



## Narrative Report

### Basic Project Information

Project Title	Developing service delivery capacity of National Farmers' organization on sustainable agro-enterprise through knowledge sharing and innovation in 7 ASEAN countries
Project Duration	October 2014 – December 2015
Project Implementor	Asian Farmers Association for Sustainable Rural Development (AFA)
Funding Source	Collectif Strategies Alimentaires
Reference Number	6137-2
Grant Amount	30,000 for 1st Year (commitment of E300,000 for five years)

### Executive Summary

The Asian Farmers Association is a regional organization of small-scale women and men farmers, fishers and indigenous peoples currently present in 12 countries, including 7 countries in Southeast Asia (with members in the Philippines, Indonesia, Thailand, Cambodia, Vietnam, Myanmar and partner in Laos). AFA envisions family farmers to lead happy, healthy and empowered lives.

One of the pillars of AFA's strategic plan and the indicators for empowerment that AFA members have drawn is the FOs capacity to manage sustainable agro enterprises.

The five-year cooperation with Collectif Strategies Alimentaires starting in year 2015 is aimed at improving the capacities of AFA national FO member organizations to provide services to its members/sub-national farmers association particularly in managing sustainable agro-enterprises, through knowledge sharing and innovation and capturing of lessons learned in the form of guidelines, frameworks, manuals.

In 2015, the Project focused on the theme: how FOs can deliver economic services to their members in an effective manner. AFA member FOs in Indonesia (API), Philippines (PAKISAMA) and Vietnam (VNFU) documented 12 business models (3 from Philippines<sup>1</sup>, 5 from Indonesia<sup>2</sup> and 4 from Vietnam)<sup>3</sup> as part of stock taking. These experiences were then shared during a regional workshop entitled "Regional Knowledge Sharing and Learning Workshop on Sustainable Agri- Enterprise Models and Strategies for National FOs Programs and Services to Members" last September 6-8, 2015 in Quezon City, Philippines, which was participated by 20 participants (8 female and 14 male) from AFA members, partners and support organizations.

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<sup>1</sup> SIDC, GlowCorp, NATTCO

<sup>2</sup> IOA, API, Binadesa, WAMTI, SPI

<sup>3</sup> VCA, CAEV, VWU, VNFU  
Version RD2012



## **Major Knowledge and Lessons Learned on How FOs Deliver Economic Services to Their Members:**

1. FOs economic services to their members can be categorized into three main services: provision of technical/business development services, financial intermediation and marketing services. FOs can perform one or all of these services, based on the needs of their members, their management capacity and financial capitalization. Generally, the FO will start small, expand and diversify later. For example, the 40 –year old cooperative, SIDC, currently provides all three services (in the value chain: production of inputs, technical, monitoring and marketing). GLOWCorp focuses on marketing of organic products, NATCCO provides financial services that include technical, hardware and investment to start up their lending/ microfinance. VNFU, API, BINADESA, IOA, WAMTI and SPI extend technical-related services on business and link them to financing and their products to market. FNN extends services to members in establishing their savings and credit groups to generate own capital for production; and link them also to market to assure them of better prices for their products.
2. FOs provide technical services to members by capacitating the leaders and staff through skills training, coaching or accompaniment, exposure to other successful FOs managing similar enterprises, and values re-orientation of members. In addition, FOs (with or without the support from other partners) are extending services in the installation of internal control system (GLOWCorp, IOA), technical, financial system and monitoring of lending, savings and credit services (NATCCO, FNN-CEDAC, SIDC). Technical-related services can be integrated in financial intermediation and marketing services.

There are four types of technical services:

- Technical service in organizing FO enterprises which include Feasibility Study preparation, business planning, marketing plan preparation, enterprise operation (systems installation, staffing/staff development, monitoring and evaluation, financial management, etc.)
- Technical service in managing the enterprise by providing capacity building such as accompaniment, on-the-job coaching, learning exchange and oversight (to orchestrate the overall enterprise operation: planning-implementation-monitoring-evaluation and sharing –lessons, strategy for next step ---systems improvement)
- Technical service in support of building networks and partners which FOs can leverage external support in the form of investment, technical assistance, market linkage, etc.) that can help in strengthening and expanding the operations of the enterprise;
- Other services such as such as installation of internal control system (e.g. GLOWCorp, IOA), technical, financial system and monitoring of lending, savings and credit services (e.g. NATCCO, FNN-CEDAC, SIDC)



3. Technical service comes first before any other enterprise related services like financing, marketing, processing service facilities/equipment, etc. Readiness of a sub-national member in terms of organization and financial capacity need to be ensured. This can be done by assessing the capacity of the sub-national member using a training need assessment (TNA) and enterprise assessment tool, which will check the level of organizational and enterprise capacity, then identify interventions based on the results of assessment.
4. Financial intermediation services include provision of credit/loans, financing and savings generation.

Lessons learned in provision of credit/loans and financing include:

- Link credit and lending services to market and technical service. For example, the savings cooperative of FNN extends loans to individual farming family who are into organic production (organic rice, organic vegetable, free range chicken). An orientation is given to applicants before the release of loan. Then, once approved, farmers execute a marketing agreement with CEDAC-FNN, specifying the target volume and price of paddy rice. Payment of loan is assured because the paddy rice is directly marketed to CEDAC-FNN.
- Provide technical services in terms of systems installation (formulation of policies, systems and procedures including report preparation and submission) and operationalization should be given before the start of actual business operation
- Extending loan without clear mechanisms/scheme to collect payment will result to lower rate of collection specifically in extending "crop production loan."
- Direct link to the market will help assured markets for farmers' produce as well as facilitate payment of loans through automatic deduction (as payment) from the sales proceeds. The cooperative/FOs if possible, needs to execute a contract with the marketing organization upon release of fund as guarantee to financing service. Like in the case of FNN, the coop savings and credit group extends capital to individual farmer through rice mill cooperative or through CEDAC marketing where they can automatically deduct members
- Marketing and lending services will benefit more farmers by using reflows (income and payment collections) to extend more members to be served while ensuring good management performance (high collection rate of payment and expanding beneficiaries = more members served).
- Give loans through commodities instead of cash. For example, instead of extending cash loan, SIDC gives commodity loan (non-cash) such as stocks (piglets), feeds and medicines as well as technical support to farmers who want to engage in pig production. GLOWCorp pays 50% advance to farmer-suppliers and the balance is paid upon delivery or within seven days after delivery of produce
- There is a need to balance the FO/cooperative's income from financing and the benefits that members get from the financing services. Unlike in micro-finance wherein one of the indicators to measure success is collection performance, FO enterprises as a whole should measure both the performance of the enterprise and the benefits members get out of operation of the enterprise.
- Integrate policies related to climate change. For example, give guarantee to a member who has loans so that s/he can pay/repay his/her loan after a natural calamity or disaster. To ensure that there is protection to loans extended to farmer members, collaterals and loan-related policies need to be established for the benefit of its members as well as the enterprise operation.



- Lending programs should include savings program. This entails proper orientation and training of members to fully understand the savings mechanism as a strategy of generating own capital for expanding or diversifying economic activities.

Lessons learned in organizing savings and credit cooperatives include:

- Define first the objective or reasons why you want to establish/organize savings and loan cooperative
- Identify membership criteria and process of selection. One of the criteria of FNN is the capacity to contribute and save money (earning capacity and not targeting the poorest of the poor). Establish the source/s of income of potential members. One of the requirements should submit detailed profile (highlighting the source/s of income of family) as basis for approval.
- Start with a small group or cluster of farmers who are willing and interested to participate, with entrepreneurial skills, interested and willing to invest and to engage in enterprise activities in the future
- Conduct learning exchange visit/exposure to advanced savings and credit group as a strategy for learning and sharing knowledge, experiences and practical tips in managing the enterprise. Advanced group shares their experiences, issues and challenges as well as opportunities on how they can collaborate to support new savings and credit cooperatives (big brother/sister-small brother /sister relationship).
- Conduct/ organize a training program for leaders, staff and members as well as conduct follow through activities. If needed, on-the job coaching will be provided.
- Conduct planning activity to discuss and agree on the preparation: business planning, crafting policies, systems and procedures (who will manage and how it will be managed, and by whom) as well as defining each role and responsibilities of the management for proper delineation and their accountabilities
- Tie-up with the market. This will help in prioritizing specific product or commodity to focus for investment and support, and to help famers access better markets
- Comply with the legal and reportorial requirements to operate a business in order to optimize potentials of the enterprise and to avoid disruptions of enterprise operation
- There should be simple but clear written policies on savings and capital build-up e.g. frequency of paying members' contributions, how much to pay, how to use (intended for members only, plus non-member; interest rate, terms of payment e.g. per week, month, cropping, etc.; purpose of loan), maximum loan ceiling, loan maturity, penalties and sanctions in case of failure to pay (justification/reasons to consider for non-payment);
- Prepare a simple feasibility study and financial projection, defining strategies with clear tasking among leaders and staff.
- Implement and conduct regular monitoring, evaluation and sharing of experiences and lessons learned.
- Periodic planning/re-planning to make some adjustments in terms of target, strategies including preparation of projected cash flow statement to ensure availability of fund (liquidity) for enterprise and identify possible source/s of funds



(including terms and conditions: interest and payment terms) in case of cash shortage along the enterprise operation.

- Address issues on sustainability by integrating savings mobilization in the credit policies and systems
5. Organized and capable farmers are able to access better markets for their products, negotiate for fairer prices and payment terms.

#### Knowledge and Lessons Learned on FOs Providing Marketing Services:

- The FO/cooperative should identify what product/s has/have potentials in the market by conducting simple market research;
  - The FO should produce an inventory of members' suppliers of goods/services (profile of members: list of farmer-producers, their capacity to produce quality and regularly supply quality produce, other possible suppliers (potential members' suppliers) along the specific commodity value chain;
  - Study first the whole industry and results will be an input in designing and conceptualization of enterprise model and appropriate strategies.
  - Organize into commodity-specific groups.
  - Strategize on how to consolidate (product quality and classification according to market), its process and delivery of goods to target markets.
  - If there are existing market intermediaries, assess the performance and check what other needs that are not being responded effectively and efficiently by the existing mechanism. Then decide what unique strategy/service you can best offer. In case the existing market intermediary is responding well to marketing needs of members, then better explore possible collaboration and identify gaps as basis for exploring other potential enterprise service/s.
  - Regularly inform the commodity groups about market prices and industry trends.
6. FOs who want to start enterprises with their sub-national members should address the latter's needs as they are the FOs captured client. Suggested steps are:
- Consult first with farmer-members to ask their needs/priority concerns. This will ensure that the service/s of the organization will directly respond to the needs of members. Then members will patronize to access its services and will participate actively as they are being served by their organization
  - Prepare a feasibility study and business plan as well as market study (target market, type of product/service, marketing strategy/ies, capitalization, profitability, ROI, and governance (cooperative, an association, corporation, etc.) for effective and efficient enterprise operation (quality and efficiency) in extending services to members
7. Many FOs themselves cannot provide all services needed by their members. However, FOs can leverage their own assets and capital (mainly through their savings and credit programs) with government and other development organizations, e.g. research and development, value-adding activities (the case of TWADA and TDFA in Taiwan), production and capital, support in the promotion of farmers' products through trade fair and product exhibits (the case of GLOWCorp, IOA, VNFU, SIDC), as well as infrastructure support to improve product quality (of farmers) and ensure food safety



(for consumers). Government and other development organizations can support and invest in capacity building of leaders and staff of FOs to help them establish, manage and sustain own enterprises as well as expand or replicate in other areas/groups, such as in the conduct of farmer-to-farmer exchange visits; also financing and marketing support to enable FOs to extend more services to members and create employment opportunities. Government can also play an important role in providing support and enabling environment where FOs can better engage with the market and specific industry value chain in general. This includes market infrastructure support such as pricing system and information, industry trend and situation at the local and international market, etc. Policy and program support services includes technical and financing both for production, processing and marketing. Private sector, on the other hand, can also support farmers by directly sourcing-out product from farmers/FOs (shorten the chain) and invest directly to FOs or through government programs in support of farmers/FOs.

## **Chapter1. Project's progress**

Main activities led for each of the results aimed in the logic frame

**A. Project coordination.** To ensure that the AFA members were oriented about the project deliverables and reportorial requirements, AFA secretariat conducted project orientation meeting with project focal persons of PAKISAMA, API and VNFU (face-to-face and online). Series of follow-up meetings were held to ensure that the implementation on the ground is done accordingly.

### **B. Scoping research in three countries: Indonesia, Philippines and Vietnam**

The business models and strategies of eleven national FOs/Business Development Service Providers (BDS) (3 from Philippines, 4 from Vietnam and 4 from Indonesia) were documented, focusing on their initiatives, experiences and challenges as well as lessons learned. These cases were:

- **In Philippines:** (1) National Confederation of Cooperatives (NATCCO), currently considered the biggest co-operative federation in the Philippines in terms of geographical reach, membership, financial capacity, and array of services, offers financial and allied services, enterprises development, information technology and diverse curricula. It engages with local and international partner organizations to advance co-operative development; (2) Soro-soro Ibaba Development Cooperative (SIDC) is a primary cooperative with national scope. It provides support to members through commodity loan and currently extends full value chain service along the pig value chain: from production till marketing and other social services; and (3) GlowCorp, which is a farmer-led corporation composed of 29 shareholders (start from 8 farmer cooperatives, associations, NGOs and individuals as incorporators) committed to assisting small scale producers of organic rice and muscovado sugar, both considered as sunshine industries, to upscale production, develop new and non-traditional markets both domestic and abroad. *Please see Annexes 1.1- 1.3 for the researches*



- **In Vietnam:** (1) Vietnam Cooperative Alliance (VCA) is a socio-economic organization representing, supporting and protecting the legal rights and interests of cooperatives and its Cooperative Alliances (CA) covering all industrial sectors of the country and targeting its services nationwide ;(2) Vietnam Womens' Union (VWU) is a political - society organization in Vietnam political system, representing the legitimate rights and interests, the legitimacy of women in Vietnam, striving for the development of women and gender equality;(3) Coop Agriculture Extension Volunteers (CAEV) is a Vietnamese non-profit and non-government organization (NGO) promoting agricultural extension work by working directly with farmer-households at grassroots level aimed at improving farming practices and increasing the income of poor farmers, as well as recruits agronomists, agricultural scientists, agricultural extension specialist, skilled technicians, and community workers as volunteers ; and 4) Viet Nam Farmers Union (VNFU) is a socio-political organization of the Vietnamese peasantry under the leadership of the Communist Party of Vietnam which ensure that rights and benefits of the farmers are accorded to them accordingly thru the provision of related basic support services represent the peasantry to participate in building the political system and national unity block ; and gather, mobilize, and educate members, farmers to bring into full play their ownership, to be active in learning to improve all facet capacity. *Please see Annexes 1.4-1.7 for the researches*
- **In Indonesia:** (1) Binadesa is a non-governmental organization with major concern in the field of human resource development at the local level, strong advocate for rural communities, marginalized communities; (2) WAMTI is a community organization of farmers and fisher folks, established in Jakarta in 1994. WAMTI has about 80,000 members spread across regions and provinces in Indonesia. WAMTI is a plaza to the voice of farmers and fishermen Indonesia, active in the domestic and international advocacy on farming or fishing and agricultural issues, trade, and farmers and fishermen the right. WAMTI dealt with three main programs, namely: advocacy, empowerment or development capacity, and research ;(3) Serikat Petani Indonesia (SPI) composed of small farmers, small tenant farmers, farm workers, farm workers, indigenous peoples and young farmers who have a strong desire to be a farmer, and its agenda focused on agrarian reform, food sovereignty, rights of farmers, sustainable agriculture based on family, and resistance to neoliberalism; (4) International Organic Alliance (IOA) is a member-based civil society organization, dedicated to promote organic farming and fair trade, in order to provide assurance of organic products produced in Indonesia. Until 2013, AOI has 117 members in 20 provinces in Indonesia; and (5) Aliansi Petani Indonesia (API) is a national farmers organization established based on the agreement between independent farmers' organizations in Java and Sumatra. The establishment of API is based on the interests of the peasant movement against policies unfair to marginalize lives of millions of farmers in Indonesia. *Please see Annexes 1.8- 1.12 for the researches*

### **C. Conduct National Consultation in three countries**

Three national learning workshops were conducted in August-September 2015. The results of the scoping/mapping research were presented as well as sharing of experiences of other FOs and partners. The national consultations were participated by



a total of 113 people (46 women, 67 men) comprising FO leaders and staff, selected partners/ networks and other FOs who were actually engaged in agri-enterprises and providing agri-enterprises related services to farmers' organizations, cooperative, etc. Government representatives were also invited (in the case of Philippines and Indonesia); they presented their programs and services where FOs can explore and leverage program support for their farmer-members. Specifically in Indonesia, LPDP (financing) presented its financing program for agriculture and discussed its policy, criteria and process in accessing loans.

Table 1. Participation in National Consultations in Three Countries. Aug-Sept 2015.

Country	Women (W)					Men (M)					W+M
	FO	CSO	GO	Others	Total	FO	CSO	GO	Others	Total	
1. Indonesia	12	3			15	6	3	1		10	25
2. Philippines	12	2	1		15	25	7	2	3	37	52
3. Vietnam	8	6		2	16	11	7	2		20	36
<b>Total</b>	<b>32</b>	<b>11</b>	<b>1</b>	<b>2</b>	<b>46</b>	<b>42</b>	<b>17</b>	<b>5</b>	<b>3</b>	<b>67</b>	<b>113</b>

#### D. Conduct of Regional Knowledge sharing and learning workshop

AFA organized a regional knowledge sharing and learning workshop held in September 6-8, 2015 aimed to: 1) Share and learn different models or approaches of extending economic services of national farmer organizations to their members, based on cases/experiences presented and advise from experts; 2) Identify areas for improvement of existing models or approaches of AFA Members in extending services and programs related enterprises; 3) Develop guide points, tips or point of direction which the national farmer organizations can use when extending economic services to members; and 4) Agree on priority theme(s) to focus for the next years. This workshop was participated by 22 members (36% are women) men and 5 women representing AFA members from Vietnam, Indonesia and Philippines (three focused countries), South Korea, Japan, Mongolia, Myanmar, Cambodia, with AFA member in Taiwan joining via skype AFA partners and network organizations also attended the workshop.

Workshop sessions included presentations of scoping research (from Indonesia, Vietnam and Philippines), sharing of experiences from other AFA members from Japan (Ainokai), Taiwan (TDFa and TWADA), South Korea (KAFF), Cambodia (FNN) and Mongolia (NAMAC) as well as discussions of challenges, reflections and lessons on how to improve their existing enterprise models/mechanisms as well as strategies to effectively and efficiently extend enterprise -related services to members. *Please see Annex 2.1 Summary of Workshop proceedings and Annex 2.2 for Workshop Proceedings.*





## **E. Other activities conducted in support of strengthening members' initiated enterprise/s**

1. With the support of Agriterra, AFA facilitated the learning exchange visits of selected members' organization through member-to-member cooperation. Countries visited and participating FOs were as follows:
  - a. Two participants each from API (Manager of APOLLI plus translator) and from NLRF conducted a visit to FNN in Cambodia (January 2015). The team visited the CEDAC -FNN marketing enterprise. CEDAC and FNN discussed their initiative and challenges in sustaining their operations. The team also visited a rice mill cooperative, an organic vegetable group a savings and loan cooperative and a water user group from Farmer and Water Net (FWN) who is managing a gravity irrigation system. There were interactions with the leaders and the management staff and discussions on the operation and management of the enterprise, how the members are involved and how the benefits are shared among members.
  - b. Two participants each from UWUA and two from PAKISAMA conducted a study visit to TDFA and TWADA in Taiwan last May 2015. The team visited a seedling nursery business and an irrigation group as UWUA was interested to know and learn how they could possibly improve their existing irrigation system based on the management systems operation.
  - c. Two participants from CTCF attended a learning exchange visit in Vietnam last March 2015, aimed at learning about Vietnam's tea enterprises, the tea industry value chain, and techniques on increasing quality and yield of tea. They learned about the product classification and sorting method to ensure good quality product and market competitiveness. Furthermore, they also learned about organic certification system.
2. Seed forum (August 2015) – AFA secretariat, together with representatives from API, attended a Seed Forum organized by SEARICE. The workshop discussed the situation of seed industry as well as issues related to trade policy and its implication to smallholder farming families. It was learned that farmers who are into seed production, could market their seeds legally only if they are registered as seed grower/producer and have complied with the legal requirements as seed producers. Though government is not strictly implementing this policy, farmers can only market their seeds to their members if not legally registered as seed producers.
3. GROW Asia meeting in Manila (Nov 2015) –AFA secretariat joined this workshop together with 3 PAKISAMA leaders and staff. During the meeting, working groups were organized according to commodities - such as working groups on coffee, corn/maize, coconut, and aqua/fisheries. AFA secretariat was able to link PAKISAMA with other SMEs and private enterprises who have direct links with communities/ producers' organization. Meetings of the working groups are set in the first quarter of 2016.

## **Chapter2. Results evaluation**



## **A. Progress towards the general and specific objectives of the Project**

The overall project aims to improve the capacity of national FOs to provide quality service to its member organizations as they implement agro-enterprises that contributes to increased income of farmers.

**Target Outcome 1** - Provided national FOs with information and learning experience on various models and strategies on improving services to members on agro-enterprise.

**RESULTS:** Scoping/mapping research was conducted with 12 cases documented: three from Philippines, four from Vietnam and five from Indonesia. These cases were presented, discussed and analyzed in the three national consultations as well as in the regional learning workshop. In the regional workshop, additional FOs from five countries (Japan, South Korea, Mongolia, Cambodia, Taiwan) came to share also their experiences.

**Target Outcome 2** Deepen conversation and action oriented discussion among FOs on improving their service delivery to members

**RESULTS:** During the regional knowledge sharing and learning workshop, there were exchanges of ideas, learning and insights on effective and efficient strategies and models for FOs in extending services to members. The workshop consultation resulted to further networking with other organizations to complement the policy advocacy work on the ground. In Indonesia for example, IOA member in Bogor who have marketing outlet is interested to buy organic red rice from Apolli who is member of API. In addition, participants during the consultation workshop in Indonesia are interested to avail of financing window from the government. This can be explored by API and other CSOs to influence government credit policy e.g. terms and payment scheme to enable farmers to access credit.

**Target Outcome 3** - Establish link between national FOs and other service providers

**RESULTS:** Initial linkages with other potential service providers were established. During the national learning workshops in three focused countries and during the regional knowledge sharing and learning workshops. These include national FOs/cooperative, CSO, business organizations doing social enterprise, academe, research and extension office which open up an opportunity to members tap available human resources outside of their existing networks.

**Target Outcome 4** Generate relevant policy advocacy agenda from the conversation and learning exchanges.

**RESULTS:** No definite policy agenda was crafted during the workshop but there were recommendations on where to focus critical interventions to help strengthen the capacity of national FOs to deliver economic services in three major areas - technical, financial intermediation and marketing

**Target Outcome 5** Enhanced the interaction among AFA members and other FOs in the MTCP2 platform

**RESULTS:** There were initial interactions among AFA members and other FOs in the MTCP2 platform during their participation in the national consultations (Indonesia and Vietnam). It is expected that further interactions and complementation of works among AFA members and the MTCP2 platform will be done in the succeeding event specifically in topics identified: cooperative, value chain development and management, certification/participatory guarantee system.



**B. What are the impacts of the project on the organization’s strengthening and/or its member strengthening?**

The FOs will apply new knowledge and learnings acquired. For example, API will practice the learning on giving loans through commodities instead of cash (lesson from SIDC, GlowCorp). AS Pakisama establishes primary agriculture cooperatives as its main strategy in the next five years, the learnings from this Project will guide them.

Moreover, there was greater networking among several FO enterprises as they explored possible tie-ups or joint activities.

1. SIDC encouraged Pakisama to form commodity clusters of pig raisers who will then apply for membership to SIDC. SIDC can then extend commodity loan (pig production: stocks, feeds, technical and marketing) to Pakisama clusters. Pakisama can use MTCP2 funds to form this commodity cluster of pig raisers and provide funds for the construction of pigpens.
2. APOLLI will check with IOA the possibility of directly marketing its organic rice to Bogor, one of the assisted groups of IOA. Follow through meetings to discuss details and how this can be operational is needed.
3. Also, the wild honey produced by members of API is linked to community-supported enterprise of NTFP-EP, which is also doing honey collection and marketing both at local and export markets. NTFP-EP is a new network partner of AFA, for the work with farmers in forested landscapes through the Forest and Farm Facility. AFA secretariat linked NTFP-EP to API and its members producing honey. API invited NTFP-EP in the national learning workshop on forestry and during its national learning workshop consultation.

**C. What impacts have had the activities of your organization and your organization member within the project on actors and or strategic elements of the context of action?**

As AFA is currently in the process of developing a new strategic plan and enhancing its program on enterprise development, the learnings from this Project will guide AFA in the strategies it will take to enhance the capacities of member organizations to strengthen enterprises of their members.

The project has also made the AFA member organizations in Southeast Asia to be more concerned about how to cooperate together to engage the market and other market players in the context of the ASEAN Economic Integration.

**D. Can you evaluate (in number) the ‘outreach’ of the whole project: the number of persons reached by the project, specifying the number of women?**

Level	Participants (outreach)
Local	na
Sub-national	na
National	113 (46 women, sixty seven men)
Regional	20 (8 women, 14men)
International	
Total	133
Number of women	54 (40%)



### **Chapter 3. Comment briefly on the following issues (+- 1 page). Some information on**

#### **a. the context in which the project started and the evolution of this context**

The Asian Farmers Association is a regional organization of small-scale women and men farmers, fishers and indigenous peoples currently present in 13 countries, including 7 countries in Southeast Asia (with members in the Philippines, Indonesia, Thailand, Cambodia, Vietnam, Myanmar and partner in Laos). AFA envisions family farmers to lead happy, healthy and empowered lives.

One of the pillars of AFA's strategic plan and the indicators for empowerment that AFA members have drawn is the FOs capacity to manage sustainable agro enterprises. Currently, initiatives have been taken by member FOs along these lines: increasing FO's market power through cooperative/collective production, processing and marketing. This includes establishment and reinforcement of agro-enterprises especially through access to market and access to financing. Special attention is given to marketing for organic product (rice, cacao, free-range chicken, coffee, etc) focusing on sustainable farming technologies, cooperative marketing, participatory guarantee system and organic certification. The initiatives have varying degrees of success or development; some have developed faster than others, some more successful than others. But all expressed the need to know what others are doing and learning so that they can make improvements in their initiatives.

#### **b. the project's relevance for the development (effectiveness, efficiency, coherence, relevance, sustainability)**

The project helped AFA member organizations to gain new knowledge on different models and strategies in delivering economic services to members. Once this knowledge is applied to their own work, they will be able to build new capacities and track record in managing enterprises that will give due benefit to their members. It is important that the application of this new knowledge is supported by necessary technical and financial support. New ideas and techniques learned from the cases presented gave an opportunity to think over how those lessons will be applied.

#### **c. Risk management in the project.**

There is a need for improvement in terms of compliance with the agreed tools and process of implementing activities at the national level. However, this can be addressed by close monitoring and giving guidance in carrying-out the project implementation. In addition, there should be regular follow-ups of their applications of lessons learned for year 1.

#### **d. short-term effects of the realizations**

Action Points/Next steps:

- Review existing credit policies



- improve existing policies and to include collaterals when extending loan to members;
- credit service should have direct linkage to marketing to ensure payment collection during harvesting.
- production credit can be done through commodity loan, the cooperative will extend production support in kind such as seeds, fertilizers, etc.

#### **Chapter4. Questions on transversal themes: gender, environment, financial sustainability. For each theme, please answer to those different questions:**

- Does the project concern directly the transversal theme? (Through the general and specific objectives?)

AFA members are aware that every activity there should be at least 30% women participation (affirmative action). At the national learning workshops, women participation ranged from 36-40% while 33% women participated during the regional knowledge sharing and learning workshop.

The project has direct link on environment and sustainability. The agri enterprises that were studied were all engaged in sustainable agriculture production and marketing of produce grown sustainably/organically.

- **Is there a specific link between the project and the transversal theme? (Ex: activities(s) aiming at this objective)?**

Through this Project, AFA member FOs have gained new knowledge and ideas on how to effectively and efficiently deliver economic services to members. The new knowledge and ideas on generating own capital (savings and loan), on how to leverage resources from partners and networks and how to better negotiate better terms and conditions with the market will in the long term directly contribute to financial sustainability.

- **Certain project activities give specific and relevant information on this transversal theme? If yes, please explain.**

No

#### **Chapter5. Lessons Learned and recommendation for the upcoming years**

##### **Recommendations for the upcoming years**

1. Based on the results of learning workshop and discussions with the staff in-charge in three focused countries, suggests the following activities for second year"

##### **At the national level**

- Capacity building for the trainers on enterprise related expertise
- Identify cooperative/association to focus on support
- Conduct an assessment and identify needs/interventions



- Identify appropriate activities to respond their needs e.g. capacity building support through training (specialized skills training, learning exchange and accompaniment)

#### **At the regional level**

- Technical assistance in support to members
- Organized a learning visit and workshop on ICS/Certification/promotion/cooperative (for discussion and come-up with detailed activity)
- AFA to establish database of experts both at the national and regional/international (name/organization/country/expertise/cv/fee service) where members can tap/leverage human resource needed

2. There is a wealth of information gathered during the national and regional workshops. AFA will seek resources to repackage the scoping report into case write ups of the successful enterprises using the business model outline and then publish it online and print some copies for FOs' use. AFA will also look for support to translate these materials into the languages of their members.

3. A big problem during the regional workshop was poor translation/interpretation support. This will be corrected in future regional workshops by "investigating" and "checking" thoroughly the background and the experience of proposed translators.

#### **Chapter6. Financial report**

*Please compare the total budget and the final budget. Please give as well as the explanations for the differences.*

The total approved budget was Three Hundred Thousand Euros for a period of five years. For year one, the approved budget was Thirty Thousand Euro (\$30,000) signed between AFA and CSA. Of the total approved budget, the total amount received amounting to Twenty Five Thousand One Hundred Seventy Four and 80/100 euro (€25,174.80) or 83.9% of the total approved project budget. As of reporting period, the total project expenditures totaled to Twenty Nine Thousand Four Hundred Ninety Two and 80/100 (€29,492.80) or 98.3% of total approved budget.