading horticulture supply and sustainable tourism to develop business linkages
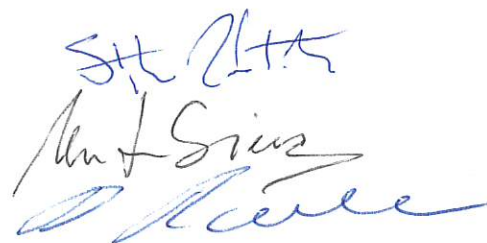
Report type Components [a]	Final Progress Report incorporating Self Evaluation
Reporting period:	**From 1st August 2018 to 31st July 2019**

Linkages:

Strategic Policy Outcome: GLO153

Country Programme Outcome: N/A

Sustainable Development Goal: SD8: Decent Work and Economic Growth

UNDAF Outcome: N/A

Related project(s):   N/A

Preparation and Review

Report prepared by: Stephen Hartrich, 10/10/2019

Report reviewed by: Merten Sievers, 10/10/2019

Report approved by: Dragan Radic, 10/10/2019

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[a] Version incorporating self-evaluation components mandatory to development cooperation projects up to USD 500,000 maximum.

Contents

1 Executive Summary

This project was funded as a part of the Government of Switzerland's contribution to the Global Aid for Trade initiative. The Swiss State Secretariat for Economic Affairs (SECO) Trust Fund is an Aid for Trade bi-lateral programme funded by Government of Switzerland and targeted to specific countries chosen by the donor. The ILO's work in this project supports a larger joint UN Cluster project - where three UN agencies (UNIDO, ITC and UNCTAD) implement the project and UNOPS is the trust fund manager. The joint UN cluster project aims to develop the horticulture and tourism sectors in southern Shan State, Myanmar, with the objective of generating gender inclusive employment outcomes (more jobs and better incomes).

SECO, the donor agency, requested that the ILO be involved in the inception phase of the joint UN cluster project to deliver the market analyses for the horticulture and tourism sectors. The donor requested that the Lab project, housed within the Enterprises Department and SME Unit, lead these analyses. SECO is the donor agency funding the Lab. UNIDO, ITC and UNCTAD are the UN agencies tasked with implementation in the joint cluster.

In this project, the Lab led five specific analyses – three more than were envisaged in the project scope. The analyses conducted during the project include:

- **Rapid market assessments for the tourism and horticulture sectors**: These helped provide a first look at the horticulture and tourism sectors. For the horticulture sector, it provided an overview of the key horticulture products in southern Shan State with the objective of selecting one key high potential sector (tea). These two analyses were not scoped in the original project plan but they were conducted as it was felt that they added value to the overall project.
- **Market systems analysis for the tourism and tea sectors**: These analyses looked to thoroughly analyse the sectors, and specifically to identify the core constraints and corresponding root causes in both markets. The analyses also mapped and analysed the incentives and capacities of market actors in both sectors and were used to propose an intervention strategy that tackled the root causes.
- **Comparative analysis between avocados and ginger**: As UNCTAD and UNIDO saw value in both the avocado and ginger sectors, the Lab conducted a more in-depth analysis in these two sectors such that the implementing agencies could evaluate the trade-offs and benefits of implementing in one or the other. This comparative analysis was not envisaged in the project scope.

2 Basic Information

Countries covered:	Myanmar
Donor:	Swiss State Secretariat for Economic Affairs (SECO)
Budget:	CHF 107,080
DC Symbol:	MMR/17/02/UNO
Administrative unit:	SME Unit
P&B Outcome:	Outcome 4: Sustainable Enterprises
DWCP outcome:	N/A
Start date:	01/08/2018
End date:	31/07/2019
Project Duration in months:	12 months

3 Summary outputs

The project's two outputs were completed market systems analyses for the horticulture and tourism sectors. The objective of these analyses was to focus on better understanding the constraints and opportunities in each sector through:

a) identifying the most promising horticulture and tourism sub-sectors and existing or potential business linkages between the two value chains;

b) drilling down into each of these subsectors to identify the key constraints – along with their root causes – that limit market performance in the core value chains as well as in the supporting functions (skills, information, infrastructure, etc.) and rules and regulations (policies, norms, standards, etc.); and

c) mapping public and private entities, and cooperation aid actors, that have both the incentive (will) and capacity (skill) to deliver as potential project partners and / or beneficiaries in outputs and activities relevant for them.

The two market systems analyses were completed within the agreed timeframe and included sufficient detail with respect to the three sub-points highlighted above. Feedback from the implementation agencies (ITC, UNCTAD and UNIDO) was that the analyses were of high quality and helpful to focusing and defining their activities for implementation in the two sectors.

In addition to completing the market systems analyses, the project also completed rapid market assessments for the tourism and horticulture sector – the project used the latter to select tea as a promising sub-sector within horticulture. To fulfil an ad-hoc request by the joint UN cluster team, the project completed a comparative analysis on ginger and avocado sectors demonstrating the relative advantages/opportunities and disadvantages of working in each.

All analyses were validated with local stakeholders through presentation in southern Shan State in May 2019.

OUTPUTS: Overall delivery assessment

☒ **Highly satisfactory**
Almost (>80%) outputs have been implemented on schedule as envisaged in the implementation plan and almost all (>80%) indicator targets have been met.

☐ **Satisfactory**
Some (60-80%) of outputs have been implemented on schedule as envisaged in the implementation plan and the majority (60-80%) of indicator targets have been met.

☐ **Unsatisfactory**
Some (40-60%) outputs have been implemented on schedule as envisaged in the implementation plan and only some (40-60%) indicator targets have been met.

☐ **Very unsatisfactory**
Few (<40%) outputs have been implemented on schedule as envisaged in the implementation plan and only a few (<40%) indicator targets have been met.

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4 Summary outcomes

The project scope was limited to delivering outputs. The market analysis outputs intended to provide a basis for other joint UN cluster agencies to focus and enhance the cluster project design, implementation and eventually outcomes. As such, this report will not review project outcomes.

5   Narrative Report: Managing for Results

5.1   Result summary

The project scope centred on the completion of two outputs – the market systems analyses in two sectors. The intent of these analyses was that they would be used by the implementing agencies (ITC, UNIDO, UNCTAD) to focus the project design. Implementing agency feedback indicated these market systems analyses and the complementary rapid market assessments and horticulture comparative analyses, were of high quality, relevant and useful.

To some extent, the analyses were used to revise the joint UN cluster project document in April and May of 2019. However, from the ILO's perspective, it was perceived that more analysis findings could have been mainstreamed into the joint UN cluster's implementation design. The poor uptake of potential intervention areas identified in the market analyses was due to several possible reasons:

- the Lab project has limited ability to influence the implementation activities of external organisations (apart from making a convincing case for why the findings of the analyses should be taken on board);
- the implementing agencies expressed reluctance to deviate from the activities identified in the initial project document;
- the implementing agencies are all headquarters-based without field operations and thus, some have limitations in adapting implementation beyond the tools proposed in the initial joint UN cluster project design. This led to an inflexibility in adapting implementation to different intervention areas.

Based on these challenges, it is unclear to what extent the Lab's analyses will contribute to the joint UN cluster project reaching its development objective. One concrete way that the joint UN cluster project has already availed of the analysis is that it has primarily focused its work in the horticulture sub-sector of tea, which the analysis identified as being a high potential sector.

Beyond the joint UN cluster project, the ILO's EU-funded STRENGTHEN project, saw value in the Lab's analysis in the tea sector and committed USD 200,000 to fund potential intervention identified in the tea market systems analysis. The implementation of these interventions started in September 2019 and will continue through March 2020.

Self-evaluation results

Relevance: The initial joint UN cluster project was developed based on limited analysis. The market systems analysis in this project was therefore relevant as it provided a basis to narrow the joint UN cluster project implementation scope and identify high potential opportunities

Effectiveness: The project was effective in the delivery of its scope of work – delivering more than what was asked, on time and within budget. In view of this project's contributions to the joint UN cluster project, it is still unclear how much the analyses will support the effectiveness of implementation as adoption of the analysis findings has been limited into the project design and project implementation only commenced in May 2019.

Sustainability: Within the market systems analyses, potential interventions with a strong focus on sustainability and scalability were identified. In consideration of that, this project's outlook on sustainability was strong. However, in looking at the joint UN cluster project as a whole, it is unclear to what extent these initiatives have been taken on board and thus how sustainable implementation of that project will be.

5.2   Monitoring, evaluations and other reviews

Given the limited scope of the project (delivery of two outputs), monitoring and evaluation activities were not conducted.

5.3   Main challenges, risks and corrective action

The project achieved its outputs within budget, to a high quality and within the identified timeframe. As mentioned earlier, the biggest challenge to the project was getting the joint UN cluster implementing agencies to on-board the analysis findings. The reasons, which are explained in more detail in section 5.1, were largely out of the ILO's control and thus, the scope for corrective action was limited.

5.4   Opportunities and corresponding strategy adjustments

The project did not make any strategy adjustments during its implementation.

5.5   Overall Budget Analysis

The project received USD 108,194, of which, USD 107,991 (99.8%) was spent.

Self-evaluation results

Efficiency: This project was implemented with high efficiency. The project delivered beyond the anticipated project results (more analyses than expected), on time and to budget. This also included accounting for considerable cost in general coordination with the UN Joint Cluster (meetings, missions, etc.) which was not foreseen in the initial proposal.

5.6   Lessons learned and Good Practices

For future projects where market systems analyses will be used as a basis for refining the project design, the language in the project document could be strengthened to define: 1) the purpose of the market systems analyses; and 2) that the project has flexibility to change the design based on analysis findings. Similar language could be included in the agreements with the implementing agencies such that they clearly understand that there is potential to adapt the original project design to reflect and build upon solid analysis.

5.7   Visibility & Communication

The results of the project were well communicated to the external audiences. Four documents were designed and published on the Lab's website. All reports provide visibility for the donor. Through this visibility, the STRENGTHEN project read the tea market systems analysis and decided to commit USD 200,000 to finance initiatives identified in the analysis.

5.8   Conclusions and Recommendations

Conclusions and recommendation from the self-evaluation		
Conclusions[b]	1. The project completed its outputs with a high degree of efficiency 2. The use of the findings from the market systems analyses by agencies implementing in the joint UN cluster project could have been stronger. 3. The Lab secured USD 200,000 of additional funding from the ILO STRENGTHEN project to finance interventions identified in the tea market systems analysis.	
Recommendations[c]	To ensure better uptake of market systems analyses by implementing partners, future joint UN cluster projects could do the following: 1. Include language in the project document on the purpose of the market systems analyses and that the implementation agencies are expected to revise design based on their findings. 2. Include similar language in the project agreements with the implementing agencies such that they clearly understand that there is potential to adapt the original project design.	Responsible entity: *SECO/ UN Cluster Team* Priority: *Medium* Resources: *Low* Timeframe: *Long-term (for the next project)*

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[b] Conclusions should synthesize the main findings into statements of merit and worth. As such, judgments need to be fair, impartial, and consistent with the findings

[c] Recommendations should follow from conclusions; link to lessons learned; and describe a time-frame (short-, medium-, long-term), the degree of priority (high, medium, low), who is called upon to act and acknowledge whether there are any resource implications.

B. Include relevant documentation, photo, web link, multimedia or information that may contribute to a better understanding of project progress.