KIT Royal Tropical Institute

Aid & Trade in Dutch Development Cooperation

What has worked, what hasn't worked? What needs more focus and attention?

A brief review of external evaluations of
Aid and Trade programmes from 2013-2017

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Acronyms

AEF	Access to Energy Fund
BHOS	Foreign Trade and Development Cooperation
CBI	Centre for the Promotion of Imports from developing countries
D2B	Develop2Build
DECP	Dutch Employers' Cooperation Programme
DGGF	Dutch Good Growth Fund
DRIVE	Development Related Investment VEhicle
FDOV	Facility for Sustainable Entrepreneurship and Food Security
FDW	Sustainable Water Fund
FMO	Netherlands Development Finance Company
GAFSP	Global Agriculture and Food Security Programme
GNP	Gross National Product
GTLP	Global Trade Liquidity Programme
IDF	Infrastructure Development Fund
IDH	Sustainable Trade Initiative
IOB	Policy and Operations Evaluation Department, Ministry of Foreign Affairs
LDC	Least developed country
LMIC	Low and middle income countries
MASSIF	Micro & Small Enterprise Fund
NGO	Non-governmental organisation
NIPP	Netherlands-IFC Partnership Programme
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
ORET	Development-Related Export Transactions Programme
ORIO	Facility for Infrastructure Development
PIDG	Private Infrastructure Development Group
POP	Program Support to Producer Organizations
PPP	Public Private Partnership
PSD	Private Sector Development
PSOM/PSI	Private Sector Investment programme
PUM	Dutch Senior Experts Programme
PwC	PricewaterhouseCoopers
RVO	Netherlands Enterprise Agency
SME	Small and Medium Enterprises
SRHR	Sexual and reproductive health and rights
TCX	The Currency Exchange Fund
2SCALE	Toward Sustainable Clusters in Agribusiness through Learning in Entrepreneurship

Abstract

This report aims to take stock of the Dutch Aid and Trade agenda, with a particular focus on the time period of 2013-2017, to bring together existing insights on what has worked, what hasn't worked, and what needs more focus and attention. Based on a meta-analysis of policy documents and 16 recent external evaluations of Dutch Aid and Trade programmes, the report addresses the following questions:

1. What do we know about Dutch Aid and Trade spending and what patterns can we distinguish?

2. What type of programmes exist in Dutch Aid and Trade, and what do they aim to achieve?

3. What outcomes of Dutch Aid and Trade programmes can be identified, and what is known about their impact?

4. How can Dutch Aid and Trade be further shaped according to its comparative advantages?

The lessons learned from this review can be summarised in 10 key points which serve to make Dutch Aid and Trade more inclusive, impactful, focused and ambitious:

1. We observe **increased coherence within and between Aid and Trade programmes** – but more work remains to be done, especially at country level.
2. **Programmes have (high) policy relevance** according to the evaluations.
3. Public-private partnerships remain important instruments to achieve development results, but face significant difficulties in implementation and require improvement in configuration and management.
4. **Additionality and market distortion remain uncomfortable subjects** in evaluations, and little is known beyond mere indications.
5. Despite the increasing number of external evaluations, **showing the impact of Aid and Trade remains difficult**. We still have little empirical evidence about their development effects in low and middle income countries.
6. The **underlying assumptions and unintended effects of Aid and Trade programmes warrant closer attention**, as a number of evaluations expressed doubt regarding the accuracy of programmes' theory of change.
7. **Is Aid and Trade pro-poor?** This is not an easy question to answer. Aid and Trade programmes seem to be reaching low income countries, but we also find a focus on the low hanging fruit (e.g. 'entrepreneurial' farmers) without specific target group differentiation or much attention to vulnerable population groups.
8. Despite the prominence of **gender equality in Dutch development policies, gender is mostly at the side-lines or is built in schematically in Aid and Trade programmes** (e.g. x% of beneficiaries must be women).
9. **What is the role of large (Dutch) companies in Aid and Trade?** If programmes are open to companies of all sizes, we see the dominance of large companies, often with a focus on procurement and supply chains. Engaging large companies is not without risks for achieving development results.
10. Across the board, evaluations highlight the **increased development relevance when targeting the SME sector in low and middle income countries** due to higher chances for additionality, inclusive business models and development results.

1. Introduction

For over a decade now, aid has been increasingly closely allied with trade policy, not only in the Netherlands but in several other donor countries as well. Broadly captured as the 'Aid and Trade' agenda set out in the 'A World to Gain' report of 2013, Dutch policy pursues three main objectives at international level: eradicate extreme poverty, promote sustainable and inclusive development worldwide, and facilitate Dutch companies abroad (Ministry of Foreign Affairs, 2013).

More recently, the aspect of inclusive economic growth has received increased attention to ensure that the poorest groups in society can participate and share the benefits from growth: Trade does not by itself increase the well-being of poor people, but needs to be accompanied by extra efforts and policies to ensure that the poor are able to take advantage of economic opportunities or feel the benefits of them (Ministry of Foreign Affairs, 2015).

Within the three broad objectives mentioned above, Dutch Aid and Trade policy focuses on a variety of issues, including employment creation and income generation, entrepreneurship, trade, business and investment climate as well as climate change and water – priorities where Dutch knowledge and expertise can make a significant impact. A key principle is therefore the involvement of the Dutch business sector, in particular the Dutch 'top' sectors. According to the Ministry of Foreign Affairs, such a combination of Aid and Trade works for both developing countries and the Netherlands, and is one of the areas where the Netherlands is able to make a difference in international development (Ministry of Foreign Affairs, 2013). Indeed, as recognised by IOB in its 2014 evaluation of private sector development programmes (2005-2012), Dutch cooperation addresses important bottlenecks for private sector development, and programmes result in substantial outputs and reach in low and middle income countries (LMICs) (IOB, 2014a).

At the same time, trade – and the global trade system in particular – is not inherently good and does not automatically deliver benefits to poorer countries. There are also concerns that combining development objectives with Dutch commercial interests risks leading to the capturing of aid by trade – something that was not only raised by NGOs (e.g. Both ENDS, ActionAid & SOMO, 2013; Oxfam Novib, 2016), but also noted by the OECD (OECD, 2016a). As bits and pieces of information are revealed from all sides, the debate on Aid and Trade is not only growing, but also getting increasingly confusing. Some reports defend this paradigm, while others are more critical and ask whether Aid and Trade really helps reduce poverty. Perhaps it is just too early to demonstrate clear impacts which prevent us from making progress in this debate?

This report aims to take stock of the Dutch Aid and Trade agenda, with a particular focus on the time period of 2013-2017, to bring together existing insights on what has worked, what hasn't worked, and what needs more focus and attention. In taking a critical yet constructive stance, we add to recent debate in the Dutch context (e.g. see the special issue contributions in Vice Versa from May and June 2017[1]; and van Ewijk et al., 2017) and offer input to the future shape of the Aid and Trade agenda.

Based on a meta-analysis of publicly available policy documents and recent evaluation reports of Dutch Aid and Trade programmes, the report addresses the following questions:

1. What do we know about Dutch Aid and Trade spending and what patterns can we distinguish?
2. What type of programmes exist in Dutch Aid and Trade, and what do they aim to achieve?
3. What outcomes of Dutch Aid and Trade programmes can be identified, and what is known about their impact?
4. How can Dutch Aid and Trade be further shaped according to its comparative advantages?

In the remainder, the report explains its review approach (section 2), before presenting an overview of Dutch Aid and Trade spending and of the most important policy instruments and programmes (section 3). Subsequently, the different policy clusters of Dutch Aid and Trade are looked at in greater detail to distil the key insights of recent reports and evaluations (sections 4-7). Based on this, we synthesise the key lessons learned in a critical, yet forward looking discussion in order to outline key recommendations for Dutch Aid and Trade policy to consider in the future (section 8).

[1]. The dossier of Vice Versa is available online at http://hetnieuwe.viceversaonline.nl/dossierthemas/hulp-en-handel/

2. Review approach

This paper is based on a review and meta-analysis of policy documents and particularly of evaluation reports of different Dutch Aid and Trade programmes in the years of 2013-2017. This timeframe was chosen to align with the large-scale review by IOB of Dutch private sector development programmes between 2005 and 2012 (IOB, 2014a). We only included external evaluations in our review, i.e. evaluations carried out by third parties not directly involved in the programmes under study, to ensure objectivity and lack of vested interest with regard to documented findings, which cannot be guaranteed with internal evaluations. In total, we were able to retrieve 16 external evaluations (see Table 1).

Table 1. External evaluations included in the review

YEAR	PROGRAMME	EVALUATOR
2013	DECP (evaluation)	Triodos Facet
2013	ORIO (review)	Carnegie
2014	IDH (review)	IOB
2014	FMO-A (evaluation)	Carnegie & ODI
2014	2SCALE (mid-term visitation)	Partnerships Resource Centre
2015	Agriterra (evaluation POP programme)	KIT
2015	PUM (evaluation)	Erasmus University (with Carnegie)
2015	FDW (MTR)	Various independent consultants
2015	MASSIF (evaluation)	Ecorys & Carnegie
2015	MASSIF (evaluation of local currency financing)	Dahlberg
2015	DGGF (mid-term review, only summary publicly available)	Itad & SEO Amsterdam Economics
2015	CBI (evaluation)	IOB
2015	ORET (evaluation)	IOB
2016	PSOM/PSI (evaluation)	APE Public Economics, Timpoc & MDF
2016	FDOV (MTR)	KIT
2017	IDH (first assessment report)	Wageningen Economic research & KPMG

All evaluations were reviewed following the same analytical approach, which aimed specifically at answering questions no. 2 and 3, as presented in the introduction of the paper. We made a distinction between general and specific themes of analysis. General themes served to reveal basic knowledge and findings on the different programmes, including:

- Theory of change and intervention logic
- Activities/inputs
- Outputs
- Outcomes (immediate and intermediate)
- Impacts

Specific themes of analysis were drawn from a review of the public debate on Aid and Trade in the Dutch context (e.g. IOB, 2014; Oxfam Novib, 2016; van Ewijk et al., 2017; Santpoort et al., 2017; OECD, 2017) and included the following elements:

- Additionality and sustainability
- Gender and inclusion
- Dutch knowledge and Dutch business
- Complementarity and coordination

At the same time, we highlight the following limitations of our paper. First, we emphasise that this is a brief review and not an in-depth study. Second, we recognise the possibility of publication bias due to the following concerns:

- Reliance on external evaluations which may themselves have methodological limitations, including systematic differences between reported and unreported findings ('selective reporting') which could affect the results of individual studies.
- Reliance on external evaluations that were carried out following pre-determined Terms of Reference, which could result in outcome reporting bias as only certain evaluation questions, criteria and indicators were included in the studies while others were not.
- Reliance on publicly available evaluations, which could have resulted in a de facto sampling bias. For instance, the mid-term review of GAFSP (2016) is not yet published and for the mid-term evaluation of the Dutch Good Growth Fund (2015), only the summary is made publicly available. There are also ongoing or recently finalised evaluations, such as for DECP or 2SCALE, which are not yet available and hence not included in this paper.

3. Overview of Dutch Aid and Trade spending and policies

3.1 A note of caution

Getting a precise overview of Dutch Aid and Trade spending is remarkably difficult. One of the key challenges is that the definition of Aid and Trade itself is rather ambiguous and hard to pin down. In ‘A World to Gain’ (2013), the Ministry of Foreign Affairs considers Aid and Trade both as stand-alone categories and as an interlinked concept. Aid is meant for those countries that cannot address their poverty problems by themselves, whereas trade is directed at countries where investment can facilitate the success of Dutch companies abroad. Aid and Trade together is specifically directed at LMICs where relationships permit the amalgamation of “solidarity and enlightened self-interest”. So what does Aid and Trade encompass, and where are the boundaries with ‘pure Aid’ and ‘pure Trade’? Measuring national spending on Aid and Trade thus depends on how key areas of work, including policy instruments, are defined and implemented. As such, various difficulties arise when seeking to discern how much funding is devoted to Aid and Trade.

Firstly, the yearly budget for Foreign Trade and Development Cooperation (BHOS, “Buitenlandse Handel en Ontwikkelingssamenwerking”) does not offer complete insights into the expenses dedicated to all sectors and focus areas that relate to Aid and Trade. While there is a budget category called “sustainable trade and investments”, other budget items also comprise spending that falls under Aid and Trade, particularly in the areas of food security and water. A recent study by Ramirez Acevedo (2017) also indicates a lack of consistency in labelling specific budget items – what could fall under ‘food security’ in one year could be classified as ‘unspecified’ in another.

Secondly, the budget for Foreign Trade and Development Cooperation is not the entire Official Development Assistance (ODA) of the Netherlands. In 2014, for instance, only 63% of Dutch ODA were channelled through BHOS – the remaining 37% include overhead, spending by embassies and other ministries, and costs associated with the integration of refugees in the Netherlands and Europe (Algemene Rekenkamer, 2016). Particularly embassies play a significant role as ‘individual Dutch donors’ due to the distinction between centralised and decentralised budget lines in development cooperation. The resources received by each embassy depend on the priority lines that are being promoted in the partner country and the type of relationship that the Netherlands has with them (Ramirez Acevedo, 2017), but seem to average around 10% of the Dutch ODA (OECD, 2017).

Thirdly, there are no clear guidelines by the OECD on how to report on the broad category of Aid and Trade (Oxfam Novib, 2016). Even sub-categories, such as “private sector development” are not uniformly interpreted and reported on by donors – much less the broader terms of “Aid and Trade”, “Aid for Trade” and Aid for “Trade-related activities”.

Fourthly, many Aid and Trade instruments entail blended forms of finance, which join public grants with private loans and equity, or revolving funds which aim for loan repayment so as to replenish the central fund. For instance, although the Dutch development bank FMO is majority owned by the public sector, public finance contributions cannot be identified separately, as all operations are reported as private flows (OECD, 2017).

Finally, direct funding for multilateral organisations and NGOs may also be channelled to Aid and Trade activities, but may be classified under different sectors or focus areas.

As a result, getting a complete picture of Dutch Aid and Trade spending is nearly impossible, and figures vary according to source. We therefore chose to only include the BHOS budget as reported online by the Rijksoverheid[2] to facilitate traceability of our results.

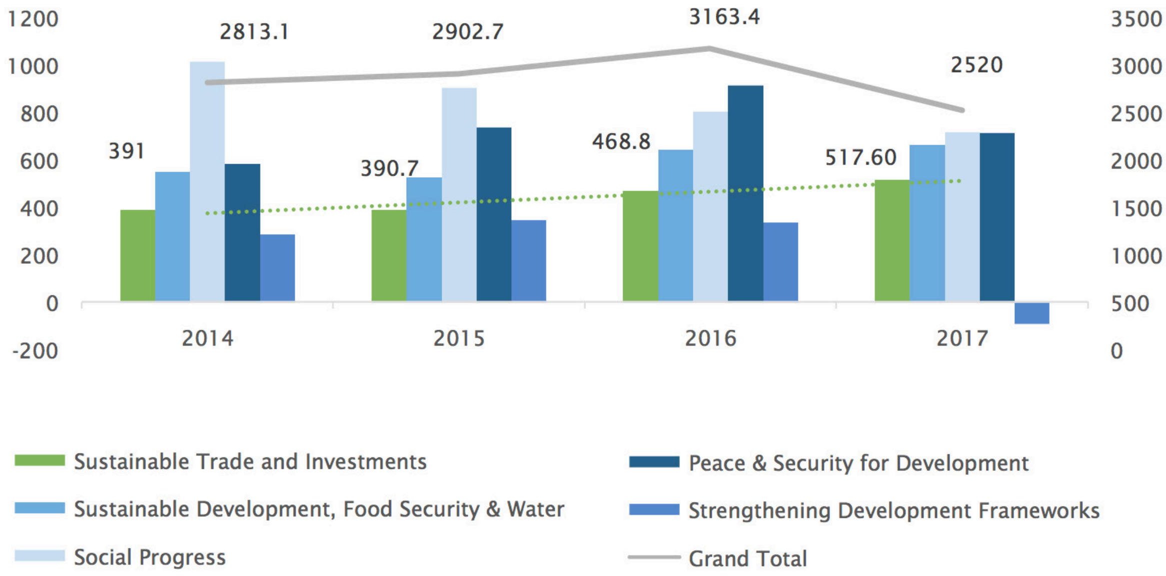
2. For details on the Dutch development budget, please visit
http://public.tableau.com/views/RijksbegrotingHoofdstukXVII/ChapterXVII?amp%3B%3AshowVizHome=no&%3Aembed=y&%3Adisplay_count=no#1

3.2 The importance of Aid and Trade in Dutch ODA

According to official Government statistics, the 2017 budget for Dutch development cooperation (BHOS) amounts to €2.5 billion[3]. Approximately 20% of the overall budget are dedicated to the category of "Sustainable Trade and Investments". As can be seen in Figure 1 below, the share of this budget item has steadily increased over the past few years, from €391 million in 2014 (approximating 14% of the total budget) to €517.6 million in 2017 (20% of the budget).

Also the budgets for "Sustainable Development, Food Security and Water" and "Peace and Security for Development" have seen increases over 2014-2017, whereas the budget for "Social Progress" has decreased.

Figure 1. Dutch budget for foreign trade and development cooperation, 2014-2017 (in million Euro)

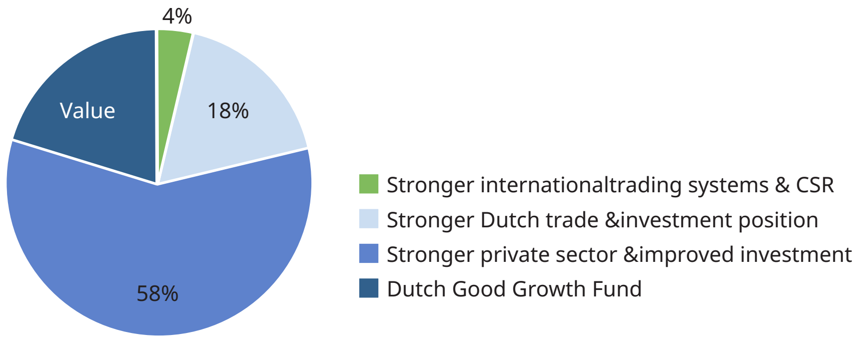


Source: Rijksoverheid, 2017

[3] Most of the €2.5 billion can be classified as ODA according to the OECD DAC criteria. However, the budget for the Dutch Good Growth Fund (€108 million) does not fall under the ODA classification, and can only be booked as ODA afterwards.

The majority of the Sustainable Trade and Investments budget is spent on strengthening the private sector in developing countries (58%), with the remainder being earmarked for the Dutch Good Growth Fund (21%), strengthening Dutch trade and investment (18%) and a small part dedicated to stronger international trading systems and corporate social responsibility (CSR) (4%) (Figure 2).

Figure 2. Budget composition of "Sustainable Trade and Investments", 2017 (in %)

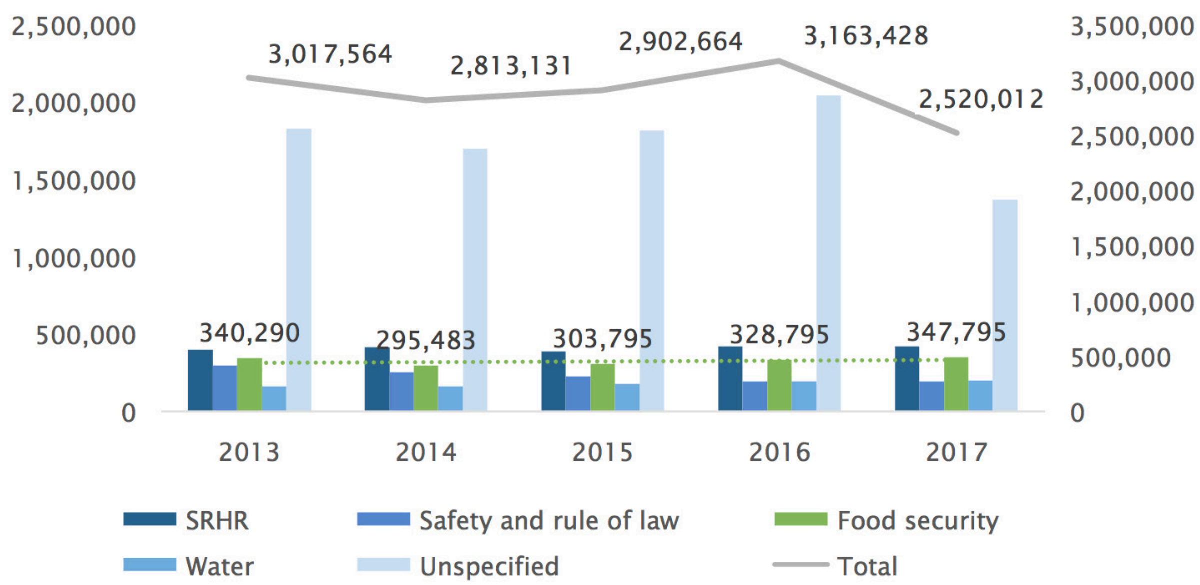


Source: Rijksoverheid, 2017

In addition to the category of Sustainable Trade and Investments, the Aid and Trade agenda is also reflected in the budget for "Sustainable Development, Food security and Water", which has likewise increased over the period of 2014-2017, from €549 million to €662 million. Particularly food security – as one of the four overarching priority areas of Dutch development cooperation – entails several large-scale programmes that can be labelled as Aid and Trade, including the Facility for Sustainable Entrepreneurship and Food Security (FDOV), 2SCALE, and the IFC-implemented Global Agriculture and Food Security Programme (GAFSP).

The importance of food security can further be detailed when analysing the budget according to the four policy priorities of Dutch development cooperation: Sexual and reproductive health and rights (SRHR), safety and rule of law, food security and water. Figure 3 notes a steady increase in the food security budget between 2013 and 2017. Most importantly, the Figure reveals that a large part of the development cooperation budget is spent outside the four priority areas ("unspecified").

Figure 3. Dutch budget for foreign trade and development cooperation according to policy priorities, 2013-2017 (in million Euro)



Source: Rijksoverheid, 2017

The budgetary blurring, as disclosed in Figures 1 and 3, makes it difficult to get a precise overview of total allocations to the Aid and Trade agenda. The Dutch Algemene Rekenkamer bemoans this lack of transparency in its 2016 report on the financing channel of the private sector (Algemene Rekenkamer, 2016). So how much does the Netherlands spend on Aid and Trade? Is it indeed 37% of its official ODA, as estimated by the OECD (2016a)?[4]

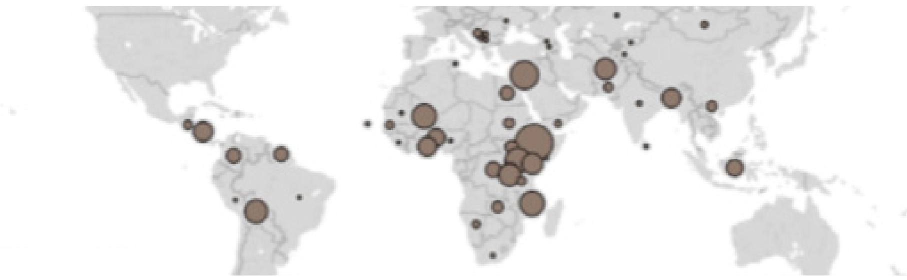
It is only evident that Aid and Trade budgets have grown over recent years. Perhaps the increasing budgetary importance of trade and private sector investments would not be noteworthy – were it not for the fact that the Dutch ODA has experienced drastic cuts over recent years, as a recent report by Oxfam Novib (2016) underlines. As from 2017, the Netherlands has abandoned its long-standing commitment to spending 0.7% of GNP on ODA and has now allocated 0.56% of GNP for ODA for this year (2017). While the decline in ODA budget has gone hand in hand with a reduction in partner countries from 39 to 15 and focus on four key priority areas, the shift from aid to trade has also triggered a search for innovative investment opportunities as 'development relevant' expenditures, which is manifested in increased spending on trade-related activities (Oxfam Novib, 2016).

The geographical distribution of Dutch Aid and Trade spending (Figure 5) seems to follow a similar pattern as the distribution of all Dutch development expenditures (Figure 4). Based on the data available, a particular discriminatory effect of Aid and Trade against poorer countries – especially those with whom the Netherlands maintains an 'aid' relationship – cannot be observed. This would be in line with previous findings from the OECD which suggest that total Dutch ODA to least developed countries declined between 2009 and 2013 (from 25% to 16%), whilst Dutch ODA earmarked as "Aid for Trade" to least developed countries increased from 13% to 20% (OECD, 2016b).

Figure 4. All Dutch ODA projects by country, 2007-2016

Source: Ramirez Acevedo, 2016

Figure 5. Dutch 'Aid and Trade' marked ODA projects by country, 2007-2016



Source: Ramirez Acevedo, 2016

4. OECD estimate for Dutch ODA budget in 2014.

3.3 Policy clusters and instruments

With the rise of the Aid and Trade agenda, policy instruments that involve the private sector and/or focus on private sector development in low and middle income countries have come centre stage. The Ministry of Foreign Affairs distinguishes between five clusters that are considered essential in this field:

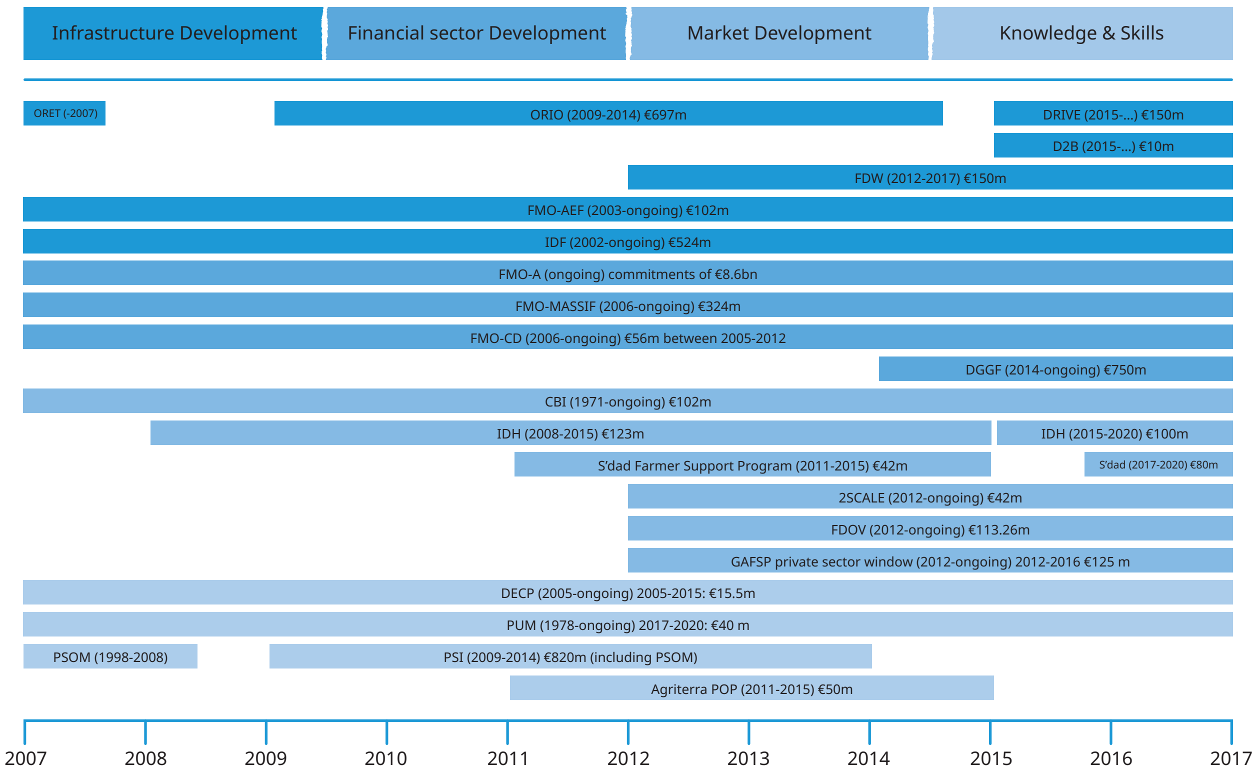
Figure 6. Policy clusters of Dutch Aid and Trade

Infrastructure Development	Addressing bottlenecks in infrastructure development, including transport, electricity, telecommunications, and water and sanitation
Financial Sector Development	Improving access to financial services, including SME finance and microfinance
Market Development	Increase market access, value chain development and (international) trade
Knowledge & Skills	Address the knowledge and skills gap, e.g. of entrepreneurs, employees and cooperatives, to increase productivity
Laws & Regulations	Strengthen government regulations for business and land rights

Source: Based on Ministry of Foreign Affairs, 2013

Together, these five clusters focus on improving the business climate in partner countries (e.g. better laws and regulations, stronger institutions, improved infrastructure, development of financial sector, etc.) and on stimulating entrepreneurship by supporting local and Dutch companies in doing business (OECD, 2016a). Within each cluster different instruments are used to engage the private sector in development, including grants, loans, public-private partnerships, technical assistance, training and capacity building. Figure 7 presents an overview of the main instruments for the period of 2007-2017.[5]

Figure 7. Overview of Dutch Aid and Trade instruments, 2007-2017



Source: Own compilation

[4] Excluded from this overview are Dutch programmes in the cluster of Laws and Regulations due to the limited amount of funding going into this cluster.

In its engagement with the private sector, the Netherlands emphasises the “Dutch diamond approach”, combining the private sector’s efficiency and market orientation with the regulatory capacity of the public sector, the social orientation and local knowledge of civil society organisations, and the expertise of research and knowledge institutes. Examples of innovative partnership mechanisms include the Sustainable Trade Initiative (IDH), the Facility for Sustainable Entrepreneurship and Food Security (FDOV) and 2SCALE. Many of these partnership programmes focus on the cluster of market development, but are also used as delivery instruments in other clusters.

Furthermore, the Dutch Government has created various credit and finance facilities to support private sector development in developing countries, such as the Infrastructure Development Fund (IFD), the Credit Fund for Micro and Small Enterprises (MASSIF) and the Fund Emerging Markets for Developing Countries (FOM-OS). Most prominent among the category of finance facilities is the Dutch Good Growth Fund, launched in 2014, which acts as a revolving fund offering financial services and technical assistance for both Dutch SMEs wishing to invest or export abroad as well as local SMEs.

Other Aid and Trade instruments include, but are not limited to, the Private Sector Investment Programme (PSI, closed for new applications but still disbursing funds), the Centre for the Promotion of Imports from developing countries (CBI), the PUM Senior Experts programme, and the Dutch Employers’ Cooperation Programme (DECP).

In 2014, the IOB conducted a large-scale review of many of these programme under its evaluation of Dutch support for private sector development 2005-2012. The report concluded that Dutch cooperation addresses important bottlenecks for private sector development in all five cluster areas (less so in laws and regulations, as expenditure was less than 2% of the total budget for the five clusters). It was also observed that many direct outputs were documented, suggesting a substantial reach of the different programmes. However, the report also revealed that only little information on impacts, especially on poverty reduction, were available. Out of 32 examined programmes, only six had undergone an extensive evaluation for effectiveness; the remainder had mostly reported on activities and reach, partially enriched with estimated outcome or impact results. This prevented drawing higher-level conclusions on the programmes’ impact on ultimate target groups in terms of improving incomes, reducing poverty and economic growth.

Since IOB’s report, different Aid and Trade programmes have been subject to new evaluations, in one form or another. In the following sections, we construct the main theory of change for each of the four main policy clusters and assess what we can learn from these different evaluations in light of the multiple possible pathways towards impact.

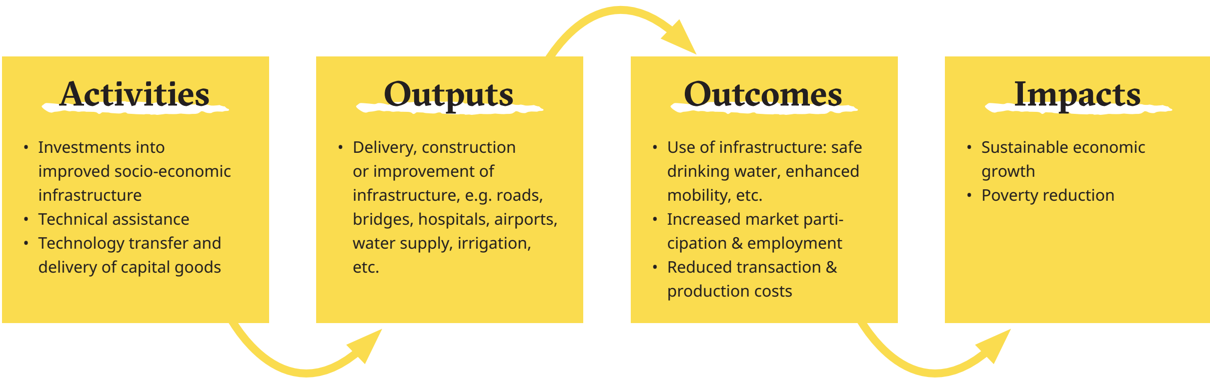
4. Infrastructure Development

4.1 What is the problem and how does Dutch Aid and Trade aim to address it?

Well-functioning infrastructure is a clear precondition for a good business climate and economic growth. However, in many LMICs significant investments in public infrastructure are lacking – among others due to lacking sources of finance for development-related infrastructure projects that cannot be funded and operated commercially (IOB, 2014a).

As a result, Dutch programmes focus on stimulating public-private investments in different types of public infrastructure, combined with technical assistance and technology transfer, to overcome infrastructure-related obstacles to development (Figure 8).

Figure 8. A simplified intervention logic for Aid and Trade in infrastructure development



Source: Own compilation

4.2 Which programme does what?

The first and biggest infrastructure development programme was the Development-Related Export Transactions programme (ORET), launched in 1979 and closed for new applications in 2007. The successor of ORET was ORIO (Facility for Infrastructure Development) for the timeframe of 2009-2014. While some ORET and ORIO transactions are still active, the successor programmes DRIVE and Develop2Build (D2B) have become operational in mid-2015. ORET, ORIO, DRIVE and D2B support (or did support) commercially non-viable investments in public infrastructure through match-loans, match-grants and concessional loans.

Other instruments for infrastructural development include the Private Infrastructure Development Group (PIDG), the Access to Energy Fund (AEF) and Infrastructure Development Fund (IDF). PIDG stimulates private investment in risky infrastructural projects in low and middle income countries. IDF, managed by FMO, encourages socially responsible private sector participation in high-risk infrastructure projects in low and middle income countries, especially through loans and shareholding participation. AEF, ongoing since 2003 and also managed by FMO, supports private sector projects aimed at providing long-term access to energy services. Since 2012, the fund focuses solely on sub-Saharan Africa, operating through equity investments and loans.

Finally, the partnership facility of the Sustainable Water Fund (FDW) can be included under the category of infrastructural development, aiming at water security and water safety in LMICs.

4.3 What do we know about the results of these programmes?[6]

Detailed insights on the reviewed programmes can be found in Table 2 (Annex).

Outcomes and impact. The assessments of ORET, ORIO and FDW revealed a high demand for publicly supported infrastructure development programmes to leverage private investments in high risk, but commercially viable projects. Especially ORET was considered a successful programme which has, albeit with limitations, addressed important obstacles for development by co-financing the construction and rehabilitation of public infrastructure in LMICs (IOB, 2015a). Its successor programme ORIO, however, was stopped before any projects had reached implementation due to the critical review conducted in 2013, which revealed important shortcomings of the programme, including high uncertainty about project financing, as a decision whether ORIO would co-finance implementation was not taken until a relatively late stage (Carnegie Consult, 2013). As a result, the review committee recommended making fundamental changes to the programme, which ultimately led to the launch of the programme DRIVE. In the case of FDW, the mid-term evaluation of 2015 did not yet find any measurable impacts, also due to the fact that implementation of projects was still ongoing (van Woersem et al., 2015).

Additionality and sustainability. ORET funding was found to be largely additional. The evaluation concluded that most projects would have not been implemented at all or not at the same scale, speed or quality in the absence of the ORET grant. Only modest catalytic effects on follow-up investments could be discerned (except for mandatory non-grant funding). In the case of FDW, additionality was not explicitly evaluated.

Both ORET and FDW evaluations were doubtful about the financial and institutional sustainability of the funded projects. In the case of ORET, this was attributed to the limited ability to generate revenue from built infrastructure (e.g. through user fees) and lacking partner government commitments to allocate budgets to finance the recurrent costs of operation, maintenance and repairs. Similarly, the FDW report indicated that the continuation of activities would require significant public support, also due to lacking involvement of private sector actors, and highlights the limited embeddedness in local institutional systems as a barrier for enhanced local ownership.

Gender and inclusion. The evaluation of ORET found that the "effect of most of the sampled ORET transactions on the poor and women was neutral" (p.23) and only some transactions led to explicit benefits for the poor and women, either as the result of project design or by serendipity. Moreover, the evaluation observed a concentration of ORET projects in a limited number of countries (which were not the poorest of the ORET-eligible countries) up until 2005. Only when ORET reopened in 2005 did the number of projects in least developed countries (LDCs) increase, such that total ORET projects were implemented in 20 LDCs and 20 non-LDCs.

In the case of FDW, the evaluation showed a mixed picture of the gender assessment. While the majority of projects visited explicitly mentioned the need for women's involvement, concrete actions to ensure their involvement were hardly found and gender equality issues were mostly addressed in an ad hoc manner. The evaluation also noted that the majority of FDW projects did not have direct linkages to vulnerable and marginalised groups and only few projects were actively working on a clear pro-poor objective.

Dutch knowledge and Dutch businesses. Both evaluations confirmed the relevance of Dutch expertise for the respective programmes. At the same time, the evaluations suggested that the programmes have not functioned as catalysts to engage (new) Dutch private sector actors in development cooperation. In the case of ORET, most transactions were executed by a limited group of Dutch companies; yet, the majority of them were already in the recipient countries and did not need ORET to enter the market. FDW did not succeed in utilising Dutch water knowledge from the private sector for its projects, as entry barriers to participation, especially for SMEs, were found to be too high. Instead, Dutch knowledge is primarily exported via NGOs and knowledge institutes.

Coordination and complementarities among programmes. The evaluation of ORET observed only limited synergy with other Dutch aid and private sector development activities in the partner countries, primarily due to its applicant-driven and centrally-managed character and the long list of eligible countries. The FDW study did not address the topic of coordination with other programmes or embassies.

6. IDF and AEF are not included in this review, as there are no recent evaluations available. For IDF, an external evaluation was scheduled for early 2017, but has not yet been published. It remains to be seen how it relates to the main findings of the 2009 evaluation, which determined a high development impact mainly for projects in water and sanitation and energy. The 2009 evaluation also indicated that 51% of the invested resources by IDF were additional to the high impact; for the remaining resources, the expenditures were non-additional (37%) or had limited development impacts (12%) (IOB, 2009). Regarding the PIDG, the Netherlands committed USD 3.3 million in 2009 to the Technical Assistance Facility, but by mid-2015, 96% of this grant funding had yet to be disbursed and had been returned to DGIS (Cambridge Economic Policy Associates, 2016).

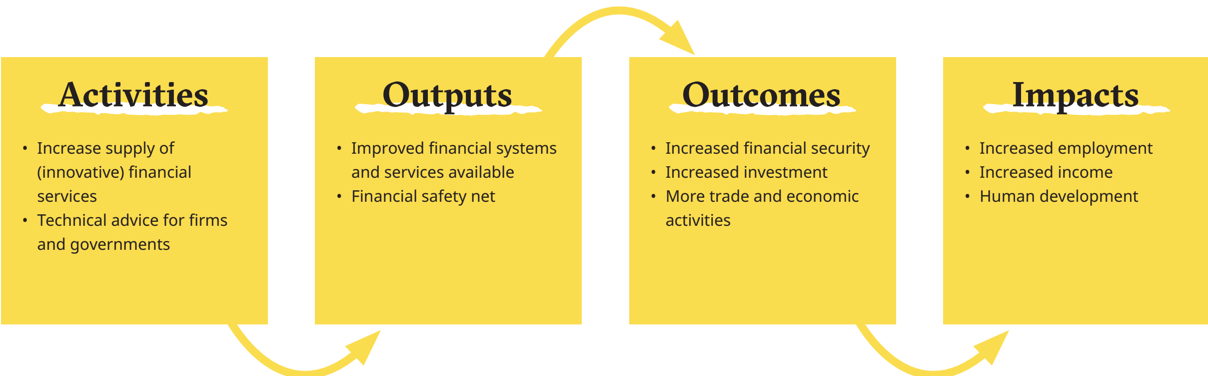
5. Financial Sector Development

5.1 What is the problem and how does Dutch Aid and Trade aim to address it?

Strong financial infrastructure is one of the robust determinants of national economic growth: Countries with a well-developed financial sector have higher economic growth and faster decreasing poverty levels than countries with weak financial infrastructure (Beck et al., 2011). Underdeveloped or poorly functioning financial markets, on the other hand, increase inequality and transaction costs and reduce the quality of the investment climate. The Dutch Government therefore identified improved access to financial services as a core condition for inclusive economic growth (Ministry of Foreign Affairs, 2013).

Accordingly, Dutch development policy focuses on increasing the supply of innovative financial services to bridge the financing gap in LMICs, especially for small and medium enterprises (SMEs), and provides technical assistance to firms and governments in partner countries, in order to stimulate financial sector development (Figure 9).

Figure 9. A simplified intervention logic for Aid and Trade in financial sector development



Source: Own compilation

5.2 Which programme does what?

There are three types of instruments following the Dutch three-track policy (Dutch: "drie sporen beleid") used in this cluster. The first track aims to increase the supply of services within the financial sector of LMICs. Examples include FMO-A, which is aimed at improving financial structure of local companies, and MASSIF, which supports micro and small enterprises. Another, relatively new, fund is the Dutch Good Growth Fund (DGGF). The DGGF provides special financial services to Dutch and foreign SMEs doing business in 66 eligible LMICs.

The second track contains instruments aimed at improving the institutional framework of the financial sector in a given country. FMO-CD finances technical expertise for firms to improve their financial situation. The FIRST initiative is a multi-donor trust fund managed by the World Bank, funding technical assistance aimed at strengthening financial sectors and developing pension schemes in LMICs.

Track three concerns the introduction of innovative tools for financing and risk management. Niche products like leasing, convertible loans, venture capital, insurances and guarantees are introduced in the financial market of LMICs. The Netherlands-IFC Partnership Program (NIPP) is a World Bank fund in which funding is accompanied with technical expertise of IFC. The Global Trade Liquidity Program (GTLP) is an international fund that covers shortage of trade credit in LMICs and finances exporters and importers via commercial banks. The Currency Exchange Fund (TCX) offers tools to spread or insure currency risks when money exchange services are slow or unreliable.

5.3 What do we know about the results of these programmes? [7]

Detailed insights on the reviewed programmes can be found in Table 3 (Annex).

Outcomes and impact. At the project level, the impact of FMO-A and MASSIF was measured using case studies and evaluation reports of individual investments. The evaluation by Carnegie & ODI (2014) of FMO-A funded projects found positive results on selected indicators as employment, viability of the projects and catalysing effects, but did not look at development impacts. The evaluation of MASSIF (Ecorys & Carnegie, 2015) aimed to "understand whether MASSIF made relevant contribution to PSD, sustainable economic growth and poverty reduction" (p. 9); however, later conceded that "the present evaluation did not have the character of an impact evaluation" (p. 12). Outcomes results highlighted in the evaluation included a large outreach to micro entrepreneurs and households in rural areas and income improvement among recipients of micro credits from the funded microfinance institutions. These microfinance institutions also had the largest outreach, reaching a large number of households in rural areas and slums. Employment creation was more evident among the investees of the equity funds. Contradictory to what the evaluators stated earlier, and without elaborating a theory of change, the MASSIF evaluators wrote in their conclusions that "it is safe to state that MASSIF made an important contribution" (p. 12), e.g. to effects on education, housing and health care.

At the portfolio level, the limited monitoring of FMO-A and MASSIF made it difficult to assess programme impacts. FMO aimed to measure development impacts by using Economic Development Impact Scores (EDIS) and the Development Impact Indicators (DII) that are based on multiplications of EDIS and the volume of new investments. However, the evaluators criticised that the EDIS scoring system was subjective and had little external validity. Scorings were non-comparable across sectors and did not have a one-to-one relationship with quantifiable indicators (Carnegie & ODI, 2014). Therefore, the evaluators welcomed the replacement of EDIS by SHIFT in 2014, which was expected to allow for better measurement of the relation between investment and development results (Carnegie & ODI, 2014).

In light of the scarcity of evidence on impact thus far, the evaluations seemed keen to reduce expectations of the development impacts of financial instruments. For instance, the evaluation of MASSIF (2015) stated that "the objective [of MASSIF to strengthen the financial sector] should be considered in the right context; of course, it cannot be expected that the investments of MASSIF will lead to major structural changes in the financial sector in individual countries" (p. 10).

The summary of the midterm review of DGGF did not cover outcome or impact results as all SMEs in the programme were still operating at or before output level at the time of assessment.

Additionality and sustainability. FMO tries to achieve additionality by focusing on those countries where commercial capital is most scarce. Carnegie & ODI (2014) concluded out of the case studies of the FMO-A evaluation that investments in this portfolio were often additional. However, in the microfinance market, the additionality of MASSIF was no longer always obvious, in particular in more mature markets and microfinance institutions (Ecorys & Carnegie, 2015).

Gender and inclusion. The Criteria Memorandum is part of the agreement between FMO and the Dutch State, and requires FMO to have 35% of its portfolio in the poorest 55 countries. Following the evaluation of Carnegie & ODI, 38% of FMO's portfolio had been invested in the poorest 55 countries in 2012. There was no obvious gender component in any of the programmes evaluated in this cluster which goes further than ex-post calculated statistics at the side line.

Dutch knowledge and Dutch businesses. Dutch knowledge and Dutch businesses do not play a predominant role in FMO-A or MASSIF funds, and therefore their role was not evaluated as such. However, the DGGF offers loans and assistance for development-relevant investments by Dutch SMEs, and export credit to Dutch SMEs wanting to export to LMICs. As a result, the midterm review pointed to the high relevance of this instrument for Dutch business success abroad.

7. FMO-CD, FIRST, NIPP, GTLP and TCX are not included in this review, as there are no recent evaluations (of the Dutch contributions) available. The 2011 evaluation (MDF & Triodos Facet) of FMO-CD presented positive output results, but these are irrelevant to draw conclusions on impacts or effectiveness. For FIRST, NIPP, GTLP and TCX the Dutch contribution was often a very limited portion of the total fund size, and there were no recent evaluation from which conclusions about results of these funding could be drawn.

Coordination and complementarities among programmes. The assessments of FMO-A and MASSIF both indicated that there was room for improvement regarding the alignment of the financial sector activities with other Aid and Trade programme and objectives. Recommendations offered in the reports include improved coordination between the Ministries of Finance and Foreign Affairs and the creation of a comprehensive vision on the expectations towards FMO in balancing financial and development returns (Carnegie & ODI, 2014). Rather differently, the midterm review of the DGGF considered the programme as an example for the increasing coherence in Dutch Aid and Trade policies, emphasising the combination of multiple policy objectives (poverty reduction and success for Dutch businesses) and working on financial sector and market development at the same time.

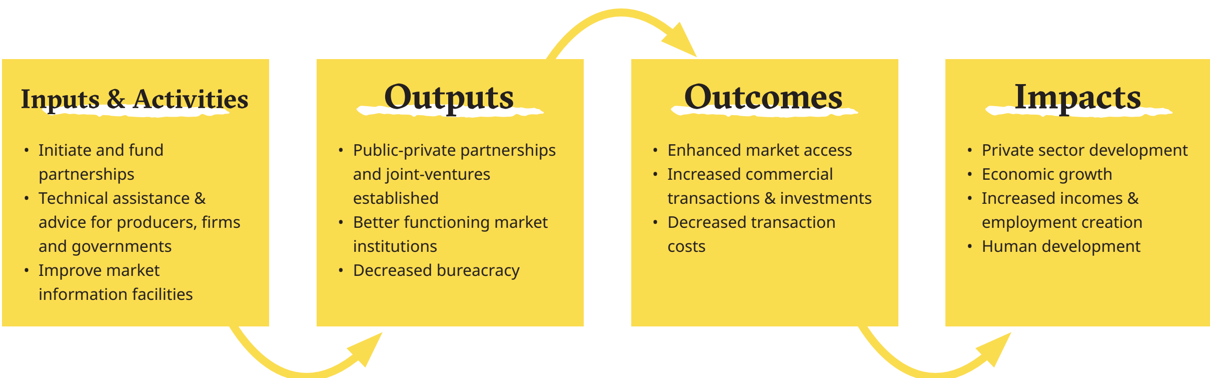
6. Market Development

6.1 What is the problem and how does Dutch Aid and Trade aim to address it?

Producers, suppliers and processors in LMICs face a wide range of barriers to enter and reap benefits from participation in national and international markets, including market distortions, weak market institutions, lacking market knowledge, high transaction costs, and high export market quality standards – just to mention a few. This negatively impacts on trade and hence constrains economic growth in LMICs in various ways.

In addressing this problem, Dutch programmes in the cluster of market development focus on improving market access for small producers (frequently in agriculture), by means of specialised support activities (e.g. public-private partnerships, technical assistance) (Figure 10).

Figure 10. A simplified intervention logic for Aid and Trade in market development



Source: Own compilation

6.2 Which programme does what?

There are various Dutch programmes aimed at market development in LMICs. The oldest instrument is the Centre for the Promotion of Imports from developing countries (CBI), established in 1971. CBI supports exporters from partner countries with training and consultancy to overcome their barriers to enter the world market. Other programmes targeted at facilitating international trade include TradeMark East Africa, launched in 2010 to improve customs regulations, training customs services, and informing female trader about customs provision, as well as Solidaridad's Farmer Support Programme, aimed at training and supporting farmers in adopting improved and sustainable practices.

In addition, there are a number of programmes that work through the development of public-private partnerships. The largest one – the Sustainable Trade Initiative IDH – was set up in 2008 to improve the economic, social and environmental sustainability of production systems in LMICs by means of sector-wide standards and sourcing commitments of member companies. The programmes "Toward Sustainable Clusters in Agribusiness through Learning in Entrepreneurship" (2SCALE) and the Facility for Sustainable Entrepreneurship and Food Security (FDOV), both started in 2012, support public-private partnerships which accelerate inclusive business development, food security, value chain integration and private sector development.

Finally, the Netherlands supports the Private Sector Window of the Global Agricultural Food Security Program (GAFSP), which aims at leveraging private sector investment to increase the commercial potential of small and medium-sized agribusinesses and farmers.

6.3 What do we know about the results of these programmes?[8]

Detailed insights on the reviewed programmes can be found in Table 4 (Annex).

Outcomes and impact. The IOB evaluation of CBI concluded that CBI had been successful in helping supported companies to overcome a lack of market information and intelligence, achieving modest effects on export diversification and export turnover, and decreasing the share of low value-added commodities in total exports (IOB, 2015b). However, for many companies, the support by CBI was not sufficient to start exporting to Europe, as the lack of market information was only one constraint among many that prevented companies from exporting. No (further) development impacts were measured in a systematic way. Overall, the evaluation criticised the monitoring system of CBI, including irregular data gathering and a lack of a theory of change underlying CBI. As a result of the evaluation, CBI has become part of the PRIME partnership in 2015, which uses both quantitative and qualitative methods to estimate direct participating company outcomes and development impacts on SMEs in LMICs.

The 2014 evaluation of IDH by IOB relied on evidence from both wider literature and specific field studies, indicating that outcomes and impacts of IDH interventions for primary producers were likely to be positive, albeit rather modest (IOB, 2014b). However, the evaluators warned IDH not to lose focus as they broadened their work 'beyond certification'. The most recent evaluation of IDH's contribution to the Dutch Aid and Trade agenda is captured in the report by the Wageningen Economic Research and KMPG (2017). However, this evaluation is not yet at the stage of drawing conclusions on outcome and impact level.

Similarly, outcomes and impacts of FDOV and 2SCALE were not measured in the external midterm reviews due to delays in project implementation. However, the monitoring systems for both programmes were criticised by the evaluators. In the 2015 midterm report on 2SCALE, the evaluators concluded that the programme lacked a clear intervention logic and a monitoring and evaluation plan. Similarly, for FDOV it is unclear whether there is a M&E system in place that will yield these results.

Additionality and sustainability. For CBI, the evaluation by IOB concluded that half of the programmes' beneficiaries (companies) also received services from other service providers. Most of these companies judged these services to be of equal or higher quality than those of CBI, suggesting a limited additionality of CBI. However, the evaluation did not analyse to what extent the company type and country, and sector and market context influenced the additionality of the program.

The IDH assessment of 2017 showed that respondents indicate the IDH support was additional in the sense that the activities carried out with IDH support were stronger in terms of scale, target group, stakeholders and stringency than they would have been without. However, how exactly these activities would have been different without the support is not indicated, which indicates assumed rather than proven additionality.

According to the evaluations, there are strong indications that financial additionality of FDOV and 2SCALE is present, especially for SMEs. Many partnerships assessed were not commercially viable without support within a reasonable timeframe. Very little can be said about outcome additionality of FDOV and 2SCALE at this stage. There are indications that public funding led to a focus on semi-commercial small-scale farmers instead of larger suppliers, but these indications need to be treated with caution (KIT, 2016).

The evaluators of CBI found some evidence for the sustainability of outcome results at firm level, but were not able to draw strong conclusions due to data limitations. For both FDOV and 2SCALE sustainability was a main requirement for project financing. However, in the evaluation of 2SCALE this was not reviewed, and for FDOV the evaluators conclude that these requirements have not influenced partnership design, but have rather been considered after the proposals were developed. In the case of IDH, sustainability at different levels forms part of the ongoing evaluation, but has not yet been evaluated in the published reports.

8. The 2016 mid-term review of GAFSP by Enclude is not publicly available and hence GASFSP was not further included in this review. Solidaridad's Farmer Support Programme was equally not included in the review. Although a recent narrative report on the programme exists, it is not considered as an external evaluation and therefore not included in this review.

Gender and inclusion. Within the CBI portfolio, the evaluation detected a higher dropout for companies in markets with the biggest barriers for market access. It was also observed that businesses with higher audit scores before the intervention benefit most from the programme. This raises questions regarding the relevance and pro-poor focus of this programme. Furthermore, CBI achieved just 3% of total expenditures in low income countries, 90% in lower-middle income countries, and 7% in upper-middle income countries. This kind of budget allocation deviates from the priorities set by the Ministry of Foreign Affairs, one of which is to target low income countries more. There was no emphasis on gender in the IOB evaluation of CBI.

The primary beneficiaries of the FDOV PPPS are those farmers that can be considered commercially viable in terms of land size and market orientation. This is due to commercial success focus in FDOV, the high perceived risk of working with small, subsistence farmers, and the technology gap between participating Dutch and local companies and subsistence farmers (KIT, 2016). At the same time, the evaluators stated that the focus on "high potential" small-scale farmers may explain the limited attention to gender, since male farmers often formally own the resources needed to participate in these partnerships. Similar findings might be true for 2SCALE and IDH. However, the evaluations of these programmes gave too little socio-economic information about target groups and participants to draw any information about inclusion. For IDH, the 2014 review called for more attention to gender (IOB, 2014b), which was considered a learning theme by the 2017 assessment. Similarly, the evaluators of 2SCALE advised to develop a system that can identify, monitor, and deal with the (unintended) consequences of 2SCALE activities on the poorest of the poor and gender divisions and roles. It remains to be seen whether inclusion and gender have received more attention since the midterm.

Dutch knowledge and Dutch businesses. Many of the programmes in this cluster build on Dutch knowledge, especially in terms of developing public-private partnerships and multi-stakeholder initiatives that correspond to the "Dutch diamond" approach, and working on the broader theme of agriculture (related to food security and sustainability) as one of the Dutch 'top' sectors. The importance of Dutch innovation was particularly emphasised by the FDOV evaluation (KIT, 2016). At the same time, the role of Dutch businesses was not evaluated (IDH) or viewed ambiguously (2SCALE, FDOV). Concerning the latter, the FDOV report emphasised the advantages of local SMEs over (large) Dutch companies in partnerships due to higher levels of local embeddedness, commitment to inclusive development and (financial) additionality (KIT, 2016).

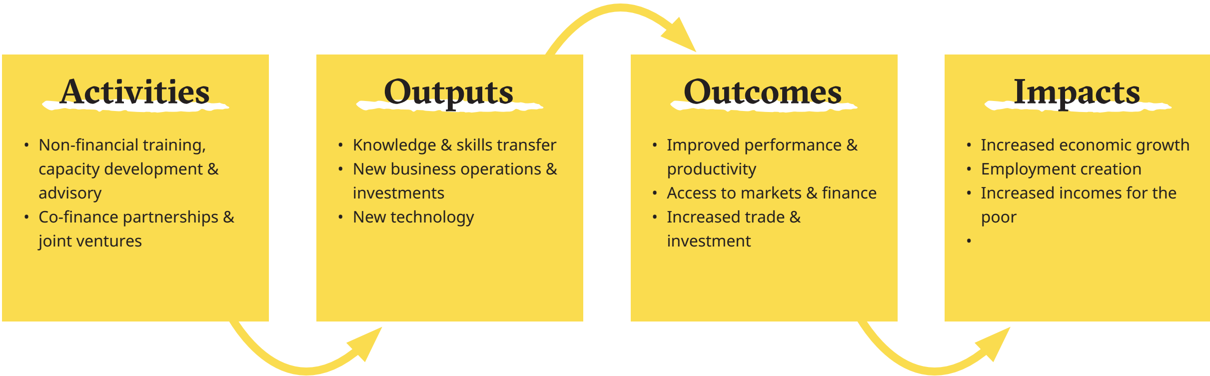
Coordination and complementarities among programmes. This aspect was not addressed by the 2SCALE study (2014) and the IDH assessment of 2017. However, the remaining evaluations of IDH (2014), CBI and FDOV criticised the limited collaboration between individual Aid and Trade programmes, incidental rather than systematic cooperation with Dutch embassy programmes, and limited attempts to link the programmes with economic diplomacy efforts (IOB, 2014b; IOB, 2015b; KIT, 2016).

7. Knowledge & Skills

7.1 What is the problem and how does Dutch Aid and Trade aim to address it?

Developing countries struggle with low productivity, which hampers their development and economic growth. One of the main causes of low productivity is a generally low knowledge and skills level, e.g. due to poor education systems, lacking vocational training and weak business support services (IOB, 2014). This is addressed by different Dutch programmes, aiming to strengthen knowledge and technological skills in enterprises, producer and other membership-based organisations and market institutions by means of technical assistance, capacity development and co-investments (Figure 11).

Figure 11. A simplified intervention logic for Aid and Trade in skills & development



Source: Own compilation

7.2 Which programme does what?

Four key instruments can be identified in this policy cluster, among which the biggest one is closed for new applications: The Private Sector Investment Programme (PSI) was available to support Dutch companies' investments in innovative projects and start long-term cooperation with local partners in LMICs. It started in 1998 under the name of Programme for Co-operation with Emerging Markets (PSOM) and had a total budget of 820 million. While PSI was officially closed in 2015, with the last round of tenders held in 2014, ongoing projects are expected to be finalised by 2020.

Another large programme was the Program Support to Producer Organisations (POP), implemented by Agriterra as part of the Farmers Fighting Poverty programme (2011-2015, estimated budget €50 million), to support to rural membership organisations in around 60 LMICs worldwide. One of Agriterra's follow-up programmes is called 'Common Sense in Business' (2016-2020) to focus on intense advisory trajectories of producer organisations by means of 'Agripoolers' (experts from cooperatives and membership-based organisations). Peer-to-peer learning is also offered by PUM Netherlands senior experts, which delivers technical assistance, based on the volunteering efforts of experienced professionals, to strengthen small and medium-sized enterprises in LMICs. Similarly, but much smaller in comparison, the Dutch Employers Cooperation Programme (DECP) is directed at strengthening the capacities of employers' organisations in developing countries.

7.3 What do we know about the results of these programmes?

Outcomes and impacts. All programmes have been subject to evaluations, with a variety of positive aspects coming to the fore about each programme, including positive effects of capacity development and investment (for a detailed overview of programmes' activities, outputs, outcomes and impacts see Table 5 in the Annex). The evaluations also highlighted the importance of the programmes' focus on small or weak organisations, including SMEs (PSI and PUM) and producer organisations (Agriterra).

In particular, the detailed approach of the PSI evaluation revealed several interesting outcomes. For instance, the evaluation discovered that two thirds or more of the finalised projects achieved their targets on employment, knowledge transfer, or outgrowers, such that an average of 325 people were trained and 76 jobs were created per PSI project.

However, all studies also indicated methodological limitations, among others due to gaps in the monitoring systems of the programmes which restricts the availability of data and lack of counterfactual evidence. The PSI report noted, for instance, that "it is not possible to rigorously establish the impact of the programme using quantitative methods" (p. 11). As a result, most evaluations focused on programme outputs and (short-term) outcomes, such as how many organisations or individuals were trained, whether projects reached their stated targets and whether changes in performance or behaviour could be observed. Clear contributions of the programmes to poverty alleviation could not be derived from the evaluations.

Interestingly, none of the evaluations tested the underlying assumptions of the programmes' Theory of Change, although some evaluators expressed doubts regarding the credibility and accuracy of programmes' assumptions. For instance, the evaluation of DECP noted that the programme assumed Training of Trainers events to be "relevant and effective, based on individuals' opinions (and sometimes inflated reports). This we consider a major concern for efficiency – significant resources are channelled into activities for several years without reliable proof that this is working" (p. 25). Similarly, the Agriterra evaluation questioned the plausibility of some of the programmes' (implicit) assumptions of working with producer organisations, such as the supposition that farmer organisations are democratically organised or that farmers aim to sell their produce via farmers organisations, which could potentially affect the overall programme.

Additionality and sustainability. The question of additionality of knowledge and skills programmes was largely answered positively by the evaluations. In the case of PSOM/PSI, the evaluators attributed a medium degree of additionality: PSOM/PSI grants were additional as a source of funding, but in 38% of the investigated cases the projects would have happened anyway or at least have doubtful additionality. DCEP and PUM, on the other hand, received high additionality ratings. In the case of DECP, additionality was high, as the supported employers' organisations would not have been able to mobilise the required inputs themselves. Similarly, PUM was rated additional, as the specialised support services delivered by PUM experts are mostly not available or accessible in the target countries. For Agriterra's POP programme, additionality was not part of the evaluation.

Less conclusive is the question of sustainability. The evaluation of DECP attributed a high sustainability to DECP's outcomes and impacts. In the case of PSOM/PSI, the business cases of the supported joint ventures would suggest a high probability of sustainability, as also the majority of surveyed grant holders continue to invest in the joint venture after completion of the grant. In the case of Agriterra's POP, however, the evaluation revealed that most farmer organisations were still rated as medium to high risk in terms of financial sustainability. PUM's evaluation did not investigate the sustainability of effects.

Gender and inclusion. All evaluations highlighted the relatively limited attention to gender and other vulnerable or marginalised population groups in PSOM/PSI, PUM, Agriterra POP and (to a lesser extent) DECP, both at programme as well as project level. Especially in the case of PSOM/PSI, the evaluation observed that "it is striking how little attention there has been for gender in the PSOM/PSI programme" (p. 105), since it was not a significant aspect in the application process, nor were there important targets set for female employment.

Dutch knowledge and Dutch businesses. The importance of Dutch knowledge for development interventions was confirmed by all evaluations, especially the relevant hands-on farming or business experience of Dutch professionals involved in the programmes. Whether this had a positive effect on Dutch businesses was more difficult to establish. PUM's evaluation suggested that the part where Dutch businesses stand to gain most, i.e. the brokering of business linkages with companies from LMICs, was the least successful activity of PUM. The evaluation of PSOM/PSI cited an RVO survey that indicated the strengthening of Dutch businesses in the Netherlands (e.g. increases in turnover and range of products) as well as abroad (enabling internationalisation of medium-sized enterprises). Yet, it is not possible to make conclusive statements based on the evaluations available.

Coordination and complementarities among programmes. In general, the evaluations indicated that the programmes showed high levels of complementarity with other Dutch Aid and Trade programmes. Coordination and exchange seemed to occur through the Dutch private sector development platform as well as incidentally between specific programmes (e.g. between PUM and CBI). Coordination with Dutch embassies and their respective programmes was noted to be largely lacking.

8. Discussion and ways forward – beyond ideology & glossy figures

8.1 Two dominant entry points to the current discussion on Aid and Trade

Much of the current debate on Aid and Trade seems to be overshadowed by two dominant entry points that each seek to frame and dominate the debate. On the one hand, there is an ideological debate on how countries develop, what the role of trade is in development, and how donors can or should support this. Is promoting trade really a key priority of LMICs, or should efforts rather be invested to address other pressing issues, and who ultimately benefits from the trade agenda in development cooperation?

On the other hand, explicit and underlying concerns are frequently dismissed by new reports and announcements showing the apparent results of Aid and Trade. For instance, the digital report "Development Results in Perspective", edition 2016, summarises the main achievements of Dutch development cooperation in 2015 in impressive numbers (see Box 1). But what do these numbers really tell us?

To get towards a more nuanced reflection on Dutch Aid and Trade policies over recent years, both entry points do not seem particularly helpful. Instead, looking at the lessons learned from the programme evaluations may prove more insightful for finding a way forward, which is what we will try below.

Box 1. Dutch Aid and Trade results 2015

- More than 191,000 direct jobs were created (40% for women) through Dutch Aid and Trade, including 90,000 direct jobs (52% for women) in SMEs through support from CBI; 17,000 direct jobs in MSMEs in rural areas through investments from MASSIF; and 86,300 jobs through Dutch support to programmes of IFC, UNDP and African Development Bank
- 2.1 million indirect jobs were created through IDF investment
- 7 million farmers were able to increase their productivity due to Dutch support for improved inputs, financial services, transport and infrastructure.
- 220,000 workers in global supply chains benefitted from improved working conditions due to support from IDH and Solidaridad
- 1.2 million farmers were trained by IDH and Solidaridad to adopt sustainable production practices
- 18 employers organisations, 89 trade unions and 54 farmer organisations were supported through capacity development
- €254 million of private co-funding were leveraged

Source: Development Results in Perspective, edition 2016

8.2 Ten lessons learned

Based on the review conducted, we will focus on ten key lessons on Dutch Aid and Trade programmes.

1. Less fragmentation of Aid and Trade

One of the earlier points of criticism referred to the fragmentation of Dutch Aid and Trade policy due to the co-existence of a large number of specialised instruments, which are oftentimes separately managed. However, based on this review, we observe that there is increasing synergy within and between programmes. For instance, emerging cooperation between programmes can be observed, such as between CBI and PUM, especially in the PRIME partnership. New Aid and Trade programmes also seem to be more cross-sectoral as compared to previous programmes. Examples include DGGF, MASSIF and GAFSP which aim to contribute to financial sector development and market development. This also suggests that the policy clusters themselves, as also used by IOB (2014) and other governmental sources, are increasingly becoming obsolete.

Improvements are still necessary in the form of increased coordination between implementing agencies and enhanced engagement of Dutch embassies in the monitoring of programmes, which evaluations show increases the synergies between programmes and alignment with country-specific priorities. At the same time, it seems questionable in how far embassies (still) have the capacity to actually take on a stronger role in coordination in view of recent budget cuts at the Ministry of Foreign Affairs and reduced staff at embassies.

2. Programmes have high policy relevance

All except one programme that we looked at were assessed as relevant or highly relevant by the evaluators, which suggests that the different programmes address important bottlenecks in developing countries. For instance, promoting agricultural value chains can be highly relevant for poverty reduction and food security, as multiple impact pathways are possible which increases the likelihood of impact, as the FDOV evaluation suggested.

At the same time, suggestions for increasing relevance are made for most programmes, including increased thematic and sector-specific focus (more coherence of programmes), more focused selection of target countries (particularly to match the country priorities of the Ministry of Foreign Affairs), and increased specificity of target group selection based on a clear needs assessment (higher inclusiveness of intended beneficiaries).

3. Partnerships remain important but require improvements

The concept of partnerships between public and private actors to share resources, risks and benefits was generally considered important to achieve development results. However, evaluations also found that there are considerable difficulties with the implementation of partnerships, e.g. due to unclear relations between partners, dominance of certain actors, limited resource and risk-sharing, and different organisational cultures and objectives of public and private parties. This has led to disputes and the collapse of projects in several programmes. The FDW evaluation also criticised that "virtually any configuration" of different partners is labelled 'partnership', and that "public partners are denominated as private wherever and whenever convenient" (p.57).

Enhanced attention should therefore be paid to the configuration and management of partnerships, including allowing more creativity in the design of partnerships, specifying the role of public sector partners (whether it be the Ministry of Foreign Affairs itself, RVO or other public actors), and focusing on empowering local partners who are often considered 'weak' actors in partnership arrangements.

4. Additionality and market distortion: still tricky

Additionality remains an uncomfortable subject in many evaluations, which raises the question of whether this concept is really helpful for understanding the contribution of Aid and Trade programmes. While it is part of the standard evaluation protocol and is also integrated into programme management based on ex-ante assessments, it is both hard to prove and to disprove, as the PSI evaluation (2016) contends. Most evaluations therefore give mere indications of additionality, referring to an increased scale or pace of implementation due to Dutch funding and suggesting that financial additionality is lowest with large companies, as these could potentially access other (similar) sources of funding. The possibility of market distortion is frequently not touched upon in evaluations. Overall, it current treatment of additionality in evaluation reports calls for a revision of the concept, including a clearer definition with strong criteria applicable to different stages of assessment (e.g. ex-ante, ex-post).

5. Showing impact remains difficult

Despite the increasing number of external evaluations of Aid and Trade programmes, there is little empirical evidence about their development impacts in LMICs. We often came across (a combination of) the following justifications for the absence of impact data: (1) impact measurement was beyond the scope of the evaluation (and beyond the budget); (2) there was no impact visible due to delayed implementation of projects and transactions; (3) measurement was impaired by a lack of baseline data; and (4) the result indicators of programmes were too general to measure impact.

As a result, the empirical effects of Aid and Trade remain inconclusive, which suggests that more remains to be done to gather evidence and facilitate an in-depth discussion on the impacts of Aid and Trade. Clearly, this is also a budget question in terms of financing and implementing adequate monitoring and evaluation systems.

6. Underlying assumptions and unintended effects warrant closer attention

Most evaluations either recite or reconstruct a theory of change for the programme under evaluation to show how the programmes' activities and inputs are intended to result in planned outputs, outcomes and impacts. However, we observe little attention to testing the theory of change, and particularly the underlying assumptions for the causal mechanisms at play. The FDOV evaluation, for instance, brought forward that the general assumption of promoting food security for farmers through increased agricultural production may seem compelling on paper, but is much more complex in practice, as several factors could invalidate the desired effects. Similar uncertainty about the accuracy of causal mechanisms was revealed in other evaluations. More attention should also be paid to unintended side effects (both positive and negative), which are currently largely overlooked in evaluations and programme documents.

7. Pro-poor? Well…

This is, of course, a tricky question. Aid and Trade seems to be reaching low income countries. Most programmes indicate a relatively even spread of projects (in terms of the number of projects) between LDCs and non-LDCs, with the exception of CBI which focuses on those countries that have companies with export potential (oftentimes non-LDCs).

At the same time, when looking at the target groups within countries, the focus of Aid and Trade programmes does not seem to lie on the "poorest of the poor". Evaluations seem to concur that both the differentiation of target groups as well the attention to vulnerable population groups are insufficient. This also holds for programmes that explicitly address smallholder farmers, such as Agriterra's POP programme, FDOV and 2SCALE, which are characterised by a focus on 'entrepreneurial farmers'. This would suggest that reaping direct benefits from Aid and Trade programmes is contingent upon having a minimum level of resources, whereas households that are vulnerable and chronically poor (e.g. landless farmers) are unlikely to benefit directly. Enhanced target group differentiation would be an important next step in Aid and Trade programmes, both to indicate precisely who programmes aim to reach (beyond obligatory references to "poor people") and to identify suitable support activities for those that cannot be reached through Aid and Trade.

8. Gender still at the side-lines

Despite the prominence of gender equality in Dutch development policies, most Aid and Trade programmes pay limited attention to gender. In various programmes, gender equality features as a cross-sectional objective but the inclusion of women into projects and as beneficiaries is only built in schematically or as an add-on (e.g. through output or outcome targets, mostly in percentages). This turns women's economic empowerment into a tick-box exercise that seems unlikely to do justice to the high ambitions of Dutch policy. A focus on economic sectors where opportunities for women – and youth – are most prominent and more attention to the impacts on gender and youth, from project planning to monitoring and evaluation, are needed.

9. What role for (Dutch) MNCs?

In programmes that are open to or directed at businesses of any size, large (Dutch) businesses (MNCs) tend to dominate, e.g. due to prior experiences with subsidy funding and application procedures, higher accessibility to the implementing agencies, and a perceived potential for scale. The evaluation of PSOM/PSI, for instance, noted a higher chance of success for applicants with larger profits compared to smaller companies with less profits. However, the FDOV report noted that there might also be distinct disadvantages with the involvement of large companies, as they were found to be dominating the partnerships in which they were active, they were more sensitive to administrative delays (at the level of programme management), and they were less likely to engage in business model innovation (instead, they focused on procurement and supply chains). It was therefore evaluated as positive that the programme changed its application requirements and only allowed MNC involvement in combination with the involvement of a local SME.

10. More focus on (local) SMEs required

Evaluations explicitly highlight the increased development relevance when specifically targeting the SME sector, especially local SMEs, as direct recipients of support, arising from an increased need for support (strong case for additionality of Dutch funding), higher chances (and incentives) to integrate development concerns into business models, and – in the case of local SMEs – higher levels of local embeddedness. This calls for renewed attention of how to reach SMEs across Aid and Trade programmes and how to increase the scale of impact of trade-related SME support.

8.3 Wrapping up…

Aid and Trade – like any type of aid – requires decisions to be taken on concrete investment opportunities. Which programmes and projects should be supported, which sectors require investment, which companies serve to achieve the objectives, and that development results do not become secondary to businesses' private interests? As the public debate continues, this review offers a point of entry to think about ways to make Dutch Aid and Trade more inclusive, impactful, focused and ambitious.

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Annex

Table 2. Key findings of recent external evaluations on infrastructure programmes

<table>
<tr><th>ACTIVITIES</th><th>OUTPUTS</th><th>OUTCOMES</th><th>IMPACTS</th></tr>
<tr><td colspan="4">ORET (Development-Related Export Transactions)
Implementing organisations: 1979-2002 Ministry of Foreign Affairs; 2002-2006 NIO Bank; since 2006 ORET.nl (consortium of PwC and Ecorys)
Timeframe: 1979-2007
Most recent evaluation: Work in Progress. Evaluation of the ORET Programme: Investing in Public Infrastructure in Developing Countries. IOB, 2014</td></tr>
<tr><td>• 139 transactions from 2007-2012 (implemented in 20 LDCs and 20 non-LDCs) with a total value of €2.1 billion (out of which €936 million are public money)
• Grant awardees were mostly large Dutch companies</td><td>• High effectiveness in terms of improving socio-economic infrastructure facilities of recipient countries</td><td>• Most built infrastructure is being used adequately by intended beneficiaries
• 9 out of 22 evaluated projects fulfilled targets on job creation, but projects contributed only moderately to direct employment opportunities
• Limited effects on strengthening bilateral economic relations with recipient country</td><td>• 19 out of 22 evaluated projects had a positive impact on socio-economic development*, but positive impact on poverty could have been bigger with reduced country list
• 15 out of 22 evaluated projects led to improved investment climate*
• Modest structural effects on employment*
• No negative impact on women
*based on evaluators' estimates</td></tr>
<tr><td colspan="4">Facility for Infrastructure Development ORIO
Implementing organisation: RVO
Timeframe: 2009-2014
Most recent evaluation: Review ORIO. Carnegie Consult, 2013</td></tr>
<tr><td>• 66 projects selected: 28 in low income countries; 38 in middle income countries
• Estimated commitments for Dutch government: €704 million
• Distinction between project development phase and implementation phase was considered to be lengthy and too complex for applicants, and created uncertainty about project financing</td><td colspan="3">No project had reached implementation at the time of evaluation</td></tr>
<tr><td colspan="4">Sustainable Water Fund (FDW)
Implementing organisation: RVO
Timeframe: 2012-ongoing
Most recent evaluation: Sustainable Water Fund / Fonds Duurzaam Water (FDW) Mid-term Review. Bert van Woersem, Jetze Heun and Ken Caplan, 2015</td></tr>
<tr><td>• 23 projects over two funding periods
• Matching funds mostly through other public and donor organisations; private sector only contribute 22% of the funding (Dutch private sector = 9% of total funding; of which 77% is in-kind and 23% in cash)</td><td>• Delays in implementation; only 50% of visited projects on schedule
• Majority of projects have no direct link to or primary emphasis on vulnerable and/or marginalised groups. Only 23% of visited projects had explicit strategy towards BoP. 60% do not plan for active involvement of poor people/ households</td><td>• Likelihood that results will be achieved is judged as good in 50% of projects visited. The remaining half requires major improvement for results to be achieved.</td><td>No impacts measurable yet.</td></tr>
</table>

Table 3. Key findings of recent external evaluations on financial sector development programmes

ACTIVITIES	OUTPUTS	OUTCOMES	IMPACTS
FMO-A Implementing organisation: FMO Timeframe: Ongoing Most recent evaluation: Evaluation 'Nederlandse Financieringsmaatschappij voor Ontwikkelings landen' (FMO-A). Carnegie Consult & ODI, 2014.			
• Finances firms in developing countries and upcoming markets. Revolving fund. • Using debt, warranties, equity or a combination as instruments • Commitments of €8.6bn in 2016 • Funded with additional €35.7m from budget ODA 2017	• Portfolio of 600 investments projects in 2012 (€5.4bn committed) • 27% in Africa, 23% Latin-America & Caribbean and 25% in Asia. • 40% low 40% middle income countries	• File level outcomes are positive on viability and catalysing effects. • No portfolio wide outcome results known.	• FMO's development impact at file level is measured by EDIS scores. These scores are positive for various indicators. However, measuring impact with EDIS scores is subjective. More advanced analysis over time is possible with the data (Carnegie, 2014) • Currently, the monitoring system of FMO is not equipped to make the link between activities at file level and (development) impacts at portfolio level. (Carnegie, 2014) • Catalysing effect is important for FMO, however an appropriate measurement system is not yet available for tracking this indicator.
FMO-MASSIF Implementing organisation: FMO Timeframe: 2006-ongoing Most recent review: MASSIF Evaluation, Financial inclusion in developing countries, 2006-2014. Ecorys & Carnegie Consult, 2015			
• Finances small- and micro-enterprises in developing countries. Revolving fund. • Using debt, equity and fund investments as instrument. • €324m from ministry into fund. Revolving. • Funded with additional 3.1m from budget ODA 2017	• 248 Projects started since 2006 • 33% of committed portfolio towards poorest countries • 24% of committed portfolio towards African investment funds. • 926,310 micro-entrepreneurs supported • 47,498 SME offered debt support • €98m on equity support	• Relevant and effective for both strengthening the financial sector as well as reaching out to SMEs • No portfolio wide outcome results known	• Social and environmental effects were seen, but cannot be attributed to MASSIF by lack of control group and baseline. • Because the financial institutions do not track (M)SME level data disaggregated by currency, it was not possible for the evaluation team to reach conclusions on impacts.
DGGF (Dutch Good Growth Fund) Implementing partner: RVO Timeframe: 2014 - ongoing Most recent review: summary of mid-term review van het Dutch Good Growth Fund. SEO Economic Research, 2016. Published in Policy letter 33 625: Brief inzake Dutch Growth Fund.			
• Fund of €750m from Ministry of Foreign Affairs (Revolving), • Intensify development relevant investments in low- and middle-income countries through (Dutch) SMEs	• Investments in developing countries by Dutch small and medium-sized enterprises (SMEs) (20 approved programs) • Investment funds for SMEs in developing countries (18) • Export credit insurance and financing for Dutch SMEs (20)	• All SMEs are still operating at or before output level. No results known yet	• All SMEs are still operating at or before output level. No results known yet • Unclear whether M&E system in place that will yield these results.

Table 4. Key findings of recent external evaluations on market development programmes

INPUT & ACTIVITIES	OUTPUTS	OUTCOMES	IMPACTS
CBI Implementing partner: CBI, Ministry of Foreign Affairs. Timeframe:1971–ongoing Most recent evaluation: an evaluation of the Centre for the Promotion of Imports from Developing Countries (2005–2012). IOB, 2015.			
• Ministry of Foreign Affairs 2008 – 2012: €180m funding • Ministry of Foreign Affairs: €36m funding in 2015 • Sectoral export coaching (ECP) • Business support organisation development (BSOD) • Focus on low and middle income countries (but more middle income countries)	**ECP track** • Develop improvement plan for companies • Technical assistance & training • Market information	• Increased skills and knowledge in companies • 20% most important barriers removed • 21% higher increase in probability of finding new importers than in reference group (88% vs 67%)	• Overall modest contribution to export diversification and average export turnover. • Employment results not found • Interventions decreased share of low value-added commodity exports. • No further development impact measured
	BSO track • 56 modules finalised 2005–2012 • Train, consult and support staff of BSO	• Outcome data based on self-perception and self-measurement of clients. • Increased activity, knowledge level of BSO and BSO staff	• No export / business activity impact measured
IDH (Initiatief Duurzame Handel / Sustainable Trade Initiative) Implementing partner: IDH Time frame: 2008-ongoing Most recent evaluations: (1) Riding the wave of sustainable commodity sourcing. Review of the Sustainable Trade Initiative IDH 2008-2013. IOB, 2014. (2) Assessing IDH's contribution to public good impacts at scale (20016-2020). Wageningen Economic Research & KMPG, 2017			
• Ministry of Foreign Affairs: €123m funding (2008-2015); €100m funding (2015-2020) • Funding from other European governments (DANIDA, SECO) • Convene sector actors • Co-fund implementation of private sector projects • Implement pilot projects • Programme spending of €33.8m in 2015 • 17 sector programs from Cocoa to Electrics and Apparel • 4 cross sector programs • Active in 50 countries	**Sector governance** • Support public-private coalitions	• Sustainability plans developed & sector-platforms and covenants created • Improved Worker-management dialogue • collective bargaining agreements	No impact measured yet.
	Field-level • Services (input, finances, training) provided to farmers, companies	• Adoption of good agricultural practices • Increased workers voice, skills satisfaction, nutrition, profitability	No impact measured yet.
	Business practices • Development of service delivery models, business models	• Increased private sector demand • Improved access to services • Improved service delivery	No impact measured yet.
2SCALE implementing organisations: IFDC, ICRA & BoPInc Time frame: 2012-2017 Most recent evaluation: 2SCALE mid-term visitation. Partnerships Resource Centre, 2014.			
Initiate & support PPPs to: • Develop Agribusiness clusters • Strengthen business support services • Develop BoP products and markets	• 50 Partnerships brokered in 9 countries • Market research done in these countries • Developed capacity strengthening tools • Capacity development is implemented at the moment	• All PPPs are still operating at output or early phase outcome level. No results known of outputs of the partnerships	• All PPPs are still operating at output or early phase outcome level. No results known yet • Unclear whether M&E system in place will yield this information.
Facility for Sustainable Entrepreneurship and Food Security (FDOV) Implementing organisation: RVO Timeframe: 2012-ongoing Most recent evaluation: Mid-term review of the Facility for Sustainable Entrepreneurship and Food Security (FDOV). KIT, 2016.			
Initiate & support PPPs to: • Increase food security • Private sector development	• Accepted 49 proposals in two calls • Capacity building • Financial services • Organisation • Inputs	• All PPPs are still operating at output or early phase outcome level. No results known yet	• All PPPs are still operating at output or early phase outcome level. No results known yet • Unclear whether M&E system in place that will yield these results.

Table 5. Key findings of recent external evaluations on knowledge & skills programmes

ACTIVITIES	OUTPUTS	OUTCOMES	IMPACTS
Private Sector Investment Programme (PSI, formerly known as PSOM) Implementing organisation: RVO Timeframe: 1999-2014 Most recent evaluation: Evaluation PSOM/PSI. APE Public Economics, Timpoc and MDF, 2016			
• 1107 projects in 59 countries, of which 43% in sub-Saharan Africa • Majority of projects had elements of innovativeness • Financial profile of applicant critical (higher chance of receiving PSI grant for more profitable companies) • Little alignment with country-specific priorities of national governments or Dutch embassies • Lack of alignment with other PSD programmes	• 75% of investigated projects: operational businesses established • 66% of all projects reached knowledge targets • On average, PSOM/PSI projects trained 325 people	• 39% of investigated projects: PSI decisive for success of business • Good working conditions • 50% of investigated projects: impact on CSR • 67% of all projects reached employment targets; average of 76 jobs were created per project (however, 14% of projects generated 50% of gained employment) • 54% of all projects reached sales targets	• 55% of investigated projects: positive effects on sector/market *Measuring development impacts beyond the scope of the evaluation
PUM Senior Experts Implementing organisation: Foundation Netherlands Senior Experts (PUM) Timeframe: 1978-ongoing Most recent evaluation: Evaluation Foundation Netherlands Senior Experts (PUM) 2012-2015. Erasmus University & Carnegie Consult, 2016			
• Pool of 3,000 volunteer experts • 2015: 1,829 missions to low and middle income countries. • The majority of the missions (up to 40%) go to African countries, followed by Asia (around 30%), Latin America (just below 20%) and (southeast) Europe (about 15%). • Share of missions to least developed countries: increased from 24% in 2012 to 33% in 2014 • More than 80% of missions to individual SMEs	• 80% of recipients confirmed increased knowledge • Support works best for SMEs with low initial level of skills and knowledge. Missions to younger firms are more likely to result in new jobs than missions to mature companies.	• Changes in practice lead to higher performance (turnover, profit, employment). Larger outcomes with regard to sales and profits than employment. • However, only few established trade relations with Dutch companies	*No measurement on impact level at the time of the evaluation. New M&E system introduced recently.
Dutch Employers Cooperation Programme (DECP) Implementing organisation: Foundation Dutch Employers Cooperation Programme Timeframe: from 2006 onward Most recent evaluation: Final Report. End of Term Evaluation DECP. Triodos Facet, 2013			
• 2010-2013: budget of €7.5 million • Activities in 28 countries across Africa, Asia, Latin America and Central Europe/Caucasus; largest share of activities in African countries • Demonstrated support to weak/ small employers organisations • Inputs include: networking/ cooperation, technical/human resources, budget contributions and employer organisations' contributions	2006-2012: • 238 advisory missions (20% of budget) • 167 training workshops and conferences (50% of budget) • 49 conferences (5% of budget) • 80 financing cases (5%) • 30 fact finding missions (1% of budget)	*No monitoring on outcomes; outcome targets often not defined or not specific/ measurable	*No information available, but due to small size of programme, impacts are likely to be limited

Table 5. Key findings of recent external evaluations on knowledge & skills programmes

ACTIVITIES	OUTPUTS	OUTCOMES	IMPACTS
Farmers Fighting Poverty – Program Support to Producer Organisations (POP) Implementing organisation: Agriterra Timeframe: 2011-2015 (designed to end in 2014, but extended for one year) Most recent evaluation: Evaluation of the Program Support to Producer Organizations (POP 2011-2014) implemented by Agriterra. KIT, 2015			
• Budget of approximately €50m • Support activities to producer organisations in 60 low and middle income countries • Activities comprised three thematic areas: (i) support to farmer-led enterprises (e.g. through Peer-to-Peer learning missions), (ii) support to grassroots entrepreneurship, and (iii) strengthening lobby and advocacy of producer organisations	• POP programme delivered outputs in three thematic areas: (i) strengthening farmer-led enterprises (e.g. through Peer-to-Peer learning missions), (ii) strengthening grassroots entrepreneurship, and (iii) strengthening lobby and advocacy of producer organisations • Outputs comprised: Peer-to-peer learning missions, financial health checks conducted with participating organisations, and the • Farmers' Advocacy and Consultation Tool (FACT) to support lobby and advocacy interventions • In total, 24 deliverables were developed by Agriterra	• Support to farmer-led enterprises: effective in developing targeted cooperatives towards professional enterprises. • Support to grassroots entrepreneurship: increase in local groups and partially better linkages with market outlets. However, many projects were geared towards creating new groups and increasing production and did not sufficiently address bottlenecks in marketing. • Support for lobby & advocacy: effective in leading to clear lobby trajectories, policy proposals and, in some cases, policy change, based on members' priorities and expert input.	• Evaluation suggests positive impacts of farmer-led enterprises in terms of increased sales volumes and prices for farmers.* • Impacts of grassroots entrepreneurship are less obvious: although some group members reported increased production and productivity, it remains difficult to contribute the reported progress to group membership.* *Evaluation is not an impact assessment