MATEP End-of-Program Evaluation

Final Report

Effective Development
is our Business

Australia
Belgium
Indonesia
Kenya
New Zealand
Papua New Guinea
Sri Lanka
United Arab Emirates
United Kingdom
United States
Operations in 70 Countries

www.cardno.com/emergingmarkets

Submitted by:
Cardno Emerging Markets USA, Ltd.
(Formerly Emerging Markets Group, Ltd.)

Submitted to:
USAID/Zambia

In response to Order No:
611-O-00-10-00066-00

29 October 2010

TABLE OF CONTENTS

EXECUTIVE SUMMARY

USAID contracted Cardno Emerging Markets USA Ltd. to conduct an end-of-project summative evaluation of the Market Access, Trade and Enabling Policies (MATEP) project, which began in 2005 and came to an end in April, 2010. Specifically, USAID asked Cardno to answer three major evaluation questions and a series of sub-questions. The questions, and our summary responses, are given in the table below.

1. *To what extent has MATEP achieved the project results as defined by the contract objectives?* a. How did MATEP achieve its indicator targets? b. Which tasks or activities were most/least effective and why? c. To what extent has MATEP helped create self-sustaining economic linkages, and to what extent did MATEP prepare other organizations to take up its role as market facilitator? d. To what extent did MATEP help smallholders benefit from export linkages? e. To what extent have private sector partners integrated HIV/AIDS prevention into their business?
Since this evaluation was not able to verify results figures generated by MATEP, nor was it able to establish clear attribution, it concludes – in the absence of solid information to the contrary – that **MATEP did not achieve its intended project results**. The project reports that exports by MATEP-assisted firms were $216 million over the life of the project, against a cumulative target of $204 million, but MATEP could not provide a breakdown of this figure by individual assisted firms. Interviews with assisted firms indicate that their export volumes are, cumulatively, far below the totals reported by MATEP. Moreover, with some exceptions like Freshpikt, most of the export volumes that assisted firms did generate cannot conclusively be attributed to MATEP's assistance. The combination of technical assistance through the Market Access component and financial support through both grants and loans represents the most effective set of MATEP interventions. However, it should be noted that the cost of financial support was very high – 60% of the MATEP Investment Fund's loans are in default. The Trade Policy and Tourism components were the least effective. There is no evidence that the Trade Policy activities, for example, achieved any impact at all in terms of increased exports or improved competitiveness, with the possible exception of the new small claims court. The same is true of the tourism component – there is no clear causal link between MATEP activities and any increase in tourism revenues among assisted firms. The HIV/AIDS component succeeded in reaching a large number of individuals (exceeding targets) with HIV/AIDS-prevention messages. However, there is no evidence regarding the extent to which the component might have actually contributed to changes in individual behavior or reductions in the infection rate. MATEP seems to have created a few self-sustaining economic linkages and took some steps to prepare other organizations to carry forth its role as market facilitator, although more might have been done in that regard. MATEP reports that assisted firms purchased a total of about $11.5 million in produce from smallholders over the project period, i.e. about 5% of the value of MATEP-assisted firms' exports. Failures in the paprika and groundnuts value chains, along with the project's early (and appropriate) decision to avoid working in the maize sector prevented this number from being substantially higher. Anecdotal evidence suggests that some private partners are integrating HIV/AIDS prevention into their business, but MATEP did not track or report on this indicator, despite the fact that it was listed in the Scope of Work.
2. *To what extent has MATEP contributed to USAID's overall economic growth assistance objective of increased private sector competitiveness?* a. To what extent do the project outputs contribute to the overall objective? b. Which tasks in the statement of work contributed most/least to the overall objective? c. Has MATEP delivered value for money? Has it been a cost-effective intervention?

Our interviews with the MATEP team and its beneficiaries indicate that the project contributed to the goal of increased private sector competitiveness only to a very limited extent. Certainly, Zambia's private sector is at least a little more competitive than it was in 2006 because it now has a working canning factory, operated by Freshpikt. Capital Fisheries, African Joy, and other companies have become more competitive as a result of MATEP's assistance. At least some tour operators and exporters better understand the needs of regional markets as a result of working with MATEP, which supports continued improvement in private sector competitiveness. However, there is no evidence to suggest that MATEP achieved a transformative effect in terms of increasing private sector competitiveness. **Based on the available data, the evaluation team cannot conclude that MATEP delivered value for money**. The cost of the project (not including the PEPFAR funding) was around $10 million over five years. Given the problems related to verification and attribution of MATEP's reported results, we cannot say definitively that MATEP generated at least $10 million in exports that would not have otherwise occurred. The HIV/AIDS component, which cost a little more than $1.3 million, claims to have reached more than 1.1 million people with its prevention messages. If this figure is correct, then USAID will have paid just over $1 per person to expose 10% of Zambia's population to prevention messages delivered by a trusted co-worker, neighbor or family member. Whether that represents good value for money depends on the impact that hearing the messages had on individuals' behavior, which MATEP did not measure.
3. *In what ways might the MATEP approach be applied to further the goals of USAID's Global Hunger and Food Security Initiative (GHFSI)?* a. What lessons learned and best practices were uncovered throughout implementation? b. How could project effects be made more sustainable? c. How might the approach be modified to benefit smallholder farmers more effectively? d. What external or internal factors have constrained or benefited implementation and impact? e. How might the approach be adapted to address nutrition and food security more directly? f. How could the project be adapted to offer more value for money?
MATEP offers three main lessons for the Global Hunger and Food Security Initiative: 1. Agricultural policy is critical for food security, but affecting policy is very difficult*:* MATEP's experience in policy and regulation demonstrates how difficult it is for a donor-funded project to influence government actions. Rather than delegate this role to a project and hope for eventual change, USAID/Zambia might wish to make certain policy changes a prerequisite for further assistance to the agricultural sector. 2. *Firm-level assistance to key intermediaries is still important:* The best way to improve food security is to facilitate increases in the incomes of the poor, by: 1) generating demand for products and services that the poor can provide, and 2) helping the poor to meet that demand profitably and sustainably. Neither approach works without the other. The first path involves working with exporters and other buyers to expand operations. While the next project could do more to develop a Zambian BDS industry, it will have to work with individual firms to generate demand for the products and services that the poor can provide. 3. *A focus on exports is appropriate for a food-security focused project:* The premise behind MATEP is still valid: "Selling agricultural products to international customers offers Zambian farmers opportunities for rapid income growth. Regional markets are big, and there is substantial demand for staples grown by Zambian smallholders. Accessing these export markets can boost incomes in rural Zambia." The incomes (and thus the food security) of the rural poor will not improve unless there is increased demand for their produce or labor. In a small country like Zambia, the most effective way to generate that demand is through exports. Finally, the MATEP experience demonstrates the need for a robust performance monitoring plan – one which allows for verification, disaggregation and attribution – at the outset of any project.

1. INTRODUCTION

In June 2010, USAID contracted Cardno Emerging Markets USA Ltd. (Cardno) to carry out an end-of-project summative evaluation of USAID's Market Access, Trade and Enabling Policies (MATEP) Project, which had formally come to an end in April after five years of operation. Cardno's assignment was launched on July 6th and is scheduled to end by November 12th 2010. In accordance with the terms of the contract, Cardno submitted a draft work plan to USAID within three days of the start date and an Inception Report within eight days of the start date. The Inception Report, which USAID accepted, described in summary form our evaluation framework, methodology and updated work plan. Cardno submitted a Draft Report on August 9th and made a summary presentation of our findings at USAID/Zambia on August 11th 2010. On August 30th, USAID provided Cardno with written comments on the Draft Report. At USAID's request, the contract was extended to November 12th from the original end-date of August 15th.

This document, the Final Report, contains Cardno's findings regarding the MATEP project's performance against its contractual obligations, its impact in terms of USAID's larger economic growth assistance objectives, and the implications of the project for USAID's Global Hunger and Food Security Initiative (GHFSI). This Final Report addresses all of the comments received by USAID and, it should be noted, significantly revises our assessment of MATEP's performance based on new information received after the Draft Report was submitted as well as guidance received from USAID.

1.1 Overview of the MATEP Project

MATEP was launched on April 18th 2005 as a „five year USAID economic growth project designed to increase Zambia's exports of agricultural and natural resource products and tourism services into regional and international markets," according to the project's annual reports. It was, the reports continue, a "results-oriented project intended to *make exports happen*." MATEP's budget was about $11.4 million over its five-year life – $10 million was the initial ceiling amount, and $1.4 million was added later from the Presidential Emergency Plan for AIDS Relief (PEPFAR) to fund the project's HIV/AIDS-related activities. The total includes a $2 million investment fund (MIF) which MATEP used to provide loans to exporters. MATEP had a full-time staff of about eleven, comprised of six professional staff and five support staff (accountant, receptionist, drivers, etc.). The project also made use of short-term technical experts from Zambia and abroad, and used a portion of its budget to provide small grants to complement the technical assistance it offered to its beneficiaries and counterparts. The project officially came to an end on April 17, 2010.

The rationale for an export-focused project like MATEP was described in the original Statement of Work from USAID:

> "Due to high poverty levels in Zambia, local demand beyond basic food needs is limited. Poverty constrains the exploitation of local markets. Selling primary and processed agricultural products to international and regional customers offers Zambian farmers and firms opportunities for rapid income growth. Regional markets are big, and there is substantial demand for staples grown by Zambian smallholder farmers. However, regional and international markets are competitive and discriminating; there are exacting quality standards and price differentiation for staple commodities. Effectively accessing these export markets can boost incomes in rural Zambia."

The primary performance indicator for MATEP is the value of agricultural and natural resource-based (ANR) exports, including tourism, into regional and international markets. The baseline was $405 million in 2004. MATEP's target was to help raise exports to $600 million by the end of the project in 2010. The MATEP Statement of Work included several other quantitative indicators, all of which will be described in detail in the next section.

MATEP consisted of five components, described in the annual reports as follows:

1. *Market Access*: Identify foreign markets into which Zambia can sell and work with exporters to successfully complete transactions in those markets.
2. *Trade and Enabling Policy*: Reform domestic policies and regulations that constrain Zambia's exports and promote regional and international trade agreements under which export growth can expand.
3. *Finance*: Operate a $2 million investment fund (through ZATAC – the Zambia Agribusiness Technical Assistance Centre) to help small and medium scale export and tourism enterprises access formal sector credit.
4. *Tourism*: Raise Zambia's profile as a premier, multi-faceted tourist destination and as a location for international conferences, and also provide tourism training.
5. *HIV/AIDS*: Mainstream HIV/AIDS prevention activities into client business operations and, with MATEP's partners, design and implement sustainable HIV/AIDS prevention programs.

For reasons that will be discussed later, both the Trade and Enabling Policy component and the Tourism component ended a year or so before MATEP came to an end. The other three components continued operating until the end of the project. While the five components are related and mutually-supporting, each had its own objectives, work plans, and challenges to address, as the following sections will explain.

MATEP was implemented by a consortium of five organizations led by Development Alternatives Inc. (DAI), along with International Executive Service Corps (IESC), Michigan State University, ECI*Africa*, and ZATAC.

To our knowledge, only one other external evaluation of MATEP has been conducted. In September 2008, USAID engaged a team consisting of two independent consultants (Meg Brown and Ron Stryker) along with Charles Mvula from Zambia's Ministry of Agriculture and Cooperatives, to assess the Mission's entire economic growth portfolio. Their evaluation of MATEP, however, consists of less than five pages in the team's 60-page final report – so the present assignment represents USAID's first effort to carry out a detailed, third-party assessment of MATEP's performance. As far as we know there has never been any external verification of MATEP's self-reported results numbers (i.e. a data quality assessment), and such a verification is outside the scope of this assignment. The data and time it would take to carefully audit and verify MATEP's self-reported results were simply not available to us.

1.2 THE MATEP END-OF-PROJECT EVALUATION

The purpose of the present assignment, according to the Statement of Work, is "to conduct an end of project summative evaluation for the MATEP project in the economic growth program under the current strategic framework." The evaluation is meant to determine how well MATEP performed against its expected outcomes. Also, USAID/Zambia hopes to use the results of the evaluation to "inform strategic planning and resource allocation" going forward, especially in light of USAID's new global focus on food security.

The Statement of Work which USAID provided to the Cardno team is clear, straightforward and logical. It concentrates on answering three primary evaluation questions, with a number of secondary questions under each of the primary questions.

The evaluation questions which USAID has asked Cardno to answer are reproduced below, and provide an organizational framework for the remainder of this draft report:

1. *To what extent has MATEP achieved the project results as defined by the contract objectives?*
    a. How did MATEP achieve its indicator targets?
    b. Which tasks or activities were most/least effective and why?
    c. To what extent has MATEP helped create self-sustaining economic linkages, and to what extent did MATEP prepare other organizations to take up its role as market facilitator?
    d. To what extent did MATEP help smallholders benefit from export linkages?
    e. To what extent have private sector partners integrated HIV/AIDS prevention into their business?
2. *To what extent has MATEP contributed to USAID's overall economic growth assistance objective of increased private sector competitiveness?*
    a. To what extent do the project outputs contribute to the overall objective?
    b. Which tasks in the statement of work contributed most/least to the overall objective?
    c. Has MATEP delivered value for money? Has it been a cost-effective intervention?
3. *In what ways might the MATEP approach be applied to further the goals of USAID's Global Hunger and Food Security Initiative (GHFSI)?*
    a. What lessons learned and best practices were uncovered throughout implementation?
    b. How could project effects be made more sustainable?
    c. How might the approach be modified to benefit smallholder farmers more effectively?
    d. What external or internal factors have constrained or benefited implementation and impact?
    e. How might the approach be adapted to address nutrition and food security more directly?
    f. How could the project be adapted to offer more value for money?

An additional, cross-cutting question was raised during our initial meeting with USAID: What does the MATEP experience say about the relevance and impact of providing firm-level support and working with mid-sized firms and intermediaries instead of working directly with the most vulnerable, including smallholder farmers?

1.3 Evaluation Framework, Approach and Activities

Evaluation Team: In order to answer these questions, Cardno assembled a core team of two researchers, Joe Dougherty and John Kasanga, who conducted interviews with MATEP project staff as well as a broad range of project stakeholders and beneficiaries over the course of several weeks in Zambia. (See Annex 1 for a list of interviews.) The field team was assisted by Dr. Gary Woller, a leading expert in the evaluation of USAID economic growth project. Dr. Woller provided a desktop assessment based on MATEP's self-reported results in the annual reports and Final Report. Albena Godlove, Cardno's resident Monitoring and Evaluation Specialist, provided feedback and guidance on the Draft Report while Keelyn Henderson provided the team with administrative and logistical support.

Information Sources: The inputs into our evaluation consisted of the following:

- MATEP's four annual reports, from the periods ending September 2006, September 2007, September 2008 and September 2009 respectively
- The MATEP Final Report, dated June 2010
- Various substantive MATEP reports and white papers provided by USAID
- The original Statement of Work for MATEP along with the revision adding the HIV/AIDS component, provided by USAID/Zambia
- The September 2008 Final Report of the Assessment of USAID/Zambia's Economic Growth Portfolio, by Brown, Stryker and Mvula (as mentioned above)
- The Updated Performance Monitoring Plan (2004-2010) for USAID/Zambia's economic growth assistance objective: Increased Private Sector Competitiveness in Agricultural and Natural Resources, January 2009
- Relevant background documents from USAID including, "Assessing the Effectiveness of Economic Growth Program," prepared by DAI in May 2010 for USAID's Private Sector Development Impact Assessment Initiative; and "Increasing Trade through Exports: Successful Market Linkages and Best Practices from the Southern Africa Trade Hub," prepared by CARANA Corporation and Abt Associates in February 2008 for USAID's Southern Africa Global Competitiveness Hub
- Exporter Audits from 2004, 2006 and 2007 provided by Zambia Development Agency
- The audit of the MATEP Investment Fund managed by ZATAC, completed in August 2009 by CPA firm GeorgeBaison and Obed and a more recent (Sept. 2010) report on the Fund completed by The Mitchell Group.
- Personal interviews with MATEP and ZATAC staff representing four of the five project components, as well as the Chief of Party, Dr. Scott Simons. (The Trade and Enabling Policy component had ended in 2008 and the former component leader, Mupelwa Sichilma, was not available for an interview.)
- Interviews with representatives of twenty MATEP counterparts and beneficiary organizations, including most of the firms MATEP claims as „success stories' – Freshpikt, Zamseed, Glymo Enterprises, etc. – as well as interviews with USAID/Zambia, the USAID Production, Finance and Technology (PROFIT) project, and other donor-funded projects focusing on trade, export and general economic growth.

Activities and Methodology: After reviewing the MATEP documents and interviewing MATEP team members, Cardno asked USAID and MATEP to provide us with a comprehensive list of counterparts. MATEP furnished names and contact information for thirty-seven counterpart or beneficiary organizations, at least three of which (Cris-B-Cucs, Global Exports, and Kabwe Tanneries) are no longer in business. The Cardno team attempted to contact *all* of the thirty-four remaining organizations, and eventually succeeded in interviewing twenty of them (almost 60%). The team conducted twelve additional interviews with MATEP team members, other stakeholders (e.g. USAID) and informed observers. A number of the SMEs on MATEP's list of counterparts were either unreachable by phone or e-mail, or reluctant to meet with the evaluation team for unknown reasons.

The objectives of all of our interviews with MATEP beneficiaries were: 1) to understand the level and type of support provided by MATEP, 2) to determine the volume of exports generated by the enterprise during the period of MATEP assistance through the present time, and 3) most importantly, to try to establish a chain of causality between MATEP assistance and the increase in export activity at each enterprise, so that tangible increases in export volumes could reliably be attributed to MATEP's activities.

Limitations: While these sources provided useful *qualitative* information, our access to important *quantitative* information was limited. Most importantly, MATEP was able to provide us with 2004-2009 figures for national-level agriculture and natural resource (ANR) exports, as well as figures for the value and volume of exports by MATEP-assisted firms for each of those years, disaggregated by product type (e.g. groundnuts, honey, crafts, etc.). **However, MATEP was *not* able to provide us a breakdown of export values/volumes by each assisted firm**. This is rather puzzling, since the numbers reported in the annual and final reports for values/volumes of exports by MATEP-assisted firms must have been built up from numbers reported by individual firms. This lack of data provided by MATEP made it exceedingly difficult for the evaluation team to conduct its work. The lack of firm-level export figures meant that the evaluation team could not verify MATEP's reported results through interviews with assisted firms, since there were no reported numbers with which the interview results could be compared at the level of individual firms.

More fundamentally, MATEP lacked a robust monitoring and evaluation (M&E) system through which individual interventions might be linked to specific outputs and outcomes. The central problems with MATEP's approach, as the next section will describe in more detail, include: 1) a lack of detailed results reporting at the firm level (as noted), 2) a lack of a causal chain – i.e. there is no explanation of how, exactly, MATEP contributed to the sector- or national-level results it reports, which makes it impossible to establish attribution, and 3) a general lack of detail in results reporting. For example, the indicators which MATEP reported against in its annual reports are different, in several instances, from the indicators given in the original contract with USAID – but neither the annual reports nor any other documents which the evaluation team was given explain why these changes were made. Also, the results that are listed in the annual reports are not explained. For example, MATEP's Final Report indicates that, over the life of the project, twenty "barriers to competitiveness" were addressed; but the Report never identifies what those twenty barriers were. Similarly, the Final Report claims that more than 100,000 people were reached with HIV/AIDS prevention messages, but the Report never discloses what those messages were, exactly, or whether the recipients' behavior changed as a result, let alone whether the project had any impact on the infection rate in the communities it reached.

AS USAID's comments on the Draft Report point out, our intention was to examine MATEP's causal model in order to "establish a direct cause-and-effect relationship between MATEP activities and the quantitative results the project claims to have generated." Since MATEP did not have an explicit causal model, with assumptions that can be tested or results that can be verified, Cardno has instead tried to identify measurable results that *can* be attributed to MATEP through interviews with beneficiaries. The results suggest that the project was less successful than its self-reported results would indicate.

2. MATEP'S PERFORMANCE AGAINST TARGETS

The first evaluation question was, *'to what extent has MATEP achieved the project results as defined by the contract objectives?'* Answering that question is not entirely straightforward, for two reasons. First, the performance indicators and targets reported by MATEP in its annual reports do not completely match the indicators and targets given by USAID in the original Statement of Work. Some indicators dropped off during the life of the project while others were added. This is not necessarily a bad thing: It is often appropriate and desirable to replace indicators and/or change targets over the course of a project as circumstances change. It sometimes becomes apparent that certain targets are either not relevant or not achievable, and the project is appropriately re-directed to focus on new, more promising targets. While changes of this nature make evaluation more difficult, they can be justified by the need to focus USAID resources on those activities that are likely to generate the most positive impact. However, none of the MATEP reports make any mention of why or when the indicators were changed, or whether the changes were made with USAID's concurrence.

The second reason why it is difficult to determine the extent to which MATEP has achieved the project results has to do with *attribution*. It is easy to say, for example, that the value of Zambian ANR exports doubled between 2005 and the end of 2009. It is far more difficult, however, to determine what part of that increase might be attributable to MATEP.

The table below lists the indicators and targets that were identified in the SOW along with the end-of-project results reported by MATEP against each indicator. It also includes indicators that were not included in the Statement of Work, but reported by MATEP in its final report.

Indicators from SOW (1)	Baseline per SOW	Final Target per SOW or Reports	MATEP Self-Reported Final Result
Total ANR exports, including tourism receipts	$405 million	$620 million	$883 million
Value of client sales and services (exports & tourism) **(2)**	$0	$262 million	$270 million
Number of clients accessing new markets	0	1,000	Not reported
Number of new products introduced on the market	0	25	Not reported
Marketing margins for selected commodities	TBD	None given	Not reported
Value of finance / capital accessed **(3)**	$1.3 million	$20 million	$19.1 million
Number of clients accessing finance	TBD	18	38
Number of barriers to competitiveness addressed **(4)**	0	14	20
Value of investment in agriculture and natural resources	0	$20 million	Not reported
Biotechnology policy dialogue and reg. body established **(5)**	0	20	Not reported
Number of alliances forged with public and private partners **(6)**	0	15	25
Number of HIV/AIDs workplace programs implemented	0	20	Not reported
Number of orgs addressing AIDS in manpower planning	0	20	Not reported
Number of districts tracking impact of HIV/AIDS **(7)**	0	1	Not reported

Following are explanatory notes on the table, corresponding to the bold numbers in the table:

(1) The Performance Monitoring Plan in the MATEP Statement of Work that was provided to us by USAID is marked „Illustrative'. In some cases, the end-of-project cumulative targets given in the illustrative PMP are different than the targets listed in the Final Report. Where there is a discrepancy, the table uses the targets given in the Final Report.

(2) The original PMP lists „value of client sales and services' as an indicator – it does not specify that these must be exports, rather than domestic sales. MATEP's annual reports and Final Report track „value of export/tourism transactions reported by assisted firms'.

(3) Neither the Statement of Work nor the annual/final reports makes it clear whether this indicator refers to total finance accessed by client (i.e. from both the MATEP investment fund and other sources) or only non-MATEP finance.

(4) This indicator dropped off after the Statement of Work and was replaced by several others; namely: "Number of legal, regulatory or institutional actions taken to improve implementation or compliance with international trade and investment agreements" and "Number of policy reforms presented for legislation/decree as a result of USG assistance." The cumulative targets for these two indicators, according to the MATEP annual reports, were 8 and 6, respectively (14 total, as stated in the table above). MATEP reports presenting 15 trade reforms and 5 agricultural policy reform by the end of 2009, or 20 in total. These results are presented in the annual report submitted in September 2009 but are not mentioned in the project's Final Report.

(5) The indicator and target given in the illustrative PMP do not seem to match. The indicator "Biotechnology policy dialogue and regulatory body established" seems to be binary – either these things are established or they are not. The end-of-project target of "20" does not seem to make sense. In any case, none of the annual reports mention any activity related to biotechnology dialogue, so that area of focus seems to have been dropped.

(6) This indicator also dropped off after the Statement of Work and was replaced by "Number of public-private dialogue mechanisms utilized as a result of USG assistance." The cumulative target given in the 2009 annual report is 15, and the number of mechanisms actually utilized is reported as 25 over three years.

(7) The three indicators in the illustrative PMP related to HIV/AIDS all dropped off after the Statement of Work and were replaced with a set of indicators tracking the number of people receiving HIV/AIDS awareness and prevention training, rather than the number or organizations or districts involved. According to the MATEP Final Report, the project far exceeded its targets in the HIV/AIDS component:

Number of people reached with HIV/AIDS A & B outreach programs:

Cumulative target: 85,000 people

People reached: 437,000 by the end of the project. NOTE: MATEP reports having reached 108,295 people by the end of FY2009. It is not clear how or why that number quadrupled between September 2009 and the end of the project in April 2010.

Number of people trained for delivery of HIV/AIDS prevention programs:

Cumulative target: 1,270 people

People reached: 6,225 by the end of the project. NOTE: Again, MATEP reports having trained 2,455 people by the end of FY2009. It is not clear how or why that number nearly tripled to reach 6,225 between September 2009 and April 2010.

In addition to the fact that several indicators and targets changed over the life of the project with no explanation as to how, why or when, another problem is that *MATEP simply did not report at all against eight of the fourteen original indicators it was given*.

Our evaluation of the project leads us to conclude that – in the absence of more detailed information – **MATEP largely failed to meet its contractual obligations or achieve the results it was intended to achieve**. This conclusion is based on three findings:

1. As noted above, MATEP simply did not report against eight of the fourteen indicators in its original Scope of Work, with no explanation why. In the absence of any information to the contrary, one must assume that the targets for those indicators were not achieved.
2. For indicators against which MATEP reports meeting or exceeding the targets, insufficient information was given to verify the reported results or assess their quality. For example, MATEP reports that its clients accessed $19.1 million in financing over the life of the project, but it does not report which client firms received the financing, nor does it report whether it was received from commercial banks, donor-funded projects, or other sources (including the MATEP Investment Fund). Similarly, MATEP claims to have established twenty-five public/private partnerships, but does not explain what they were, which entities they involved, or whether any of them were sustained over time. Again, in the absence of such explanatory detail, the summary figures provided by MATEP must be treated with some caution, and even skepticism.
3. Most importantly, it is not clear what portion of the results reported by MATEP can actually be attributed to project activities. For example, the project reports that cumulative exports by MATEP-assisted firms over the life of the project were $221 million. The assumption implicit in this indicator is that MATEP was responsible for, or at least contributed to, 100% of these exports. This is clearly not true – most of the firms we interviewed were already exporting before they began working with MATEP and would have continued to do so whether they received assistance from MATEP or not. Again, faced with a lack of a clear causal chain (or even firm-level export data), it is prudent to make conservative assumptions regarding MATEP's contribution to these exports.

In fairness, it must be noted that none of the indicators which USAID assigned to MATEP in the Scope of Work address attribution, and many of them fall outside the project's ability to control. For example, the primary indicator of total value of ANR-based exports should largely be ignored. Unquestionably, Zambia experienced an impressive surge in non-traditional exports over the past five years. Not including tourism, the value of agricultural and natural resource-based (ANR) exports more than doubled, from $323 million in 2006 to $669 million in 2010. However, it is impossible to draw any direct link between MATEP's activities and national-level export performance, beyond the contribution of MATEP-assisted firms to the national export numbers.

MATEP reports that assisted firms exported between $216 and $221 million worth of goods between 2006 and 2009 (see text box at right). This number represents, at best, about 13% of the total value of Zambian ANR exports during that period. The

Data Discrepancy

The Cardno team noticed a discrepancy in what is perhaps the most important set of impact figures reported by MATEP. Page 73 of the MATEP Final Report gives a total "value of export transactions reported by assisted firms" of **$221 million** over four years (39, 55, 71 and 56 million in FY06, 07, 08 and 09 respectively), against a cumulative target of $204 million.

In the next section of the PMP, the "value of exports of targeted commodities reported by assisted firms" is broken down into nine product categories (paprika/chili, horticulture, coffee, etc.). If one adds up the totals for each product category, the total value of exports comes to a little under **$216 million** for FY06 through FY09.

It is not clear where the remaining amount of about **$5 million** in reported exports by MATEP-assisted firms might have come from. As noted earlier, MATEP was unable to provide export figures broken down by individual firm.

remaining 87% of those exports came from firms that were not assisted by MATEP.

One might argue that MATEP's work on trade and enabling policies could have contributed to the growth of exports among firms with which it did not work directly. However, neither MATEP staff nor their counterparts could point to a single instance in which a particular policy or regulation changed as a result of MATEP's activities and then led to a tangible increase in exports. It is possible that several of the project's value chain development activities – in honey, white beans and groundnuts in particular – will eventually lead to increased exports from „non-assisted' firms, but those interventions came too late in the life of the project for any new exports to be reflected in the national statistics.

One might also argue that MATEP's assistance to one firm in a particular industry might have created „competitive pressure' – by demonstrating the benefits of exporting through its assistance to one firm, MATEP might have indirectly caused that firm's competitors to pursue exports more aggressively. However, none of the MATEP staff we interviewed nor their beneficiaries could point to any evidence, even anecdotal, of that phenomenon. It is possible that MATEP did, in fact, create a „demonstration effect' that led some non-assisted firms to increase their exports, but the effect is likely to be small. For these reasons, MATEP's 'headline' indicator of national-level ANR exports is irrelevant.

The second indicator, exports (including tourism) by MATEP-assisted firms, is more relevant. As noted above, MATEP reports that it substantially exceeded its target for this indicator ($270 million against a target of $262 million). However, our interviews with MATEP beneficiary firms indicate that there are two serious problems with this result.

First, the export volumes reported by individual firms we interviewed do not come close to the totals reported by MATEP. For example, MATEP's Final Report (page 73, line 4.5) indicates that MATEP-assisted firms exported $14,893,000 worth of seeds in fiscal 2009. As far as the Cardno team knows, MATEP only worked with two companies that export seeds – Zambia Seed Company (Zamseed) and Kamano Seeds. Based on an interview with Zamseed, we estimate (liberally) that the company exported about $500,000 worth of seeds in 2009. Kamano Seed's annual exports are unknown, but the company's marketing director attributed $200,000 in annual export sales to MATEP assistance. It is unlikely that the two firms together exported much more than $1 million worth of seeds in 2009. It is not clear how MATEP arrived at a total for 2009 of nearly $15 million in seeds exported by assisted firms.

MATEP's Final Report also indicates that assisted firms exported $30,257,000 in horticultural products in fiscal 2009. Freshpikt is the most prominent horticultural exporter that worked with MATEP. In our interview with Freshpikt's Managing Director, it emerged that the company exports about "$100,000 per month", or about $1.2 million per year. Other MATEP-assisted organizations that might be exporting horticultural products – Eastern Province Farmers Cooperative, the Export Growers Association, and Mpongwe Organic Cooperative – were either unreachable or denied our requests for a meeting. It seems very unlikely that those organizations together exported the remaining $29 million in 2009.

It might be possible that the companies we interviewed underestimated their export earnings, but there is no obvious incentive for them to have done so. It might also be possible that MATEP assisted other firms that were not included on the list of beneficiaries that was given to us. But again, there would be no incentive for MATEP to leave any assisted firms off the list – especially if those firms were the source of large volumes of exports.

Given the vast difference between the exports-by-assisted-firms figures listed in MATEP's reports and the export volumes estimated by the actual assisted firms we interviewed, and given the fact that MATEP cannot or will not provide a firm-by-firm breakdown of its export figures, we must treat the totals provided in the annual and final reports with a high degree of skepticism. We cannot conclude that MATEP-assisted firms actually generated the export volumes that MATEP says they did – thus we cannot conclude that MATEP actually achieved its target against this indicator.

The second problem with MATEP's reported export results is that MATEP's contribution to them seems to be rather modest. Again, it should be noted that the indicators and targets provided by USAID do not explicitly require attribution, so this problem does not, strictly speaking, affect whether or not MATEP met its formal contractual obligations. It does, however, affect the degree to which MATEP achieved real impact. Zamseed, for example, estimates that MATEP assistance accounts for about 10% of its exports. Silva Catering reports that it began exporting to Mozambique last year, after four years of concerted effort, with no assistance from MATEP, but that MATEP asked the company to provide its export volumes to Mozambique for reporting purposes. MATEP reports that assisted firms exported a total of $36 million in coffee over the project period, but MATEP's assistance to the coffee industry consisted of paying for two airline tickets for Coffee Board members to attend a trade fair in Ethiopia and training of Zambian baristas (in order to stimulate local demand). There is no clear link between either of these two activities and any coffee export activity.

For all of these reasons, the major export-related results reported by MATEP are both suspect (because they cannot be disaggregated or verified) and irrelevant (because they do not address attribution and MATEP's contribution to the results appears to be weak). Thus, in the absence of any evidence to the contrary, it must be concluded that MATEP did not meet its contractual obligations nor did it achieve the objectives it was designed to achieve.

The following sections address each of the sub-questions under Evaluation Question #1 by providing a more detailed explanation of the activities and results under each of the five components of MATEP – market access, finance, trade policy, tourism and HIV/AIDS.

2.1 MARKET ACCESS COMPONENT

Under the Market Access component, MATEP worked at two levels:

1. *Market development (sector level):* MATEP co-sponsored and helped fund trade shows and missions, and explored general export opportunities, in regional markets including Angola, Botswana, Namibia, South Africa and Democratic Republic of Congo's (DRC) Katanga province in partnership with the Zambian Development Agency (ZDA – formerly the Export Board of Zambia) and individual companies. MATEP also worked to make selected Zambian value chains more competitive. Originally, the project intended to focus on horticulture, coffee, livestock, cotton, honey, paprika, maize and cassava. Over time, maize and cassava were dropped from the list for various, legitimate reasons (e.g. lack of support from stakeholders, government interference, lack of a reliable market, etc.) and five new value chains were added – seeds, groundnuts, dry beans, handicrafts, chili and wood products.

2. *Client services (firm level):* MATEP "worked intensively with individual clients to link them with export markets". This included helping some clients create marketing brochures, introducing others to prospective buyers, and providing technical assistance in product development, packaging, quality standards and general business management. For example, MATEP helped Freshpikt, a leading exporter of canned fruits and vegetables, improve its labeling. It provided a small grant to African Joy, a small handicrafts manufacturer, to produce a marketing brochure in advance of a trade mission to Angola.

At both levels, MATEP encountered serious challenges. First, none of the regional markets is particularly easy to enter. The owner of African Joy reported that despite her initial (MATEP-supported) success in selling into Angola, on her last trip the Angolan border authorities informed her that it was „illegal' to bring foreign handicrafts into Angola and confiscated all her wares. She turned around and headed home. Corruption, misinterpretation or ignorance of trade laws, and language barriers are obstacles in Congo as well as Angola. Namibia and Botswana are more developed and organized markets, but sanitary and phyto-sanitary (SPS), safety and documentation requirements for imported goods are also higher. Across the region, South African firms, with relatively inexpensive products and well-established relationships, represent a substantial barrier to entry for novice Zambian exporters.

Zambian exporters also face internal challenges. One obstacle that affects all value chains is the high cost of transport in Zambia – due to a combination of poor roads, long distances and high fuel prices. In agricultural value chains, exporters are hampered by an inability to enforce contracts with smallholders or ensure timely delivery of the quantities required to fill an export order at an appropriate level of quality. Moreover, MATEP staff and other stakeholders – Zambian as well as expatriate – report frustration with a general lack of entrepreneurial energy among many small and medium-sized businesses, along with a lack of long-term vision and a high level of risk aversion. Their experience suggests that cultural factors might be as important as regulatory and economic factors in keeping Zambia from reaching its potential as a regional exporter. That is not meant to be a criticism of Zambian business culture – it simply suggests that exporting, or even rapid expansion, might not be the highest priority for many Zambian entrepreneurs.

MATEP's market access team worked hard to overcome these considerable obstacles, and in doing so achieved some notable successes. One of the earliest of these was the Zambia Seed Company (Zamseed). Having never exported in significant quantities before, Zamseed participated in a 2005 trade mission to the DRC which MATEP co-sponsored with ZDA. Seeing an opportunity in the market there, Zamseed requested MATEP's assistance in launching its product in the Lubumbashi market in 2006. MATEP's assistance facilitated Zamseed's export, in 2007, of more than 270 metric tons of seed worth $270,000. Zamseed now provides seeds to UN agencies in the Congo and is also selling to the DRC government as well as large mining companies that operate their own commercial farms. Based on this initial success, Zamseed has now opened an office in Lubumbashi.

Other, smaller exporters have also seen their export business increase with some modest assistance from MATEP. African Joy, despite its tribulations at the Angola border, has managed to continue to grow its exports – in part due to MATEP's assistance in identifying overseas buyers, underwriting part of the cost of attending trade shows, and obtaining commercial loans. MATEP also reports that Mukwa Creations and several women's community crafts groups both also saw significant gains in exports as a result of MATEP's assistance but, as noted earlier, MATEP does not seem to track the value of new exports arising specifically from MATEP-assisted activities on a firm-by-firm basis. The following excerpt from MATEP's Final Report is indicative of the project's varied experience working with Zambia firms under the market access component:

> "MATEP brought a mix of exporting companies to AB7 (Africa's Big Seven – a large, annual trade show in South Africa) each year. Some clients, such as Freshpikt Limited and Forest Fruits, had export-ready products, operations that were highly credible in the view of buyers and committed real resources to making their participation a success. Such companies came away from AB7 with significant deals and export orders. Some clients, such as Capital Fisheries

> and Savanna Beef, had export-ready products and operations but were as yet not fully convinced that launching boldly into export markets was for them. Capital Fisheries has since become a serious exporter of their products. And, some clients thought they were ready and were enthusiastic to participate, but needed the „reality check' of attending an AB7 to understand the importance of initial capacity-development steps being recommended by MATEP."

This experience reminds us that the potential impact of any development intervention like MATEP is determined not only by its own resources and ingenuity, but more fundamentally by the commitment and capacity of its local partners and beneficiaries.

While Zamseed and other exporters count as modest successes for MATEP's market access component, greater impact might lie in the future. MATEP devoted significant time and effort to three initiatives which could pave the way for increased exports in the near future. First, South Africa currently requires that honey imported from Zambia be irradiated at the border, which ruins the honey, as a protection against American Foul Brood disease, which is unknown in Zambia. MATEP sponsored third-party studies that allowed Zambian honey producers to formally request that the requirement be removed. If South Africa agrees to the request, a large new market for Zambia's natural forest honey will open up. Second, MATEP was instrumental in introducing new varieties of white beans into Zambia. While white beans were already widely grown among Zambia's smallholders, the particular varieties in use were not suitable for canning – and thus not valuable as exports. The new varieties are reportedly thriving under Zambia's climatic conditions and at least one company, Freshpikt, is planning to export them in the near future. Third, from 2007 MATEP worked intensively with Zambia's fragmented groundnut industry to regenerate the thriving exports of that commodity which the country enjoyed through the 1980s, by organizing an industry association and addressing requirements for aflatoxin control. The full impact of these efforts are yet to be determined, but the potential exists for substantial increases in exports *if* one or more private sector „champions' emerge to continue MATEP's efforts. The new Groundnut Association which MATEP helped form is unfortunately dormant now, lacking private sector champions, funding, or a secretariat.

2.2 FINANCE COMPONENT

Given the dearth in Zambia of credit for small and medium-sized enterprises, and the lack of export finance in particular, MATEP set aside $2 million for a revolving loan fund. The money was placed into a smaller, existing fund managed by ZATAC, which itself is a legacy organization created through the USAID-funded project which preceded MATEP (and which was also managed by DAI). The MATEP investment fund (MIF) had three objectives:

1. To provide short-term (one year or less) loans of up to $250,000 to export-oriented and tourism companies for trade finance and other working capital requirements
2. To provide medium-term loans (up to three years) for export-oriented and tourism companies for capital investments in plant and equipment as well as working capital.
3. To create a demonstration effect that would encourage commercial banks and other sources of capital to lend to or invest in companies that „graduate' from the MIF – including banks holding a USAID-DCA guarantee.

The MIF was responding to a clear and important need – one that still remains largely unmet – for affordable, responsive credit. The exporters and tourism operators with whom the Cardno team spoke universally named „lack of access to credit' as the single biggest factor constraining their growth. Regarding the effectiveness with which MATEP addressed this need, there is good news and there is bad news.

The good news is twofold: First, loans from MIF seem to have had a very substantial positive impact on the firms that received them. Freshpikt, for example, reported that it would not have survived had it not been for a $150,000 initial loan it received from MATEP, which in turn positioned the company to receive a much larger loan from the Zambia State Insurance Corporation (ZSIC). Freshpikt is continuing to grow and reports that it now consistently exports about $1.2 million per year. African Joy also reports having been able to grow its business significantly as a result of financing from MIF, as does Glymo Enteprises – although neither enterprise provided an estimate of their total export revenues.

Second, MATEP was in fact able to leverage some external financing for its clients. ZSIC and Barclays Bank both made loans to Freshpikt and other MATEP clients. Some funding was also extended by the World Bank-supported Africare Market Innovation and Improvement Facility. As noted earlier, MATEP's final report states that the project's client firms have received $19.1 million in financing although, also as noted, it is not clear whether this number included the $3.35 million in loans that MIF disbursed over five years. A breakdown of the amount of external finance received by each client was not made available.

The bad news is also twofold: First, The Mitchell Group, whom USAID contracted to manage the MIF after the conclusion of MATEP, recently reported that 60% of the MIF's outstanding loans (by value) and 45% (by number of loans) are in default. The average period of arrears for these loans is two years, which suggests that it is very unlikely that much of the defaulted loan value will ever be recovered. That could mean a loss of some $2 million, an amount roughly equal to USAID's initial investment in the Fund. The Mitchell Group also indicates that ZATAC – under MATEP's guidance – managed the Fund quite poorly, with substandard record-keeping and little focus on the creditworthiness of borrowers.

The second issue is that managing a loan portfolio – particularly one of such poor credit quality – is more expensive than MATEP anticipated. ZATAC reports that MATEP funded one individual to manage the fund (who was only transferred to ZATAC's premises in 2009) as well as 15% of the ZATAC CEO's salary, for a total of about $250,000 over five years. ZATAC claims that this amount is insufficient. While ZATAC's complaint might seem predictable, it is probably also legitimate. Managing a loan portfolio requires constant contact with borrowers, including unannounced on-site visits, periodic financial reviews, verification of sales orders, etc. When a loan becomes delinquent, lawyers must be engaged. All of this can be expensive, but it is necessary to ensure good credit quality – especially in the context of a fund which is known to be supported by an international donor and which, therefore, might be perceived as „free money'. It is impossible to argue the counter-factual, but perhaps if MATEP and/or ZATAC had allocated more money and energy to loan monitoring, non-performing loans might have been significantly less than 60%.

Despite MATEP's liberal approach to lending under the MIF, and despite some important near-term successes (e.g. bank loans to Freshpikt and African Joy), the fundamental problem of limited access to credit remains in place. Among the entrepreneurs with whom the Cardno team spoke, a few indicated that the situation was „slowly getting better', but all of them expressed ongoing frustration with the experience of working with commercial banks. Interest rates remain relatively high, repayment periods are short, and worse – especially for agricultural producers – banks often take months to reach a decision on whether to grant a loan. This observation is not to criticize MATEP or the MIF – the project may well have done all it could to encourage banks to lend to MIF graduates. Rather, the observation is made to highlight the need for ongoing work in this area. In fact, the leader of MATEP's market access component, when asked to name the project's most useful activity, cited the MIF rather than his own component. Based on demand, he said, the $2 million fund "could easily have been $10 million." Demand for credit will always be high but, as the MIF's high default rate suggests, „sustainable' or „bankable' demand among creditworthy borrowers is likely to be quite a bit lower. Lending money is easy; ensuring that it is repaid is much harder.

If the MATEP investment fund is continued or replaced with some other financing mechanism, USAID might consider allowing ZATAC or whichever entity manages the fund the ability to spend interest income on maintaining the portfolio – i.e. monitoring borrowers' activities through unannounced site visits, conducting inventory audits, etc. USAID might also consider inviting a commercial bank(s) to co-invest in the fund and participate in its management, as a means of transferring knowledge and building the capacity of local banks to offer trade finance. ZATAC reportedly has applied for a license as a non-bank financial institution (NBFI) and, if the license is granted, will split the fund and its management into a separate legal entity. The resulting NBFI could either remain independent as a Zambian-owned institution, or merge into a commercial bank as a specialized trade finance unit. Either way, USAID might want to determine an eventual exit strategy.

2.3 TRADE AND ENABLING POLICY COMPONENT

The trade and enabling policy component was originally intended to "work at domestic, regional and international levels to improve the enabling environment for exports in order to raise Zambia's international competitiveness and attract foreign investment." MATEP's strategy was to "collaborate and/or partner with the private sector, government institutions and other stakeholders to influence policy or implement activities in areas that are inhibiting Zambian competitiveness and export growth. MATEP activities under this component fell into two broad areas: 1) trade environment – which included work on overall trade policy, overcoming barriers to trade, and the establishment of a small claims court, and 2) value chain research in the agricultural sector – which was largely implemented by the Food Security Research Project (FSRP), managed by Michigan State University (MSU).

Trade environment

Under this subcomponent, MATEP offered assistance to various stakeholders involved in a number of initiatives, none of which appear to have resulted in tangible impact as yet. For example, MATEP supported the Private Sector Development (PSD) Program, a joint government-private sector initiative to address constraints to private sector-led growth. Specifically, MATEP worked with two PSD working groups – the Administrative Barriers Working Group and the Trade Expansion Working Group – providing start-up assistance and secretariat services, for example, as well as technical expertise. To our knowledge, neither working group has yet brought about any significant changes in policy or regulations which might lead to increased exports in the areas targeted by MATEP.

Also under this subcomponent, MATEP engaged in several discrete activities focused on addressing specific issues as they arose. For example, working with the Zambia National Farmers Union and the Grain Traders Association, MATEP tried to dissuade the Government of Zambia from imposing export restrictions on maize – this was a noble and necessary effort, but one which was perhaps doomed to failure. Other efforts, however, seem more promising. As noted earlier, MATEP helped the honey industry procure and fund a scientific study to prove that Zambian honey is free of American Foulbrood disease and should be allowed to enter South Africa without irradiation. South Africa's response to Zambian honey producers' request is, of course, outside MATEP's ability to control but MATEP's efforts to address the issue are in keeping with its role as an export promotion project – an example of the sort of thing a donor-funded project can do which the government and private sector might not be able to do on their own.

Among other, smaller interventions (e,g. organizing a workshop on currency hedging, assisting the Zambian Business Forum), MATEP spent considerable time and effort promoting the establishment of a small claims court. The judiciary branch of the Zambian government had set up a small claims court committee, and MATEP helped the committee established two pilot courts, provided training to Zambian staff and organized a study visit to South Africa. Again, this is an example of the type of work a donor project can do which the government and/or private sector might not be able to do alone. Also, establishment of a small claims court could certainly strengthen contract enforcement (lack of which is often cited as a major barrier to business growth) and, by extension, improve Zambia's competitiveness. The judiciary's committee had reportedly been forging ahead in its efforts, without further support from MATEP, and a small claims court has been established. However, it is not known whether the court has had any impact on export volumes.

Value chain research in the agricultural sector

MATEP's final report described the role of the FSRP (MSU's sub-project under MATEP) as follows: "to convert analysis into local analytical capacity and improved policies through intensive collaboration with public and private sector stakeholders in the agricultural sector." There is plenty of evidence to show that the FSRP produced high-quality research and analysis. There is less evidence, however, that the analysis was ever converted into either improved analytical capability among stakeholders or improved policies.

For example, among many other studies, FSRP sought to strengthen the horticultural value chain by building a market information system – a lack of market information had been identified by stakeholders as a major impediment to the development of more organized, transparent and ultimately competitive horticultural markets. FSRP "developed and tested a system of supply and price information to be hosted by ZNFU" on a mobile phone-based platform. FSRP reports that "implementation of the developed market information system has not been achieved due to funding limitations though not much capital is really required for this. ZNFU is a donor driven organization with each donation having specific budget lines and it has been difficult for the institution to divert funds made for specific activities for the market information system."

The FSRP carried out studies in the cotton sector as well as the politically sensitive maize and fertilizer markets. In all cases, the team attempted to engage the Ministry of Agriculture and Cooperatives (MACO) in its efforts and work collaboratively in order to strengthen Zambian institutions' own research and analysis capabilities. This is undoubtedly the right approach, but it is difficult to say with any certainty whether the approach paid off – it is not clear whether MACO, ZNFU or other partner organizations are significantly more capable of undertaking useful research and analysis on their own then they were before MATEP began. Unfortunately, MATEP seems to have made no attempt to measure or report on increased research and analysis capability within its partner organizations.

All that said, insightful, fact-based and relevant research can be a worthwhile result on its own, *if* it eventually leads to improved policies or more effective markets. FSRP's efforts improve government's and donors' understanding of the constraints to development and which ones can be addressed through policy changes. Moreover, dissemination of the research results can build broader awareness of the detrimental and/or beneficial impacts of certain policies and thus, one hopes, slowly build an informed constituency for reform. Finally, and as noted earlier, all donor projects necessarily and appropriately bear a certain amount of risk. If local stakeholders, including both government and the private sector, do not eventually take the lead and make positive changes, no donor project can achieve sustainable impact.

Despite FSRP's worthy efforts, MATEP's Chief of Party described the Trade and Enabling Policy component as the project's most challenging and ultimately its most disappointing. MATEP offered its support to MACO, ZNFU and other stakeholders and provided valuable services – not just research but also funding, technical expertise and even logistical support. As of this writing, however, it is not possible to point to a significant, positive change in policy or regulation that came about as a result of MATEP's activities in this area. Perhaps because of this lack of impact, the component was terminated early and project resources were reallocated to other, more promising activities.

2.4 TOURISM COMPONENT

According to MATEP's final Performance Monitoring Plan, the estimated value of tourist receipts in Zambia grew from about $171 million in FY2006 to about $214 million by the end of the project – a relatively modest increase of 25% over five years, or between 5% and 6% per year, on average. Some of that increase might be due to the depreciation in the Kwacha over the past few years, which both makes Zambia a relatively less expensive destination and raises the dollar value of Kwacha-denominated transactions.

The value of tourism transactions reported by MATEP-assisted firms grew more impressively over the same period, from $1 million in fiscal 2006 to $22 million by the end of 2009. It is not clear, however, whether this increase happened because a few MATEP-assisted firms experienced dramatic jumps in their sales, or because MATEP started working with a larger number of firms. One way or another, the reported value of tourism transactions among MATEP-assisted firms jumped from $3 million in 2007 to $23 million in 2008, declining slightly in the following year. Again, MATEP was not able to provide us with a breakdown of transactions by assisted firm and the reported values for tourism transactions suffer from the same problems of verification and attribution that were discussed at the beginning of section 2. MATEP provided the evaluation team with the names of only four tourism firms with which it claims to have worked directly – Air Master Travel (see below), Alendo Travel, Cutty Sark Tours, and Mushitu Safaris. The team interviewed three of these firms (Mushitu Safaris did not respond to our requests). All of these firms are relatively small, so it is clear that they alone do not account for the total values of tourism transactions by assisted firms as reported by MATEP (e.g. $23 million in 2008). MATEP provided training through the Hotel and Caterers Association of Zambia, and gave limited assistance to the Tourism Council of Zambia and the Travel Agents' Association, so MATEP's definition of „assisted firms' might include members of those three organizations, but in the absence of information from MATEP, it is not possible to determine how the reported totals were derived.

In at least one instance, MATEP reported tourism transactions originated by a firm that it did not directly assist. Air Master Travel, whose name and contact information was given to us by MATEP staff in its list of assisted firms, told the Cardno team that it never received any assistance from MATEP (the company had contacted MATEP requesting assistance to attend a travel show, but the assistance never materialized). Nevertheless, Air Master Travel reports that MATEP called several times a year asking for the company's sales figures.

From 2007 through 2009, Zambia earned $578 million in tourist receipts. MATEP-assisted firms accounted for $48 million, or just over 8% of the total – according to MATEP's Final Report. Clearly, not all of the sales that MATEP-assisted firms generated during the time they were engaged with the project can be considered a direct result of MATEP assistance. In fact, our interviews with the Tourism Council, MATEP and three assisted firms suggest that very little of the tourism sales generated during the project period can really be attributed to MATEP. In summary, MATEP's contribution to the development of Zambia's overall tourism sector was less significant than one might have hoped.

The reasons given for this disappointing performance are familiar – a fragmented industry, unsupportive regulations and a lack of political will (among both public and private sector stakeholders) to make the needed changes. With a few exceptions, none of the various initiatives that MATEP launched gained significant traction or resulted in positive change.

The Tourism component consisted of five sub-components:

1. *Improving international marketing:* MATEP reports having worked with the Tourism Council of Zambia (TCZ) on „destination marketing to specific markets' and on establishing a strategy for capturing the „meetings, incentive travel, conferences and event' (MICE) market segment. MATEP also worked with the Zambia Tourism Board (ZTB) to strengthen Zambia's brand identify, update the Board's marketing strategy and support its US-based representative office. MATEP worked with the Travel Agents Association of Zambia (TAAZ), the Hotel and Caterers Association (HCAZ) and a handful of individual tour operators to prepare for and attend various trade shows and conferences in the US and elsewhere.

2. *Forging collaborative alliances:* MATEP tried to facilitate dialogue among private sector actors and between the public and private sectors, while also working to coordinate various donor efforts in the tourism sector. Specifically, MATEP provided technical assistance and research support to HCAZ, TCZ and others to assess the impact of various government proposals (such as the Tourism and Hospitality Bill). MATEP facilitated a number of meetings to bring all stakeholders to the table. For example, the project helped the Livingstone Tourism Association host the first public/private dialogue meeting in Livingstone and organized a meeting for stakeholders with the new Minister of Tourism.

3. *Client services:* MATEP provided direct assistance to individual tourism firms – for example, it reportedly conducted an assessment of Chaminuka Lodge's facilities and marketing material and suggested improvements to reach the high-end market. It helped a smaller lodge, Juls Guest House, replace a manual record-keeping system with an automated one. MATEP also worked with TCZ and HCAZ to improve member services; for example, helping TCZ launch a newsletter and helping HCAZ inspect establishments in Siavonga and Kasama in response to a request for assistance from those districts.

4. *Tourism research:* As mentioned, MATEP attempted to support private sector groups in their discussions with government by providing research on the likely impact of various pending government actions. MATEP also conducted a study on tourist perceptions in Lusaka, Livingstone and South Luangwa among other one-off research efforts.

5. *Tourism skills:* MATEP provided training on hospitality management, sales and marketing, customer service and other topics to some 1,500 people through HCAZ. The project also worked with TAAZ to train its members on making the transition from travel agent to full-service tour operator. Other training efforts included working with the Hotel and Tourism Training Institute to upgrade curriculum and improve delivery.

The training that MATEP provided through HCAZ and TAAZ, combined with the firm-level assistance it provided, may have helped to increase the tourism industry's overall performance and, perhaps, attracted more tourists to Zambia and/or encouraged tourists to spend more. However, in the absence of firm-by-firm numbers or a more robust M&E system with a causal model, it is not possible to link MATEP's activities to increases in tourism revenues, even among assisted firms. And, as the tourism revenue numbers discussed above indicate, the project does not seem to have had a transformative impact on the sector as a whole. MATEP's final report suggests several reasons for this, which were confirmed through interviews with MATEP's component leader for tourism and several beneficiary organizations.

Under „lessons learned' in the tourism sector, the MATEP final report states, diplomatically, that "Public sector support is variable." Even when the government requested MATEP to take some action, follow-through and support from the government was seldom forthcoming. "Government often indicates a willingness to be part of the discussion, but this intention often does not translate into action." Less diplomatically, MATEP staff we interviewed described the government's attitude towards the tourism sector as "predatory". Licensing requirements and other regulations also appear to hamper the sector's growth and raise costs: It was reported to us that a large hotel or lodge would need perhaps fifteen to twenty different permits to operate, including separate liquor licenses for each individual bar or restaurant.

A second lesson learned is "the importance of a willing partner". Cooperation was not only lacking from the government, but some private sector associations were also apparently slow to exercise leadership. TCZ, despite MATEP's prompting and assistance never established a MICE desk and has not pursued that market segment further. HCAZ, on the other hand, appeared to be more dynamic in engaging with MATEP and following up on its proposals.

More fundamental issues afflict Zambia's tourism industry as well. The industry is fragmented, with a handful of large, high-end hotels, lodges and tour operators at one end (often operated by foreigners or white Zambians) and a large number of small guest houses, lodges and operators at the other end (mostly run by indigenous Zambians). Interviewees report a great deal of distrust and a general unwillingness to cooperate among firms. All of these firms are hampered by a high cost structure, caused in part by excessive regulation (as mentioned) and also by high transport and communications costs. Like the export industries, tourism firms all report that lack of access to finance is among their biggest constraints.

MATEP staff also noted that there is a lack of reliable statistics on the tourism industry. The government, evidently, does not have good data regarding how much money tourists spend per day or where and how they spend it, which makes planning more difficult. MATEP staff were unimpressed with TCZ, calling the organization "ineffective" while TCZ reciprocated that view, saying "MATEP didn't do much – we don't see the sustainability." Individual firms that received assistance from MATEP were, however, more positive in their views of the project. When asked what MATEP might have done differently, the component leader replied that MATEP should have worked with the public and private sector *before* launching the project to agree on priorities and develop a joint work plan.

2.5 HIV/AIDS Component

MATEP utilized its PEPFAR funds in a novel manner. Originally, the project sought to work through established HIV/AIDS service providers but found that none of them was willing to modify its approach to suit the needs of MATEP's clients in the export and tourism industries. So MATEP worked through its existing contacts and counterparts in the private sector to promulgate AIDS awareness messages that focused, in keeping with PEPFAR guidelines, on abstinence and fidelity as keys to prevention.

MATEP's core HIV/AIDS program consisted of four stages: 1) sensitization, 2) mobilization and coordination, 3) training, and 4) roll-out. The first stage involved meeting with associations and individual firms to raise awareness of the business risks and costs associated with HIV/AIDS and build interest in receiving MATEP's assistance to address the issue. The mobilization and coordination stage involved working with human resource professionals and supervisors within the target firms to identify prospective trainees and work out a schedule and approach for training that would minimize disruptions to business operations. The training itself was initially a two-day program in which staff were trained as Awareness Educators, given relevant content on how HIV is transmitted, how transmission can be prevented, how the virus affects communities and businesses, etc. The Awareness Educators were also trained in methods of effectively delivering prevention messages to others. The final stage of roll-out involved asking each Awareness Educator to speak directly with 120 other people (co-workers and community members), each of whom would then be asked to spread the message to two-to-five family members or neighbors. MATEP tracked and verified the numbers reached by working with human resource managers and requiring the Awareness Educators to provide the names (and signatures) of those they spoke with. However, to our knowledge neither MATEP nor USAID made any efforts to measure how effective the messages were in changing behaviors and reducing infection rates.

MATEP worked through four private sector associations to spread its anti-AIDS message:

1. *Zambia Export Growers Association:* ZEGA represents about 25 commercial farms producing, collectively, more than $62 million per year in horticultural and floricultural export products. Impressively, MATEP reports working with all ZEGA member farms. Even though only 13 farms expressed interest initially in working with MATEP, the success of the program on those farms encouraged the remaining farms to request assistance so that MATEP was able to cover the entire membership by the end of its term. MATEP reports training 264 Awareness Educators through ZEGA farms, who have spread the word to nearly 43,000 co-workers and community members.

2. *Hotel and Catering Association of Zambia:* HCAZ has 250 member firms including hotels, lodges, guesthouses, restaurants, casinos and nightclubs. Beginning in 2006, MATEP trained 380 Awareness Educators through its partnership with HCAZ. Those Awareness Educators passed HIV/AIDS prevention messages on to more than 11,000 co-workers and community members. In addition to this training and message dissemination, MATEP also worked with HCAZ to design an HIV/AIDS workplace policy for the association itself and a template to help HCAZ members develop their own workplace policies. The HCAZ policy was officially adopted in September 2009 and many of its members are now creating their own policies, although MATEP does not track the number of firms adopting workplace policies as one of its performance indicators.

3. *Mazabuka District Business Association:* While MATEP was working with MDBA though the market access component, MDBA requested assistance with an HIV/AIDS prevention program. Over the course of three years, MATEP trained 768 Awareness Educators who in turn spread the message to more than 18,000 individuals in the district.

4. *Zambia Chamber of Small and Medium Business Associations:* ZCSMBA introduced MATEP to MDBA in 2007. Following initial successes there, MATEP went on to work with ten more district business associations in Eastern Province and two in Central Province through ZCSMBA. In all, 3,853 Awareness Educators were trained and reached more than 342,000 individuals, according to MATEP's final report. Moreover, ZCSMBA reports that many of its member companies are developing workplace HIV/AIDS policies as a result of their exposure to MATEP's intervention.

In addition to building a message-dissemination network through associations, MATEP's HIV/AIDS component also worked with Zambia's Ministry of Labour and Social Security as well as the Central Statistics Office. For the Ministry, MATEP trained thirty labour inspectors as HIV/AIDS Awareness Educators and also drafted a workplace policy checklist, so inspectors could encourage the firms they inspect to adopt proper policies. For the CSO, MATEP helped incorporate HIV/AIDS prevention messages into a Labour Force Survey targeting 30,000 households across the country. MATEP trained fifteen CSO „master trainers', who were then responsible for training 150 supervisors and 750 enumerators – the individuals who administer the survey. Finally, MATEP provided training to enumerators from Michigan State University's FSRP to deliver HIV/AIDS-prevention messages while collecting data for the vegetable marketing survey.

MATEP's HIV/AIDS component was the most successful among the five components, at least in terms of numerical results achieved compared to targets. MATEP's component leader for HIV/AIDS reported that private sector partners, in general, showed a great deal of enthusiasm and support for the initiative, which was one of the keys to its success.

As noted, however, MATEP only measured the raw number of individuals trained or presented with AIDS prevention messages. It made no attempts, as far as we know, to determine the effectiveness of those messages in actually preventing AIDS. (In fairness, USAID apparently never asked MATEP for this information.) Moreover, MATEP did not report against the original indicators it was given by USAID, i.e. number of workplace programs implemented, number of organizations addressing HIV/AIDS in manpower planning, and number of districts with information systems tracing the impact of HIV/AIDS on economic activities. While a large number of individuals evidently signed papers saying that they had received HIV/AIDS prevention messages originated through the MATEP project, we cannot determine whether the project had any impact in actually reducing the rate of infection or increasing the numbers of individuals seeking testing or treatment.

2.6 OVERALL ASSESSMENT AND CONCLUSION

Following this overview of each of MATEP's five components, we return to the evaluation questions posed by USAID:

To what extent has MATEP achieved the project results as defined by the contract objectives?

Based on the information made available to us during our evaluation, the Cardno team believes that MATEP has, by and large, failed to achieved the targeted project results:

- The cumulative target for value of export transactions by assisted firms was $204 million. As noted, MATEP reports between $216 and $221 million in cumulative value of assisted firms' exports over the life of the project, significantly exceeding the target. However, these numbers cannot be verified since MATEP did not make any source data available, and they appear to be vastly higher than the estimated cumulative exports of the assisted firms we interviewed. Moreover, only a small portion of most assisted firms' exports can be attributed to MATEP's assistance.
- The cumulative target for value of tourism transactions by assisted firms was $58 million. MATEP reported result is $48 million, but that result is subject to the same concerns about verification and attribution that were mentioned above.
- The target for value of finance accessed by assisted firms is unclear. The Statement of Work mentions an illustrative target of $20 million while the MATEP final report lists the original target as $15 million. MATEP reports that assisted firms accessed $19.1 million over the life of the project but does not provide any detail on which firms received financing or the sources from which they received it.
- The numbers of people trained or reached with HIV/AIDS prevention messages are

all well above the targeted results but, as noted, MATEP did not report any results at all against other indicators for the HIV/AIDS component.

1. *How did MATEP achieve its indicator targets?*

As noted, the HIV/AIDS component was the most successful, at least in terms of raw outreach numbers. Also as noted, one of the keys to the success of that component was the enthusiasm and support reportedly demonstrated by MATEP's partners. Not surprisingly, it is the lack of such support from partners that seems to account for the relatively poor performance of the trade policy and tourism components. Within the remaining two components, market access and finance, MATEP tended to succeed where partner support and commitment were strong and failed where it was weak. The level of partner support and commitment, then, may be the single most important determinant of project performance.

To the extent that MATEP generated impact in terms of increased exports, it did so primarily by providing financial support – in the form of both small grants and larger loans from the MATEP investment fund. All of the private firms we interviewed indicated that grants and loans were the most valuable form of support that MATEP provided to them. Technical assistance to exporting companies was the secondary means through with MATEP generated impact – help in designing marketing brochures, upgrading labeling and packaging to meet international expectations, and developing new and better products seems to have generated more positive impact than more generalized, industry- or policy-level work. Nevertheless, feedback from beneficiaries indicates that financial support was much more important to their ability to increase exports than any technical assistance provided by the project.

2. *Which activities were most and least effective and why?*

The market access and finance components, working together, were more effective than either the tourism or the trade policy components. Within the market access/finance components, MATEP's work with Freshpikt and Zamseed seems to have generated the most lasting impact in terms of a high volume of exports that are likely to continue and grow over time. (That conclusion, however, is based on anecdotal evidence rather than verifiable numbers.) Other interventions – such as the work with the women's crafts cooperatives that generated new export sales through their attendance at trade shows in the US – were also effective, but on a smaller scale. What is notable about MATEP's interaction with Freshpikt and Zamseed is that it involved both financial support (grants and loans) and technical assistance (internal management help as well as facilitation of market linkages) and that it was sustained over a long period of time. What is also notable is that, in both cases, MATEP had committed, capable partners with whom it could work.

While the finance component was „effective' from the point of view of exporting firms, like Freshpikt and Glymo Enterprises, who received loans that allowed them to grow their businesses, it was not as effective from USAID's perspective – 60% of the loans are in default and the cost of pursuing those delinquent loans could easily exceed their recoverable value. This suggests that the MIF might have been more effective if it had simply been designed as a grant fund, with competitive and transparent selection criteria. As a loan fund, MIF should have been managed more transparently and professionally, perhaps as a licensed non-bank financial institution under Bank of Zambia's supervision.

Among the market access and finance activities, the work in the paprika sector appears to have been the least effective. The two recipients of MATEP assistance in that sector, Cheetah and ZeoCo, have both failed as going concerns and have so far failed to repay their loans to MIF. The lack of progress in this sector is particularly since paprika seems to be ideally suited to Zambia's climatic conditions and since there is a robust international market for the product. The difference between Freshpikt and Zamseed on one hand, and Cheetah and ZeoCo on the other, seems to come down to the commitment, trustworthiness and capability of the partners involved. It is not clear how much „due diligence' MATEP performed before committing to assist Cheetah and ZeoCo, but it is likely that closer monitoring might have helped avoid some of the problems that were encountered.

Five lessons emerge from MATEP's experience:

1. *Firm-level assistance might be more likely to deliver immediate results* than industry-level assistance or work at the policy level, especially when industry associations are weak or donor-dependent and/or government commitment is lukewarm.
2. *Financial support and technical assistance are more powerful in combination* than either approach is on its own. Financial support provides an incentive for firms to request technical assistance and then implement recommendations. Technical assistance, in turn, can help ensure that financial support is well utilized. However, financial support must be provided in a transparent, professional manner so as to avoid unnecessary losses.
3. *Flexibility is key to a project's ability to generate results.* When MATEP found that its efforts in a particular area (trade policy, for example) were not yielding results, USAID afforded the project the flexibility to reallocate resources and try to achieve the same results through other means (intensified market access activities, for example). This flexibility prevents projects from „spinning their wheels' and continuing to commit time and resources to fundamentally unproductive activities. To achieve results, projects need the flexibility to take risks. While projects should take reasonable precautions to avoid losses or wasted efforts, they should not be penalized when some „bets' do not pay off – as long as others do pay off. Flexibility is intrinsic to a market development approach.
4. *The commitment and capability of partners is the key determinant of success* on projects like MATEP, which aim to generate sustainable impact by facilitating and supporting market functions, rather than replacing them. As noted earlier, MATEP performed better when it enjoyed strong cooperation from capable partners (e.g. HCAZ training, Freshpikt, Zamseed, HIV/AIDS component) and failed where it did not (e.g. the Private Sector Development Program, tourism sector governance, Cheetah). Cost-sharing and other prerequisites for assistance can sometimes be used to help ensure a potential partner's commitment before a project allocates resources to that partner.
5. *Robust monitoring and evaluation must be built into a project from the beginning:* MATEP lacked a clear strategy for achieving results, as well as a robust performance monitoring plan that links interventions to specific outputs and attributable outcomes. This weakened accountability and, in our opinion, explains the project's lackluster performance more than any other factor. It also makes it nearly impossible to say with certainty which specific types of assistance are most and least effective or whether taxpayers' money is being spent efficiently. USAID did not demand that the MATEP team achieve tangible, attributable impact and, as a result, the team largely did not do so.

In fairness, it should be reiterated that two longer-term MATEP initiatives might yet generate positive results – the work with the honey sector to remove South Africa's irradiation requirement and the introduction of new varieties of white canning beans. These two industry-level interventions could still turn out to be among MATEP's most effective activities. A third initiative, to develop a competitive value chain in groundnuts, produced an initial failure (ChoiceNuts, which folded after exporting its first batch of groundnuts at well below the expected price and the Groundnut Association, which is currently moribund) but might prove to have laid a foundation for longer-term improvements.

3. *To what extent has MATEP helped create self-sustaining economic linkages and to what extent did MATEP prepare other organizations to take up its role as market facilitator?*

Since MATEP only ended a few months ago, it is too early to say with any certainty whether the economic linkages that MATEP helped create are truly sustainable. There are some promising signs. Zamseed has opened a representative office in the Democratic Republic of Congo, for example, suggesting that it sees the potential for long-term growth in that market. Freshpikt has developed several long-term relationships with importers in Zimbabwe and, to a lesser extent, South Africa partly as a result of MATEP's assistance. Equally importantly, Freshpikt has also engaged a large number of smallholders to grow fruits and vegetables for export, creating a new economic linkage where none existed before. Reportedly, African Joy, Glymo and the women's craft cooperatives are still exporting goods to the buyers they met at trade shows they attended with support from MATEP. In general, then, MATEP helped create several economic linkages that appear to be sustainable.

MATEP also provided some capacity building and technical assistance to ZATAC and, to a lesser extent, Action for Enterprise (AFE), both of which now have the intention of taking up MATEP's role as market facilitator, albeit in different ways. ZATAC intends to continue to operate the investment fund as a licensed NBFI, but its ability to do so is questionable – based on the poor performance of the MIF and the assessment of the Mitchell Group. AFE is working with lead firms to develop and co-deliver training to smallholders and suppliers. It works both with firms that were assisted by MATEP and firms that were not – and interestingly, reports that MATEP-assisted firms are not noticeably more enthusiastic about working with AFE than non-assisted firms. AFE also reports that its interactions with MATEP were quite limited. MATEP handed over a list of assisted firms, made introductions, and helped with the design of some training activities but did little else to help launch the AFE program or enable it to take over MATEP's role as market facilitator.

In terms of linking exporters to external markets, MATEP's work will be continued by the Zambian Development Agency (ZDA), with whom MATEP worked over the course of the project term. ZDA was cognizant and appreciative of MATEP's work – not only the work that MATEP did directly with ZDA, like developing an export brochure, but also the work MATEP did with individual firms like Freshpikt and Silver Provision Catering. ZDA reported, however, (and perhaps predictably) that MATEP should have provided more direct „capacity building assistance' to ZDA.

In summary, the Cardno team's response to the second part of this question is that MATEP made some efforts to prepare other organizations – notably ZATAC and ZDA – of taking up its role of market facilitator, but not as much as it might have done. In individual sectors, its record was mixed. MATEP helped create a „honey platform' for honey producers to work together and address common problems, which appears to remain active. The Groundnuts Association, however, has not been able to get off the ground and is looking for continued donor assistance. Importantly, MATEP appears not to have developed any explicit strategy for post-project sustainability. No significant resources (other than the „toxic' MIF and one person to manage it) were transferred to local partners at the end of the project term.

4. *To what extent did MATEP help smallholders benefit from export linkages?*

Over the four years from FY2006 through FY2009, MATEP reports that its assisted firms purchased a total of $11,519,000 in commodities from smallholders. This represents about 5% of the total value of exports by assisted firms over the same period. As with the project's other result numbers for exports and tourism, it is not clear which firms account for these purchases or what portion of the total amount can be attributed to MATEP's intervention.

More than half of the total of $11.5 million was in the livestock products (44%) and coffee categories (9%), in which MATEP had relatively little involvement.

Interesting, horticulture accounts for less than 12% of total purchases from smallholders, but makes up more than half of all exports by assisted firms ($126 million out of a total of $216 million). Yet again, we must point out that all of the results numbers in the annual reports should be treated with a dose of skepticism in the absence of details or a verifiable paper trail.

Based on MATEP-self reported numbers, we must conclude that the project's impact in terms of increased export sales from smallholders is quite limited. We can see three reasons for this:

1. *The failure of interventions in the paprika and groundnut value chains:* Both crops are ideally suited to cultivation by smallholders. Paprika is a relatively low maintenance crop with a short cycle and groundnuts, while they require more attention to comply with aflatoxin requirements, are already grown by a large number of smallholders. If intermediaries in these two sectors had not failed (Cheetah, ZeoCo, ChoiceNuts), the impact on smallholders would have been much greater.
2. *The politicization of maize*: MATEP made a decision early on to withdraw from the maize value chain, because it is subject to often capricious and destabilizing government intervention in the form of export bans and fertilizer subsidies as well as a near-monopoly in the milling and processing segment of the value chain. While this was a wise decision from the project's point of view, it severely limited the potential impact on smallholders since a major portion of the maize crop is grown by smallholders, and nearly all smallholders grow at least some maize.
3. *General difficulties in working with smallholder farmers*: Freshpikt claims to purchase the majority of its fruits and vegetables from smallholders, but it admits that it grows about 20% of its inputs itself, on its own leased land. This 20% comprises what Freshpikt called „the trickiest bit', i.e. the most difficult crops to grow, those that require the most attention – in other words, the highest-value crops. Freshpikt chooses to grow these crops itself because it cannot yet trust smallholders to grow them properly. Along with several other firms, Freshpikt reports that many smallholders fail to use inputs correctly and otherwise adhere to the terms of their outgrower agreements. Often, they will sell their produce to brokers or traders who come along and offer a better price. These problems have been reported in the cotton, honey, paprika and other sectors as well as in horticulture and make it easier, in many cases, for lead firms or intermediaries to grow their own produce rather than trust smallholders to grow it. At the very least, the high risks of relying on smallholder farmers depress the price that intermediaries will be willing to pay and thus the potential incomes that smallholders can earn.

These problems would need to be addressed in any project that tries to improve smallholders' livelihoods in a sustainable way (i.e. by linking them into competitive value chains rather than by providing them with subsidies or other dependency-creating forms of „assistance').

5. *To what extent have private partners integrated HIV/AIDS prevention into their business?*

As mentioned, HCAZ is assisting its member companies in developing workplace HIV/AIDS policies, using a template that MATEP helped develop. The Ministry of Labour's inspectors are now equipped to ask the firms they inspect to produce such a policy and to evaluate its quality, using the checklist that MATEP developed.

MATEP also reports that most of the businesses (farms, hotels and district business association members) with which it worked have assigned one afternoon per week for HIV/AIDS-related activities, such as continued awareness training and guest speakers on various topics. Moreover, some businesses which maintain on-site clinics or health centers have trained their nurses on AIDS-related symptoms and treatment. A few businesses have reportedly contacted other PEPFAR beneficiary organizations and service providers for further collaboration such as condom distribution. Finally, MATEP reports that a number of its partners are now observing World AIDS Day and other landmark dates with various activities designed to raise awareness and promote prevention among their workers.

While MATEP did not systematically track indicators other than the number of individuals trained or reached, based on this anecdotal information we would conclude that at least some of MATEP's private partners have integrated HIV/AIDS prevention into their business, but we cannot say how many or to what degree given the lack of information from MATEP.

3. MATEP'S IMPACT ON USAID'S ECONOMIC GROWTH OBJECTIVES

The next question USAID asked was, "To what extent has MATEP contributed to USAID's overall economic growth assistance objective of increased private sector competitiveness." Our impressionistic, tentative, and probably not very satisfactory answer to that question is, "a little bit." We believe that MATEP did in fact contribute somewhat to the fulfillment of USAID's objective, but we are not able to quantify the contribution with any degree of certitude. Moreover, we believe that much of MATEP's ultimate impact may be yet to come (e.g. increased honey exports to South Africa, cultivation of white beans for canning, eventual resuscitation of the groundnuts export industry, expanded exports into the DRC).

The following sections identify USAID's objectives and intermediate results, and then explain how MATEP's activities map to those target results. We then highlight several problems with MATEP's performance monitoring plan before giving our conclusions in response to the three sub-questions which USAID posed under this evaluation area.

3.1 USAID'S ECONOMIC GROWTH OBJECTIVES AND INTERMEDIATE RESULTS

USAID's primary objective (Strategic Objective #5) in the economic growth area is "increased competitiveness in agriculture and natural resources." The two indicators for this objective are: 1) the value of agricultural and natural resource based exports, including tourism receipts, and 2) the value of food and non-food agricultural production by USAID-supported groups. The objective is supported by four intermediate results, as follows:

1. Increased access to markets
2. Enhanced value-added production and service technologies
3. Increased access to financial and business development services
4. Improved enabling environment in growth

Each of these intermediate results is measured by one or more „illustrative indicators'. All of those indicators were reflected to some degree in MATEP's performance monitoring plan, so our response to the question on the extent to which MATEP contributed to USAID's overall economic growth objective is largely the same as our response to the earlier question regarding the extent to which MATEP achieved its own project objectives.

3.2 MATEP'S ACTIVITIES IN RELATION TO USAID'S OBJECTIVES AND DESIRED RESULTS

MATEP's five components, with the exception of HIV/AIDS (which, it might be argued, contributes to the goals of the other four), align closely to USAID's intermediate results. The market access component addressed the first two intermediate results while the finance component centered on part of the third result (access to finance) and supported the first two. The trade and enabling policy component was designed to address the fourth result. The tourism component encapsulated all four results for the tourism industry.

The one main area that MATEP did not significantly address was the second half of the third intermediate result: access to business development services (BDS). While MATEP did, in fact, provide BDS to exporters and tourism operators, it mostly did so directly rather than through Zambian business service providers. Three factors might have constrained MATEP's ability to work through local BDS providers: First, there are relatively few independent, competent and non-donor-dependent BDS providers in Zambia with whom MATEP might have worked. Those that do exist tend to be generalists, lacking in the specialized technical skills MATEP sought to provide (e.g. expertise on aflatoxin requirements for groundnuts or on the purchasing patterns of North American tourists). Second, there is relatively little demand for (non-free) BDS among private firms in Zambia – which partly explains the lack of supply. If MATEP had insisted on working through local BDS providers, it likely would have had to subsidize most of their costs. Third, USAID reportedly restricted MATEP to hiring only individual Zambian consultants rather than Zambian firms, because it did not want to pay for the firms' overhead. That policy might have saved money for USAID in the short term, but in the longer term it was probably detrimental to the development of a cadre of sustainable, competent BDS providers in Zambia.

3.3 PMP DESIGN ISSUES AND IMPACT MEASUREMENT DIFFICULTIES

Determining the extent to which MATEP contributed to USAID's overall objective of increased private sector competitiveness is complicated by certain flaws in the design of MATEP's PMP, most of which have been mentioned. In general terms, the design of MATEP is reasonable, if ambitious given the project budget. The combination of financial support and technical assistance, as noted, is a potentially effective feature (if the financial component is managed transparently and professionally). The flexibility to move in and out of various value chains is also an important feature. Finally, the broad range of the project – working at the level of national policy, in specific value chains and commodities, with industry associations as well as individual firms, offered the project the best chances of success. If interventions in one are did not work, resources could be reallocated to more promising activities.

The one exception in this generally positive assessment of MATEP's design is the performance monitoring plan. The PMP was well designed in that it tracks USAID's strategic objective, intermediate results and indicators almost exactly. The drawbacks in the PMP's design is that it did not explicitly link the indicators to project activities, nor did it establish baseline values for most indicators. At the highest level, MATEP can (technically) claim „success' because the result for its primary indicator, value of ANR-based exports, far exceeded the original target. ANR-based exports rose from $405 million at the time of MATEP's launch to $883 million at the time of its closure, an amount well above the original target of $620 million. As discussed in section 1, MATEP-assisted firms generated about 13% of all ANR-based exports (excluding tourism) between 2006 and 2009.

Where did the other 87% come from? ZDA, while appreciative of MATEP's efforts, attributes much of Zambia's impressive export growth over the past few years to events in which MATEP had little or no involvement, such as the SADC trade protocol and various trade liberalization steps under COMESA. Under the „Anything but Arms' initiative, the EU increased Zambia's quota for sugar imports and provided a guaranteed price. According to ZDA, sugar and copper wire are among the commodities showing the highest growth rate in exports since 2006. MATEP was not significantly involved in either of them.

What about the 13% of exports that were generated by MATEP-assisted firms? Here again, it is not possible given the data that MATEP collected to determine what percent of that amount is attributable to MATEP's assistance. This lack of attribution has the potential to create a perverse incentive: if the goal is to show a large volume of exports by assisted firms, it is easier to find a company that is currently exporting in large quantities, and offer that firm a small amount of assistance, then to find a smaller firm with few exporters but much potential, and offer that firm more intensive assistance. To the MATEP team's credit, they took risks and worked in areas with few current exports, but a great deal of potential (e.g. groundnuts).

Another issue with the design of the PMP is that it does not 'publish' value of exports broken down by assisted firm. If it had done so, it could also have included baselines – e.g. firm X exported X tons before engaging with MATEP, and X+ tons after MATEP provided assistance. This approach would have brought the PMP a step closer to reliable attribution.

The final critique of MATEP's PMP is that it relies exclusively on self-reported numbers. As noted, no rigorous third-party evaluation of the project was ever carried out to our knowledge, and no data quality assessment was ever conducted. Conducting objective evaluations is expensive and time-consuming, but without them the numbers that a project like MATEP generates are of limited value in assessing the project's impact.

3.4 Conclusions – MATEP's Impact on Private Sector Competitiveness

USAID posed three sub-questions in this area of the evaluation:

a) To what extent do the project outputs contribute to the overall objective?

The indicators for which MATEP was responsible – increased exports and tourism receipts, increased access to finance, and an improved enabling environment – are all critical and necessary conditions for increased private sector competitiveness. The relationship between exports and competitiveness is reciprocal, however: to grow exports, the private sector must first be relatively competitive, but engagement in export markets tends to reinforce and strengthen private sector competitiveness further. The same can be said of access to finance – firms need affordable, appropriate finance in order to fill export orders, but as they fill those orders and build long-term customer relationships, they become more creditworthy and should (at least theoretically) enjoy better access to finance.

While the indicators are clearly appropriate and contribute to the overall objective, the extent to which MATEP's actual *outputs* contributed to the overall objective is less clear. Certainly, Zambia's private sector is at least a little more competitive than it was in 2006 because it now has a working canning factory, operated by Freshpikt. Capital Fisheries, African Joy, and other companies have become more competitive as a result of MATEP's assistance. Some of these firms are now able to access commercial finance as a result of having „graduated' from the MIF, which increases competitiveness even further. At least some tour operators and exporters better understand the needs of regional markets as a result of working with MATEP, which supports continued improvement in private sector competitiveness.

b) Which tasks in the statement of work contributed most and least to the overall objective?

The outputs described above – those which contributed most to the objective of increased private sector competitiveness – were all generated by the market access component and the finance component working together. Again, the combined use of technical assistance and financial support for relatively competent, well-established firms like Freshpikt and Zamseed seems to have yielded the greatest contribution to the overall objective, followed by the combined financial/technical assistance to smaller exporters and the value chain-level work in white canning beans, honey and, possibly, groundnuts.

The least effective tasks were those concerned with trade policy and the enabling environment. A great deal of good research and analysis was completed through the FSRP; but neither the MATEP team nor its counterparts could point to a single policy-level intervention that yielded tangible impact in terms of increased exports.

c) Has MATEP delivered value for money? Has it been a cost-effective intervention?

There are two ways to answer these questions: 1) Did MATEP generate benefits that exceed its costs? 2) How do those benefits compare to the benefits that USAID might have achieved had it spent the same money in some other fashion. Obviously, the first question is easier to answer than the second.

Using the first approach, we cannot conclude that MATEP delivered value for money. The cost of the project (not including the PEPFAR funding) was around $10 million over five years. Given the problems related to verification and attribution of MATEP's reported results, we cannot say definitively that MATEP generated at least $10 million in exports that would not have otherwise occurred.

The HIV/AIDS component, which cost a little more than $1.3 million over five years, claims to have reached more than 1.1 million people with its awareness and prevention messages, including trainees, direct and indirect message recipients. If this figure is correct, then USAID will have paid just over $1 per person to expose 10% of Zambia's population to prevention messages delivered by a trusted co-worker, neighbor or family member. Whether that represents good value for money depends on the impact that hearing the messages had on individuals' behavior, which MATEP did not measure.

Using the second approach, the determination of cost-efficiency is not as clear because it involves the counter-factual. While earlier we cited the wide-ranging nature of MATEP's scope of work as a positive design feature, it can also be argued that the project spread itself too thin, attempting to do too much with relatively few resources. Hindsight is twenty-twenty as the saying goes, but perhaps MATEP would have been more cost-effective, and achieved greater increases in exports, if it had abandoned its policy and tourism work earlier. Perhaps it would have been more cost-effective if it had provided more in-depth support to a smaller number of large exporters, or focused on a smaller number of value chains.

The Cardno team understands, appreciates and generally agrees with the market facilitation („light touch') philosophy that guided MATEP's design and implementation: To ensure sustainability, projects should rely on market actors to take the lead and support, rather than replace, their efforts. The chief constraint of a market facilitation approach, as noted earlier, is that it relies for its success on the commitment of capable, motivated market actors who will take up the reins and drive positive changes forward. In Zambia, such actors are few and they are, at least in some cases, overwhelmed with attention from donors.

MATEP's intervention in the groundnuts value chain offers a case in point. The sector is fragmented, prices are not transparent, and quality standards (in terms of aflatoxin control) are low. The few existing „lead firms' who buy groundnuts from smallholders for commercial sale or export appear to like it that way, since their costs are low and they do not need to pay smallholders very much for the crop. There is little interest within the sector in upgrading.

MATEP turned to the owners of Freshpikt and worked with them to establish a new company, ChoiceNuts, to purchase groundnuts from smallholders, process them and export them into South Africa, where a willing buyer (Tiger Brands) had already been identified. The ChoiceNuts ventured failed for a number of reasons, largely to do with poor management. One of Freshpikt's principals, who was involved in the venture, claims that the core problem is that MATEP pushed too hard – they were too eager to develop the sector quickly, when the sector itself was not ready to lead. The result was a lack of „ownership' and entrepreneurial drive behind ChoiceNuts. According to this view, MATEP broke a cardinal rule in the „light touch' development philosophy – moving before there was sufficient private sector support, the project got too far out in front of the market and found itself (with help from Freshpikt) replacing rather than supporting market actors.

But what if the problem was not that MATEP was too involved, but rather that it was not involved enough in ChoiceNuts? What if, rather than giving out relatively small loans, grants, and dollops of technical assistance to a large number of firms, USAID had instead used $10 million in taxpayers' money to build (or buy) a groundnut processing plant (and/or a paprika mill)? What if USAID had started an export company, contracted smallholders to grow groundnuts and paprika, provided them with inputs and training, hired managers for the company, exported the processed products and reinvested the profits in growing the company? What if USAID had then sold the company, at a „profit' to a private buyer, either Zambian or foreign? This approach would not be without precedent. In Kosovo during the early 2000s, USAID licensed and built a commercial bank (the American Bank of Kosovo), grew it into a profitable, sound institution and, after five years, sold it to Austria's Reiffeissen Bank at a significant profit, which USAID then used to fund scholarships.

Would MATEP have achieved more, and more lasting, impact if it had followed this model? Unfortunately, it is impossible to say.

4. IMPLICATIONS FOR THE GLOBAL HUNGER AND FOOD SECURITY INITIATIVE

4.1 USAID'S GLOBAL HUNGER AND FOOD SECURITY INITIATIVE

The Global Hunger and Food Security Initiative, known as Feed the Future, has three broad objectives, which are shared by USAID/Zambia in its GHFSI Implementation Plan:

1. Increase sustainable, market-led growth across the food production and market chain
2. Prevent and treat under-nutrition
3. Increase the impact of humanitarian food assistance and social safety nets.

One of the challenges USAID will face as it pursues these objectives is to ensure that the third objective does not compromise the first one. Care must be taken to ensure that humanitarian food assistance supports rather than crowds out local production and markets. In any case, USAID/Zambia plans to focus on the first objective during FY 2010.

The first objective, according to USAID/Zambia FY 2010 Implementation Plan, "links four core areas to address agricultural production and food security in a sustainable manner:"

1. Increased agricultural productivity
2. Increased trade and reduced barriers to market access
3. Sound market-based principles for agriculture
4. Accelerated participation of the very poor in rural growth

USAID has asked the Cardno team, as part of its end-of-project evaluation of MATEP, to consider ways in which the MATEP approach might be applied to further these objectives.

4.2 Potential Lessons From MATEP

a) What lessons learned and best practices were uncovered throughout implementation?

In our view, there are three main lessons arising from the MATEP experience that pertain to the Global Hunger and Food Security Initiative:

1. *Agricultural policy is critical for food security, but affecting policy is very difficult:* MATEP made what was in our view a wise decision to stay away from the maize and fertilizer markets. Both were so deeply politicized, and the chances of convincing the government to change so low, that MATEP chose to focus on other areas. An effort focused explicitly on food security will not have that luxury, as maize is the mainstay of most Zambian's diet, and many smallholders rely on fertilizers to achieve yields sufficient for them to meet their food and income needs. Distortions in the maize and fertilizer markets must be addressed if food security is to improve in Zambia.

   MATEP's experience in less politically-sensitive areas of policy and regulation (e.g. tourism, small claims court) demonstrates how difficult it can be for a donor-funded project to influence government actions. Rather than outsource or delegate this role to a project and hope for eventual change, USAID/Zambia might wish to make certain policy changes a prerequisite for further assistance to the agricultural sector.

2. *Firm-level assistance to key intermediaries is still relevant and important:* Food security is, for the most part, a function of income. The best way to improve food security, then, is to facilitate increases in the incomes of the very poor, i.e. the most food-insecure. The best way to do that is to follow a dual path: 1) generate demand for products and services (including paid labor as well as agricultural products) that the very poor are able to provide, and 2) help the very poor to meet that demand profitably and sustainably. Neither approach works without the other. The first path – generating demand for products and services offered by the very poor – involves continuing the types of activities that MATEP and PROFIT have been conducting, i.e. working with commercial farmers, food processors, exporters and other buyers to expand their operations by becoming more competitive. The second path includes training, technical assistance and improving access to important inputs like pesticides and herbicides (as PROFIT is doing through the agent network it helped develop) as well as market information and finance.

   In a more perfect world, USAID projects would only work with firms indirectly – by supporting industry associations and for-profit and non-profit BDS providers. Arguably, MATEP could have worked harder to support local BDS providers (by engaging ZCSMBA in its market access work, for example, or providing more capacity building assistance to ZDA and/or TCZ). But the reality in Zambia is that many industry associations and BDS providers are addicted to donor funding and not particularly interested in (or capable of) sustaining themselves by providing demand-driven services to private firms. While the next project should do more to encourage the development of a Zambian BDS industry, it will certainly have to continue working directly with individual firms to expand their operations and thus generate sustainable demand for the products and services that the poor are capable of offering.

3. *A focus on exports is still appropriate for a food-security focused project:* The basic premise behind MATEP is still valid: "Selling primary and processed agricultural products to international and regional customers offers Zambian farmers and firms

opportunities for rapid income growth. Regional markets are big, and there is substantial demand for staples grown by Zambian smallholder farmers. Effectively accessing these export markets can boost incomes in rural Zambia." Food security is often confused with food self-sufficiency, but in fact the quest for food self-sufficiency can, by distorting markets, actually worsen food security over the longer term. The incomes (and thus the food security) of the rural and urban poor will not improve unless there is increased demand for their produce or labor. In a small country like Zambia, the most effective way to generate that demand is through exports and, as a complementary measure, import substitution.

As mentioned, perhaps the most fundamental „lesson learned' arising from the MATEP experience is the need for a robust, detailed, and well thought-out monitoring and evaluation system which links individual interventions to specific outputs and attributable outcomes.

b) How could project effects be made more sustainable?

As mentioned, the undeveloped state of Zambia's BDS providers makes it necessary for projects to work directly with individual firms. Nevertheless, more attention should be paid to cultivating a self-sustaining local BDS industry. USAID might start by removing the reported restriction on contracting Zambian firms, rather than individuals. A new project might focus more on building both the supply and demand of high-quality BDS, perhaps through a voucher system in which USAID offers partial and temporary subsidies to firms to hire local BDS providers, in a manner which preserves competition and market incentives. USAID's Business Growth Initiative and its Office for Microenterprise Development can both provide examples of successful BDS voucher programs as well as lessons learned and best practices.

While this is difficult to prove, the Cardno team suspects that MATEP might have generated more sustainable impact if it had focused its efforts on a narrower set of commodities. While the increase in exports among small handicraft firms like African Joy is impressive when compared to the size of those firms, it is not particularly large when compared to what might have been achieved in the groundnut sector, perhaps, or in horticulture. More intensive, higher profile engagement in a smaller number of value chains might also have created a larger „demonstration effect', provoking positive change in non-assisted firms as well as those MATEP worked with directly, through competitive pressure.

A larger, more closely monitored and better managed investment fund might also have generated more sustainable results – given that the finance component seems to have had as much impact, if not more, than any of the other components and given that all interviewed firms identified the lack of access to finance as a binding constraint. An investment fund which allowed for equity investments, as well as debt, might also have allowed for longer-term funding and closer involvement of the project in the management of export operations. As The Mitchell Group report makes clear, however, such a fund must be managed transparently and competently, in accordance with the highest standards of professionalism.

c) How might the project approach be modified to benefit smallholder farmers more effectively?

Again, the project approach could be modified to narrow its range of activities – focusing on a few value chains in which there is competitive potential and a high degree of participation by smallholders. Also, as noted earlier, a project with sufficient resources should follow two paths simultaneously – working with intermediary firms to increase demand while working directly with smallholders to improve supply.

d) What external or internal factors have constrained or benefitted implementation and impact?

Clearly, the government's attitude towards the private tourism industry, the divisions within that industry and the relative weakness of various trade associations in tourism made it very difficult for MATEP to achieve tangible impact under the tourism component. Likewise, a failure of government commitment hampered the effectiveness of the trade policy component. The absence of committed private sector partners hurt the project's activities in the paprika and groundnut sectors, just as it accounts for the success of the HIV/AIDS initiative. The Zambian banking sector's lack of willingness or ability to lend to private enterprises both helped and hurt MATEP's performance. On one hand, it provided a space for the investment fund to operate (and made it such a necessary and valuable part of the project). On the other hand, the weak financial sector made it difficult for MATEP to „graduate' MIF borrowers into sustainable, constructive relationships with commercial banks.

Internal factors that constrained performance include the lack of a proper M&E system as well as the apparent lack of a coherent intervention strategy for achieving impact.

e) How could the project be adapted to offer more value for money?

The Cardno team's ideas on this topic have all been mentioned previously:

1. Focus the project on a smaller number of commodities, especially ones with a potential competitive advantage *and* strong potential for participation by smallholder farmers and other poor households (e.g. labor-intensive non-agricultural industries like textiles).
2. Select private partners more judiciously (by requiring them to co-invest more, or commit to certain outcomes as a condition for assistance) and provide more intensive assistance to those partners – a large amount of assistance for a small group of partners rather than a small amount of assistance for a large group of partners.
3. Increase the size of the investment fund, recognize the costs associated with managing it competently and pay those costs as needed to ensure better credit quality –or consider a using a different mechanism, such as a competitive grant fund or DCA guarantee, instead.
4. Leverage project resources and build local capacity by working more collaboratively with organizations like ZCSMBA and ZDA as well as private BDS providers
5. Refine the performance monitoring plan to focus more strongly on attribution, verification, and smaller units of measurement (e.g. firms rather than sectors), thereby aligning incentives more closely with USAID's objectives – and build a robust M&E system to enable better management decision making and demonstration of impact.

5. CONCLUSION

USAID's Market Access, Trade and Enabling Policies (MATEP) Project carried out some useful research and helped a handful of firms grow their export earnings. There is no evidence, however, that it made a really significant contribution to the growth of Zambian exports over the past five years, or that it had any transformative effect in improving the country's competitiveness. In the view of the evaluation team, there is no strong evidence to suggest that the project offered good value for money or that it substantially furthered USAID's economic growth objectives for Zambia.

ANNEX 1: LIST OF INTERVIEWS HELD

1. Action for Enterprise – Carianne de Boer, Managing Director
2. African Joy – Joyce Mibenge, Owner
3. Air Masters Travel – Mrs. Kutema Konga, Owner
4. Alendo Travel – Maria Phiri, Owner
5. Capital Fisheries – Damien Roberts, Managing Director
6. Cutty Sark Travel and Tours – Dorothy Chalabesa, Director
7. EU Capacity Building for Private Sector Development Programme - Moses Simemba, Technical Advisor (and former MATEP Market Access component leader)
8. Freshpikt – Midge Drakes, Managing Director
9. Garden Group Hotels – Maxon Mbale, General Manager (and past Chairman of HCAZ)
10. Glymo Enterprises – Elly Siakasasa Mwale, Managing Director
11. Groundnut Association – Bernhilda Kalinda, Director
12. Kamano Seed – Silvia Horemans, Marketing Director
13. MATEP – Scott Simons, Chief of Party
14. MATEP – Sula Mahoney, HIV/AIDS Component Leader
15. MATEP – Chibembe Nyalugwe, Market Access Component Leader
16. MATEP – Alex Valeta, Tourism Component Leader
17. MATEP – Hambulo Ngoma, Trade Policy Component Leader
18. The Mitchell Group – Greg Hemphill, Team Leader
19. Nangaunozye Fashions – Aggray Mpata, Marketing Manager
20. Silva Catering – Silvia Banda, Managing Director
21. Tourism Council of Zambia – Victor Inambwae, Director and Mr.Phiri, Ass't Director
22. USAID – Ndezaki Kaluwa, MATEP COTR; Dann Griffiths, Economic Growth Officer
23. USAID PROFIT Project – Rob Munro, Private Sector Advisor
24. Zambian Agribusiness Technical Assistance Centre – L. Mukumbuta, Director
25. Zambia Association of Chambers of Commerce and Industry – Justin Chisulo, ex-CEO
26. Zambian Chamber of Small and Medium Business Associations (ZCSMBA) - **Patience Sakuringwa** (Acting Executive Secretary) and Penias Chabwela, (Membership Coordinator)
27. Zambia Coffee Board – Ben Zimba, Company Secretary
28. Zambia Coffee Growers Association – Joe Taguma, General Manager
29. Zambian Development Agency – Glynne Michelo, Director
30. Zambia Enterprise Development Fund – Grace Jonker, Coordinator
31. Zambia Seed Company (ZAMSEED) – Zack Musonda, Marketing Manager
32. ZEOCO – Chris Thorne, Managing Director