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# **STRIVE Philippines Assessment Visit**

**October 11-15, 2010**

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## LIST OF ACRONYMS

ACDI/VOCA	Agricultural Cooperative Development International and Volunteers in Overseas Cooperative Assistance
AED	Academy for Educational Development
AFE	Action for Enterprise
AH	All Homes Designs Inc.
AOTR	Agreement Officer's Technical Representative
BB&F	Bohol Beads & Fiber
COP	Chief of Party
DCG	Development Consulting Group
DCOF	Displaced Children and Orphans Fund
EGAT	Bureau of Economic Growth, Agriculture, and Trade, USAID/Washington
IRIS	Institutional Reform and the Informal Sector, University of Maryland
M&E	monitoring and evaluation
MOU	memorandum of understanding
NAMSU	NAMSU Marketing, based in Zamboanga City, Mindanao, the company is a large trader directly supplying major processors in Cebu and Manila
PAC	Program Advisory Committee
PRODEL	Programa de Desarrollo Económico Local (Local Economic Development Program)
OEDG	Office of Economic Development and Governance, USAID
SDCAsia	Strategic Development Corporation
STRIVE	Supporting Transformation by Reducing Insecurity and Vulnerability with Economic Strengthening
USAID	U.S. Agency for International Development

## DEFINITIONS

The following definitions are included to clarify how key terms are used in this report:

**Lead firm:** A business that has linkages with a significant number of small producers or microenterprises, has a significant proportion of overall sales in the sector, and (due to its market share) can exert a great deal of influence over how small producers and microenterprises interact with the market. Examples of lead firms include buyers, traders, input suppliers, veterinarians, exporters, and processors. Lead firms often provide important services or support to the small producers or microenterprises they have commercial relationships with, such as training, technical assistance, and inputs. Lead firms can vary significantly in size and may operate as part of either the formal or informal economy.

**Value chain:** The full range of actors that are required to bring a product from its conception to its end use. These include input suppliers, producers, processors, distributors, wholesalers, and supporting markets that provide services required to get the product to the final consumer.

**Vulnerable children:** Children under age 18 whose safety, well-being, or development is at significant risk due to inadequate care, protection, or access to essential services

## **EXECUTIVE SUMMARY**

### **Background**

A primary strategy of the U.S. Agency for International Development's (USAID) Displaced Children and Orphans Fund (DCOF) in addressing the needs of vulnerable children is to strengthen the capacities of their families to provide economically for their needs. Recent research supports the relevance of this approach. STRIVE Philippines, implemented by Action for Enterprise (AFE), is one of four country projects that comprise the global STRIVE (Supporting Transformation by Reducing Insecurity and Vulnerability with Economic Strengthening) program. The program is an active learning laboratory intended to inform future programming to benefit vulnerable children and youth. October 11-15, 2010, a DCOF team together with two members of USAID/Philippines/ Office of Economic Development and Governance (OEDG), carried out a mid-term assessment of the project.

STRIVE Philippines takes a value chain approach that:

- Seeks to facilitate changes in firm behavior that increase the competitiveness of the chain and generate wealth for all participating firms,
- Targets points of leverage that have a multiplier effect on interventions in order to maximize impact and outreach, and
- Seeks to enable private-sector stakeholders to act on their own behalf to upgrade firms and collectively create a competitive value chain that contributes to economic growth with poverty reduction.

Vulnerable households present unique challenges for value chain development. Programming must be adjusted to encourage their participation.

STRIVE Philippines aims to promote the well-being of children by increasing household income through value chain development. Project interventions center on market-based solutions that contribute to the economic strengthening of poorer households. The total project budget is \$2.8 million and the duration is three and one-half years (July 2008 - December 2011). It involves interventions with lead firms in the sectors of seaweed farming and woven products, with the aim of creating opportunities from which some vulnerable households, among a larger group of participants, will be able to benefit. Essentially, the project helps lead firms identify ways to overcome constraints in their operations, allowing them to create new employment opportunities for low-income families. These changes come with some risk and potential expense to the firm. The project helps firms buy-down these risks with cost-share agreements, with the assumption that if the innovation proves to be profitable for the firm, it will likely continue and potentially expand the approach with its own resources. The project has initiated a Program Advisory Committee (PAC) comprised of leading child-focused organizations that has offered suggestions on how the project may be able to maximize benefits to poor families and their children.

Initially, STRIVE Philippines focused on coastal areas, where seaweed farming is a significant source of household income and many families are extremely poor. When falling seaweed prices led to substantially reduced opportunities, the project considered other value chains. It decided that the woven products industry offered promising opportunities for increasing household income among poor families, although not in the coastal communities originally targeted. The primary intervention by STRIVE Philippines has been to support the development of nurseries from which farmers can access seaweed seedlings and, thereby, increase their production. STRIVE Philippines continues to work with two lead firms in the seaweed value chain, but with less emphasis than at the beginning of the project.

In June 2009, AFE began to work in the woven products sector and is currently working with three lead firms. The project has helped lead firms improve management procedures, has improved their capacities to train weavers, and supported improvements in the procurement and preparation of raw materials.

The IRIS Center at the University of Maryland (Institutional Reform and the Informal Sector) is the technical leader for evaluation research within the overall STRIVE project. Data is collected by a local firm. IRIS is responsible for designing and implementing a study to address if and how project interventions with lead firms affect producers and their families, in particular their children. The dynamic and continuously evolving nature of the value chain interventions precluded establishing control groups, so IRIS is using a “deep dive” approach, gathering detailed information in three communities affected by the project. Learning questions being addressed, using both quantitative and qualitative methods, include the following:

- What is the impact of the project on participating households?
- What is the impact of the project on children within these households?
- How do project activities produce outcomes at the household and child levels?
- How replicable are the activities and corresponding outcomes at the household and child levels to other value-chain economic strengthening projects?

## **Observations of the Assessment Team**

### ***Limited Scale of Employment Opportunities Created Versus Costs***

The impact component of the program description set a target of “increased income for 10,000 participating seaweed beneficiaries.” Beneficiaries include both adults and their children. The number of direct participants earning income as a result of the project and the amounts that they are earning are not clear. Shortly after the team’s visit to the Philippines, AFE sent DCOF a set of tables (See Appendix C) indicating that 46 seaweed farmers (43 men, 3 women) had received seedlings through the nurseries that the project has helped to fund, and that 1,335 individuals (504 men, 831 women) had been trained either as weavers or raw material producers. AFE further estimated that half again as many additional persons had, in turn, been trained by them. The key issue, however, is not how many people have been trained, but how many are earning income as a result of project activities with lead firms, and how many family members may be benefitting

from this income. The project should obtain from the lead firms and report over time the actual number of individuals who are earning income and the average amounts being paid as a result of project interventions. In turn, to calculate the number of beneficiaries the number of weavers, raw material producers, and seaweed farmers earning income can be multiplied by the average household size in the respective communities. AFE's limited results at this stage (roughly the mid-point of the project period) are a cause for concern.

Since one of STRIVE's primary hypotheses is that child vulnerability is strongly correlated with the poverty, it is important for AFE and IRIS to calculate the approximate percentage of beneficiaries who are living in poverty. The the national poverty level of the Philippines (P65.76 or roughly \$1.50 per day) appears to be a reasonable benchmark to use for this calculation.

Project pipeline figures as of September 2010 indicate that \$978,566 had been expended and \$1,808,204 was unspent. If the project can identify promising approaches for benefitting a substantial number of additional participants, there are enough resources to do so. However, with only about 14 months until the end of the project, time is quite limited,. An issue to consider soon is whether a no-cost extension would be appropriate for STRIVE Philippines. Alternatively, funds unlikely to be expended could be made available to another STRIVE project.

### ***Profile of Participating Households***

Participating weaving households visited by the team in Barangay Lamac in southwest Cebu appeared to be reasonably well-off, though later the project indicated that they had been selected by the sub-contractor working in the village to give a positive impression.

### ***Questionable Impact on Household Income***

The weavers interviewed by the team in Lamac reported earning relatively small amounts, though income should increase as their skills improve and small sums may turn out to be quite meaningful for very poor households. Income was reported to be higher among weavers with whom the team met in Cabungahan Barangay, Danao.

### ***Need for Monitoring Effects on Households and Children***

The current project design calls for AFE to monitor only the economic aspects of the project based on information provided by lead firms. There is no mechanism for monitoring the potential negative effects on children of supported economic activities, though qualitative data gathered periodically by IRIS could help flag problems. Observations by the team suggest that AFE needs to make some provision for monitoring the involvement of children in work related to the project.

### ***Decision-Making Processes***

Since the beginning of the project there has been a shift of priorities away from:

- seaweed production,
- the extremely poor and vulnerable seaweed growing communities originally targeted, and
- Mindanao.

Although the project has presented a good economic rationale for its shift away from the seaweed value chain to woven products, the assessment team is concerned about the communication related to this change. While STRIVE had reported over time the problems with the seaweed value chain and the initiatives to work in the woven products sector, it was only after the team's visit and the subsequent provision of the statistics in Appendix C that the degree of the shift toward the woven products, primarily in the Visayas, became clear.

### ***Quarterly Reports***

The bullet point format of quarterly reports does not convey a clear perspective on the development of the project. A clearer narrative is needed to explain project progress in relation to its strategic framework. Relevant statistics should be included as well.

### ***Branding***

The issue of branding arose during the team's discussion with the mission. The USAID agreement officer for the overall FIELD-Support Leader with Associates mechanism has granted a presumptive global exception. Although DCOF fully appreciates the importance of complying with USAID branding requirements, we feel that the branding exception for the Philippines is appropriate and warranted. One of the primary aims of the project is to increase the quality of value chains by improving the commercial relationships between the lead firms and their suppliers. To achieve the economic results sought and the consequent benefits to vulnerable children, it is essential not to compromise the perceived independence of the lead firms. Placing USAID logos within the lead firm could give the impression that the lead firm is subsidized or otherwise influenced by USAID. This could have a deleterious impact within the value chain.

### ***Contact with the Mission***

During the team's debriefing at USAID Philippines, it was agreed that the mission should be more regularly informed about project activities and that Teresita Espenilla would be the point of contact.

### **Recommendations**

1. AFE should consider the potential offered by leverage points other than lead firms. Strategic Development Corporation - Asia (SDCAsia), an organization based in the

Philippines, has been particularly effective in this area. We recommend that AFE spend more time consulting this organization and learning from its experience.

2. Quarterly reports should include a narrative overview of project activities and progress and statistical tables to facilitate monitoring project development. This could be supplemented with the kinds of bulleted information that has been provided.

3. The project should calculate and report quarterly on the actual number of individuals with income resulting from project interventions, their respective amount of income, and the geographic areas where they live. The project should also track and report total household beneficiaries and the percentage of beneficiaries who are below the national poverty line.

4. When considering possible engagement with a lead firm for a particular new intervention, project personnel should assess, and as far as possible quantify, potential effects at the household level of involvement with the proposed initiative. This might include limited rapid household sampling in new areas proposed by lead firms to ensure that there is good potential for a substantial number of vulnerable children to benefit.

5. The project should establish a mechanism consistent with the value chain approach of anticipating and then monitoring the effects of supported activities on households and children. But in situations in which this would conflict with the project's fundamental economic role, an alternative mechanism should be arranged, such as one through an NGO. Assessment and monitoring should include some direct information gathering at the household level, as well as consultation with key informants at the community level, e.g., community leaders, school principals. STRIVE Philippines should confer with the PAC or at least some of its members, to identify a workable approach to monitoring project effects on participating households—in particular on their children—with a view toward mitigating possible negative impacts of the project (e.g., school absences or potentially hazardous work).

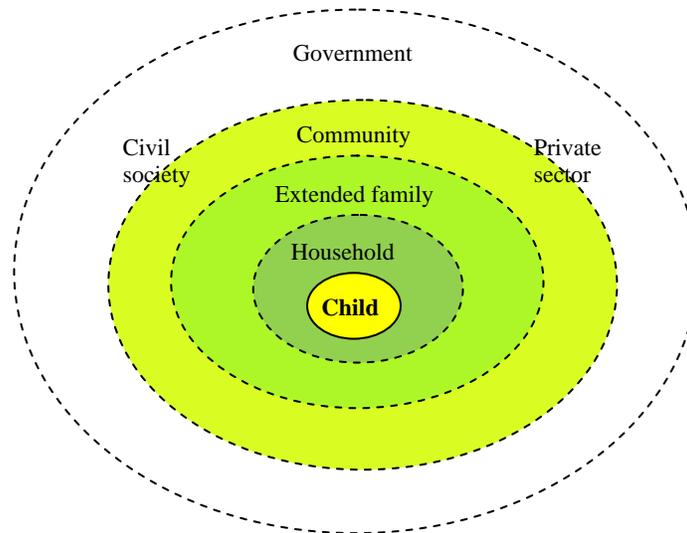
6. Based on monitoring information, AFE should report on how it has adjusted program interventions to maximize positive effects and minimize negative ones.

7. The Chief of Party (COP) for the project should attend COP meetings at the Mission, share quarterly reports with Teresita Espenilla, and keep her informed of major developments with the project.

8. STRIVE should explore increasing opportunities for exchange and cross-learning among the field projects it manages.

## INTRODUCTION

The Displaced Children and Orphans Fund (DCOF) of USAID’s Office of Democracy and Governance addresses the needs of vulnerable children, particularly those who are either outside of family care or at risk of losing family care. It is clear that the safety and well-being of the vast majority of vulnerable children depends upon the capacity and ability of their families to protect and care for them. Also, the best solution for many of the children living outside of family care, such as those on the street or in residential care, is to improve the capacity of their immediate or extended families to provide for their care. Child welfare professionals have long recognized that effectively addressing child vulnerability requires improving family economic circumstances. Consequently, DCOF is committed to identifying effective ways of strengthening the economic capacities of vulnerable families.



Two recently published studies provide a strong empirical basis for the importance of addressing the household economic circumstances of vulnerable children. The first, “Assessing the ‘Orphan Effect’” analyzed Demographic Health Survey data from 11 eastern and southern African countries to identify the factors that contributed most significantly to selected negative outcomes for children. It used multivariate regression analysis to consider the relationship of various indicators and outcomes for children. It found that after controlling other possible intervening factors, “for all outcomes household wealth is the single most important correlate of better outcomes.” Low household economic status was a stronger predictor of negative outcomes than was orphan status.<sup>1</sup>

The second article, “Who is the vulnerable child? Using survey data to identify children at risk in the era of HIV and AIDS,” presents an analysis using bivariate and multivariate methods of data from 60 national studies done in 36 countries to identify the factors associated with negative outcomes for children. It found that household economic status and parental education level were the most consistent predictors of negative outcomes for children. In this study also, household economic condition was a stronger predictor of negative outcomes for children than orphanhood.<sup>2</sup>

Since 2000, DCOF has supported efforts to bring together specialists in economic strengthening and programming for vulnerable children with the aim of developing effective programming in this area.<sup>3</sup> For decades, programs intended to address the needs of highly vulnerable children have sought to use income-generating activities as a basic strategy for improving children's well-being; however, very frequently they have failed to do so effectively. For example, a 2008 USAID-supported study of USG-funded programs in Kenya and Uganda that were attempting to use economic strengthening to benefit vulnerable children found that "very few were deemed economically viable, largely because they had not been designed and implemented with adequate consideration paid to fundamental principles for economically viable programming."<sup>4</sup>

Recognizing this critical link between the economic circumstances of families and their children's well-being, in 2008 DCOF supported the initiation of the STRIVE program. Its goal was to build a stronger evidence base in developing market-based economic strengthening programs whose aim is to benefit vulnerable children.

### **USAID/DCOF's STRIVE Program**

In 2008, DCOF initiated the centrally-funded STRIVE (Supporting Transformation by Reducing Insecurity and Vulnerability with Economic Strengthening) program, which uses market-led economic strengthening initiatives to benefit vulnerable children. The project is managed by the Academy for Educational Development (AED) under the FIELD-Support Leader with Associates mechanism. The project is implementing four field projects and supporting research in a fifth. The five-year STRIVE program is scheduled to conclude in 2012. Each of the field projects is implemented by an NGO with strong capacity in the design and implementation of programming for economic strengthening. For each project, a rigorous evaluation component has been included through collaboration with the IRIS Center at the University of Maryland. The four countries in which STRIVE projects are being implemented include Liberia, Mozambique, Afghanistan, and the Philippines. In 2010, through STRIVE, an evaluation component was added to the PRODEL II (Programa de Desarrollo Económico Local (Local Economic Development Program) economic growth project in a fifth country, Ecuador.

The first four STRIVE projects were designed to measurably improve the well-being of vulnerable children through various approaches to economic strengthening. The fifth project was designed to increase household income, without a specific focus on children. This program was added to STRIVE to help test whether increasing household income, in the absence of child-specific program measures, will lead to improve child well-being.

STRIVE is an active learning laboratory that is intended to inform future programming not only by USAID/DCOF, but also by the wider community of organizations concerned with programming to benefit vulnerable children and youth. Consequently, STRIVE was designed with a strong learning agenda intended to generate information both on how

economic strengthening projects can be used to measurably benefit vulnerable children (e.g., in terms of their education, health, and nutrition) and to develop and test assessment methods and tools that can be used more widely. Each of the STRIVE field projects measures both economic outcomes and outcomes for children. STRIVE aims to help fill current knowledge gaps about effective economic strengthening approaches and their impact on reducing the vulnerability of children and youth.

The following STRIVE field projects are being implemented:

- Philippines (Action for Enterprise – AFE): Increasing household income through enterprise and market/ value chain development in high-growth industries characterized by high levels of engagement from low-income communities.
- Afghanistan (Mennonite Economic Development Associates/AED): Improving youth work skills acquisition and workplace safety through value chain development and microfinance in a conflict-affected environment, by engaging with a high-growth industry (construction) that has high rates of youth apprenticeship.
- Liberia (ACDI/VOCA[Agricultural Cooperative Development International and Volunteers in Overseas Cooperative Assistance]): Agricultural value chain development and livelihood development in a post-conflict environment in low-income communities, which integrates food and cash crops for the benefit of vulnerable children.
- Mozambique (Save the Children): Improving education and nutritional outcomes for children by building household assets and social capital through village savings and loan groups and rotating labor schemes that help create access to markets for low-income communities in post-disaster areas.
- Ecuador (ACDI/VOCA): A child-focused evaluation component has been added to the PRODEL II project, the objective of which is to increase income and employment for families by supporting the expansion of private enterprises.

## **Assessment Visit**

From October 11-15, 2010, a DCOF team visited the project for a mid-term assessment.<sup>1</sup> The team was led by Lloyd Feinberg, Cognizant Technical Officer (CTO) of the STRIVE Program and manager of DCOF, and included Jason Wolfe, enterprise development advisor for poverty reduction/microeconomic development, and John Williamson, senior technical advisor, DCOF. The team was fortunate to be joined by Maria Rendon and Teresita Espenilla of USAID/Philippines/OEDG. The team worked closely with Henry Panlibuton, chief of party for STRIVE Philippines, and project personnel, including Manny Roleda, senior enterprise development specialist; Jovie Antiporta, senior enterprise development specialist, Rosebell Balang, enterprise development specialist, and Stephen Sungkip, enterprise development specialist. The scope of work and itinerary for the visit are attached as Appendices A and B.

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<sup>1</sup> DCOF originally anticipated carrying out this assessment in early 2010 but had to postpone it in order to participate in USAID's response to children affected by the earthquake in Haiti.

## The Value Chain Approach to Economic Strengthening

The value chain approach is a leading intervention strategy for linking small firms and producers to economic growth opportunities. Taking a value chain approach necessitates understanding a market system in its totality: the firms that operate within an industry—from input suppliers to end-market buyers; the support markets that provide technical, business, and financial services to the industry; and the business environment in which the industry operates. Such a broad scope for industry analysis is needed because the principal constraints to competitiveness may lie within any part of this market system or the environment in which it operates. While it may be beyond the capacity or outside the mandate of a donor or implementing agency to address certain constraints, the failure to recognize and incorporate the implications of the full range of constraints will generally lead to limited, short-term impact or even counter-productive results.

The following implementation principles are key to successful value chain development programs:

- Facilitating changes in firm behavior. The value chain approach seeks to facilitate changes in firm behavior that increase the competitiveness of the chain and generate wealth for all participating firms. Changing firm behavior requires an understanding of the incentives of the various stakeholders—why they behave in the way they do, and what is needed to motivate them to change their behavior. Implementers of the value chain approach identify firms within the industry with the incentives, ability, and willingness to address constraints and facilitate upgrading throughout the chain.
- Targeting leverage points. Value chain project implementers target points of leverage that have a multiplier effect on interventions in order to maximize impact and outreach. Points of leverage include economic and social structures, commercial incentives, and social norms and incentives.
- Empowering the private sector. The goal of the value chain approach is to enable private-sector stakeholders to act on their own behalf: to upgrade their firms and collectively create a competitive value chain that contributes to economic growth with poverty reduction. The value chain analysis and strategy development process is therefore participatory to the extent possible. The role of the donor and implementing partner is to facilitate and support implementation of the competitiveness strategy by the private sector so that development objectives are also met.

Many features of the value chain approach make it particularly relevant for programs working on economic strengthening among vulnerable populations. Although there is growing emphasis on applying the value chain approach to vulnerable populations, most projects have not disaggregated their monitoring data to identify the extent to which the

very poor, youth, and other vulnerable populations directly and indirectly participate and benefit. Evidence suggests, however, that their involvement in many initiatives to date has been marginal for a number of reasons:

- The vulnerable face barriers, such as lack of time or social exclusion, which make their participation unlikely, if not specifically considered.
- While most initiatives have focused on linking producers to output markets, many vulnerable populations lack the required assets for market engagement.
- Projects have assumed that vulnerable populations will benefit from wealth creation within the community, even when they are not direct participants. This assumption has rarely been backed with analysis to understand how intra-household and inter-household resource transfers function within a specific context. Thus, this trickle-down effect has rarely been confirmed.
- Projects have found it difficult to strike an appropriate balance between concentrating resources on a small number of the vulnerable and achieving large-scale impact through a focus on the less vulnerable.

Vulnerable households present unique challenges in the context of value chain development. These households tend to be more isolated from the mainstream economy, have far fewer assets, and suffer from more disadvantageous (or exploitative) relationships with the private sector. The need for upgrading is comparatively greater yet the resources to support it are very limited. Vulnerable populations may have limited capacity to make informed choices about how to engage with mainstream markets and allocate their scarce resources. They often view investment decisions and perceive risk in different ways from the less vulnerable, and have much shorter time horizons. All of these factors will tend to reduce the role of the vulnerable in value chain programming, if programming is not adjusted to encourage their participation.

## **OVERVIEW OF STRIVE PHILIPPINES**

STRIVE Philippines aims to promote the well-being of children by increasing household income through value chain development. Project interventions center on market-based solutions that contribute to the economic strengthening of poorer households. The total project budget is \$2.8 million and the duration is three and one-half years (July 2008 - December 2011).

The value chain approach used by the project is an indirect, market-based approach that is intended to stimulate new or improved economic opportunities for the poor. As it is being implemented by AFE in STRIVE Philippines, it involves interventions with lead firms, with the aim of creating opportunities from which some vulnerable households, among a larger group of participants, will be able to benefit. Essentially, the project helps lead firms to identify ways to overcome constraints in their operations that create new employment opportunities for low-income families. The firms and other workers above the poverty line benefit from these opportunities as well.

Essentially, the project identifies a value chain (e.g., seaweed farming, woven products) where opportunities exist to help firms create new employment opportunities through change or improvements in their operational methods (e.g., nurseries to increase farmers' access to good quality seedlings or training new weavers). These changes come with some risk and potential expense to the firm. The project helps firms buy-down these risks with cost-share agreements (e.g., for establishing a seaweed nursery or conducting training), with the project covering part of the cost (typically 70 percent). This cost-share is provided with the assumption that if the innovation proves to be profitable for the firm, it will likely continue and potentially expand the approach with its own resources and, thereby achieve a sustained benefit to those workers doing business with the firm. Not all business innovations lead to new employment opportunities or increased income for workers, so the project considers proposals from lead firms, and agrees to support only those that offer potential results that will be consistent with the project's aims.

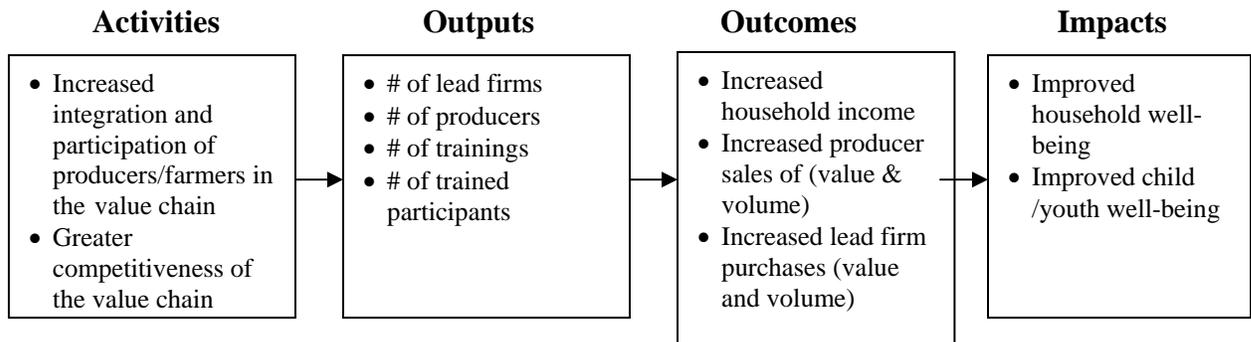
STRIVE Philippines initially focused on coastal areas, where seaweed farming is a significant source of household income and many families are extremely poor. In its proposal to DCOF, AFE made a strong case for the opportunities to increase the incomes of impoverished seaweed farmers in coastal communities. Work began in this sector, but when falling seaweed prices and other factors led to substantially reduced opportunities, the project considered other value chains (e.g., abalone, crabs). It eventually decided that the woven products industry offered promising opportunities for increasing household income among poor families, although not in the coastal communities originally targeted. Scaled-down activities still continue in the seaweed sector. Project interventions include, but are not limited to:

- Encouraging suppliers and processing firms to invest in new production areas and techniques.
- Expanding and strengthening market linkages.
- Improving information flow among actors and between levels of the value chain.

- Supporting research and pilot activities to identify innovative, sustainable solutions to current obstacles to high-quality production.

STRIVE Philippines initiated a Program Advisory Committee (PAC) comprised of leading child-focused organizations, which has offered suggestions on how the project may be able to maximize benefits to poor families and their children. The members of the PAC have also benefitted by gaining a better understanding of how to design effective, market-based interventions.

The diagram below is the causal model underlying the project design and implementation of STRIVE Philippines:



### Seaweed Value Chain

STRIVE Philippines focused initially on the seaweed value chain: seaweed is processed to produce carageenan, which is used in the production of food, toothpaste, personal care products, and capsules for medication. STRIVE Philippines’ primary intervention has been to support the development of nurseries from which farmers can access seaweed seedlings and, thereby, increase their production. A total of 46 seaweed farmers have benefitted from project interventions.

STRIVE Philippines continues to work in the seaweed value chain, but with less emphasis than at the beginning of the project. This shift was due to the dramatic reduction in the global price of seaweed<sup>2</sup>, the withdrawal from the sector of one of the lead firms with which the project had engaged, the effects on production of “El Niño” weather patterns, and other factors that indicated limited potential for increasing economic opportunities for poor families. The project has engaged with the lead firms described below.

<sup>2</sup> For example, the price decreased from US\$2.10/kg in August 2008 to less than US\$1.15/kg in December, a decrease of over 48 percent.

## **Seaweed Lead Firms**

***NAMSU Marketing*** – Based in Zamboanga City, Mindanao, the company is a large trader directly supplying major processors in Cebu and Manila. Through a cost-share agreement with AFE, it established a seaweed seedling nursery near Tictapul, Zamboanga City. It buys from approximately 100 families in the Tictapul area and in nearby islets. A total of 26 farmers have accessed 10.9 metric tons of seaweed seedlings with a total value of 59,067 pesos (approximately \$1,312). This enabled participating farmers to increase their production an average of more than 200 percent (from 2.8 to 9.6 lines of seaweed). Seven farmers of the first batch of nine that received seedlings on credit were able to repay the nursery after the first harvest. STRIVE Philippines has a Zamboanga-based field coordinator responsible for coordination and monitoring related to NAMSU.

***Tracks Seaweed Trading*** – Based on Jao Island, Bohol Province, this company established a nursery for seaweed seedlings through a cost-share agreement with AFE. The initial nursery planting sustained significant hurricane damage, as well as losses due to plant disease. The nursery was re-planted and has sold or distributed a total of 1664 Kg of seedlings (819 spinossum and 845 cottonni) to 13 farmers.

STRIVE Philippines facilitated a lateral learning exchange for Tracks staff to share and observe NAMSU's seedling production and distribution scheme in Zamboanga. NAMSU presented its production, harvest, and post-harvest techniques. Tracks and NAMSU have had similar growth and plant disease challenges. Tracks expressed interest in NAMSU's use of less expensive planting materials and techniques, which give it lower production costs.

***SiteExport*** – This firm, based in Sitangkai, Tawi-Tawi Province, signed a memorandum of understanding (MOU) with AFE and a cost-share agreement for a pilot commercial nursery. It subsequently withdrew from work in the seaweed value chain and is no longer involved with the project.

***Pacific Aqua Trading*** – This firm, based in Cebu, signed an MOU with AFE during the first quarter of FY 2009. Before initiating activities with the project, the firm shifted its focus away from farmer-level investment due to the steep declines in seaweed prices. It is not currently involved with the project.

## **Woven Products Value Chain**

In the third quarter of FY 2009, STRIVE Philippines began to explore possibilities in the woven products value chain. In June 2009, AFE signed a memorandum of understanding with All Homes Designs, the first lead firm with which it has worked in this sector. While weaving is a principle economic activity for some households, it is generally not the sole source of income for the household engaged, and it tends to be carried out in the weavers'

own homes. The project has implemented interventions with lead firms regarding their management procedures. It has also built the capacity of lead firms to provide improved and expanded training and skills upgrading of weavers, and supported increased capacities and efficiencies in the procurement and preparation of raw materials. Shortly after the DCOF's team's visit, AFE provided statistics indicating that 1,335 individuals have been trained in weaving or in harvesting and preparing raw materials for weaving. It has also estimated that about half of these individuals have, in turn, trained a neighbor in those skills (See Appendix C).

The three types of weaving with which the project has been involved include:

- Hapao weaving, which involves the spiraling out of rattan core pieces connected together by strips of *buri* midribs (middle part of the leaves) or *nito* vines,
- Wire frame weaving with a range of natural fibers, and
- Loom weaving of raffia fiber (also made from *buri*).

Lead firms do the final stages of quality control and processing woven products. With baskets, this includes trimming and burning off excess fibers, staining, and packaging. Raffia material is typically fashioned into place mats or women's handbags.

### **Woven Products Lead Firms**

*All Homes Designs Inc.* (AH): This is one of the largest exporters of woven products from the Philippines, it primarily deals with functional baskets. Their major market is U.S buyers, including Crate & Barrel, TJ Maxx, and Marshal's. STRIVE Philippines has supported AH to develop and design a training curriculum and strategy for new weavers in selected target areas, including development of training curricula/materials and a training of trainers. A week-long practice period follows the training to provide participants with hands-on monitoring and advice while they weave baskets for an initial AH purchase order. Purchase orders are channeled to groups of weavers through sub-contractors. The owners indicated that most of the weavers and those processing raw materials are adult women and out-of-school youth. AH has conducted trainings for more than 346 new weavers (central and northern Cebu) and braiders of raw material (Negros Occidental province).

The company's owners indicated to the DCOF assessment team that STRIVE Philippines had assisted them in thinking through the firm's operating constraints and in developing an operational plan. The project has also facilitated the development, planning, and implementation of a quality assurance seminar to inform and sensitize sub-contractors and weaver-leaders to the importance of quality from the perspective of the end market. The owners told the team that their rejection rate fell from 18 percent to 10 percent following the quality assurance training. This represented a significant economic gain, and therefore incentive to continue the supply of this quality assurance training for weaving groups and for the company. There was also an increase in the number of baskets purchased from weaver producer groups. Their monthly production level has increased from 45,000 to 60,000 pieces.

**33 Point 3 Exports Inc.:** Located in Mandaue City, Cebu, 33 Point 3 is one of the oldest and largest exporters of woven products (primarily functional baskets) from the Philippines. The U.S. is their major market, and buyers include Target, Pier 1, and Crate & Barrel. AFE signed a memorandum of understanding with 33 Point 3 to help the firm expand production, develop new production areas, and improve the efficiency and commitment of the weavers and leaders who supply the firm. 33 Point 3's main product line is a type of weaving called "hapao," which is woven without frames. STRIVE Philippines has supported the expansion of hapao production capacity by training new weavers (including development of training curricula and training of trainers) in targeted expansion areas. The project has collaborated with 33 Point 3 in a "production audit" to compile information on the leaders, sub-contractors, and weavers that the firm works with. This enabled 33 Point 3 to develop an internal monitoring system and improve its production planning. It also allows the STRIVE Philippines project to obtain more detailed data for monitoring and evaluation (M&E). Based on the findings, the firm organized quality assurance seminars in Bohol and Cebu for its internal quality control staff, suppliers, and leaders. 33 Point 3 has conducted trainings for more than 393 new weavers (Bohol Province) and braiders of raw material (Agusan del Norte Province).

**Bohol Beads & Fiber (BB&F)**—Based in Inabanga, Bohol, BB&F was started by the former mayor of the Municipality to add value to the rolls of traditional raffia mats and material produced by local loom weavers. BB&F designs and produces a line of tableware and fashion bags products for higher-end domestic markets in the Philippines, as well as for the tourist market in Bohol. It was previously a major supplier of hapao-style baskets to 33 Point 3.

With the support of the STRIVE Philippines project, BB&F began curriculum development for new weaver training in February 2010 with the active participation of their eight suppliers and relevant BB&F staff. Upon completion of the draft curriculum and materials, a training of trainers was conducted for the proposed training teams of suppliers and BB&F staff. BB&F has trained 151 new weavers and raw material collectors and processors from barangays within Inabanga Municipality.

### **Timeline Showing Context for Expansion into Different Value Chains**

The following provides a timeline as context for the expansion of the project from seaweed into other value chains:

- Aug 2008: STRIVE Philippines start-up
- Nov 2008: Signed MOU with Sitexport (Sitangkai, Tawi-Tawi)
  - Focus on seaweed seedling nursery
  - Planning & start-up of nursery, established pilot area for planting
  - Seaweed prices at all-time high in mid-late 2008
- Mar 2009: Signed MOU with Tracks Trading (Jao Island, Bohol)

- Apr-Jun 2009: Sitexport facing constraints to maintain buying
  - Seaweed prices drop; very volatile pricing
  - Incentives and interest in maintenance of nursery waned
- Apr-Jun 2009: Explored opportunities for complimentary sources of income for seaweed farmers/coastal communities, but did not find acceptable opportunities
  - Abalone cultivation (feed and ‘seed’ availability constraints; 9 mo. gestation)
  - Crab collection (unsustainable collection practices)
- Mar-May 2009: Explored opportunities in woven products
- Jun 2009: signed MOU with first woven products lead firm (AH Designs)

### **The Project’s Evaluation Research**

The IRIS Center at the University of Maryland is the technical leader for evaluation research within the overall STRIVE project. IRIS is responsible for designing and implementing a study to address if and how project interventions with lead firms affect producers and their families, in particular their children.

Learning questions being addressed include the following:

- What is the impact of the project on participating households?
- What is the impact of the project on children within these households?
- How do project activities produce outcomes at the household and child levels?
- How replicable are the activities and corresponding outcomes at the household and child levels to other value-chain economic strengthening projects?

IRIS is using a mixed methods approach using both qualitative methods (to explore how and why) and quantitative methods to understand outcomes. The possibility of using comparison or control groups to examine the counterfactual was explored at several stages during the development of the evaluation plan, but the dynamic and continuously evolving nature of the value chain interventions being used in the project has precluded their use. No approach could be identified that was acceptable to all the stakeholders in the seaweed value chain, no methods could be found to randomize who among those to be trained as weavers would receive the training, and, the numbers of new weavers per location have been too limited to create control groups.

Since it was not possible to arrange control groups, a “deep dive” case study approach was selected as an alternative. Three communities were selected, one coastal community where seaweed production is being facilitated and two communities where new weavers have been trained. IRIS believes that detailed qualitative (focus group discussions, participatory rapid appraisals, and key informant interviews) and quantitative methods

over time will yield an understanding of how much change takes place within producer households, as well as producing evidence about how and why change took place. This information will be analyzed along with monitoring data collected by project personnel.

The following three communities have been selected as the representative sites for these in-depth evaluation studies:

- As representative of seaweed growing communities: Kabug 1, Kabug 2, and Duhul Alip in Barangay Tunitus of the Vitali District of Zamboanga City (accessing seedlings from NAMSU)
- As representative of communities producing woven products: Barangay Lamac in southwest Cebu (producing baskets for 33 Point 3)
- Barangays Kanluhangon and Cantobaon in the municipality of Tabuelan (producing baskets for All Homes)

Household financial income is being measured in two ways: with baseline and endline questionnaires, and with financial diaries that seaweed farmers and weavers complete themselves, and which will be collected periodically during the life of the project. The schedule for qualitative and quantitative data collection is included in Appendix D. Highlights of the findings of the baseline quantitative survey are included in Appendix E.

Initially data collection was done by a local organization, Tambuyog, through a contract with AFE under the technical guidance of IRIS. The capacity of this organization to do the necessary data collection was eventually determined to be inadequate. So, AFE established a new agreement with the Development Consulting Group to do data collection during the rest of the project. IRIS has trained the personnel who have done data collection, and the raw data that they gather is sent to IRIS, which does the processing and analysis. Detailed information on the evaluation methods being used, including household questionnaires, are provided in the report, “STRIVE Philippines: Initial Evaluation Research” (Diana Rutherford, October 2010).

## **OBSERVATIONS OF THE ASSESSMENT TEAM**

### **Limited Scale of Employment Opportunities Created Versus Costs**

The program description for STRIVE Philippines reads:

*The anticipated outreach of the STRIVE program participants will be up to 15,000 seaweed farmers, 12-15 suppliers, and 4 major carrageenan processors. Assuming that each seaweed farmer has at least two children/youth, the program could impact approximately 30,000 of the most vulnerable.*

The impact component of the program description set a target of “increased income for 10,000 participating seaweed beneficiaries.”

The number of direct participants earning income as a result of the project and the amounts that they are earning are not clear. Shortly after the team’s visit to the Philippines, AFE sent DCOF a set of tables (See Appendix C) indicating that 46 seaweed farmers (43 men, 3 women) had received seedlings through the nurseries that the project has helped to fund, and that 1,335 individuals (504 men, 831 women) had been trained either as weavers or raw material producers. AFE further estimated that half again as many additional persons had, in turn, been trained by them. Those estimates calculated by AFE have not been included in Appendix C because they are speculative.

The key issue is not how many people have been trained formally or informally, but how many are earning income as a result of project activities with lead firms, and how many family members may be benefitting from this income. The project should obtain from the lead firms and report over time the actual number of individuals who are earning income as a result of project interventions. This would include weavers and raw material producers who are selling to lead firms, as well as seaweed farmers who have obtained seedlings from one of the nurseries the project has help subsidize. Using that information, the project could calculate and report the average amounts being paid by lead firms to the individuals concerned.

In turn, to calculate the number of beneficiaries, the number of weavers, raw material producers, and seaweed farmers currently earning income can be multiplied by the average household size in the respective communities. IRIS has produced statistics on average household size and composition for beneficiary households in each of the case study communities, and household statistics should be available at least at barangay level for other communities with direct beneficiaries. These numbers can be used to estimate total beneficiary figures.

In addition, one of STRIVE’s primary hypotheses is that child vulnerability is strongly correlated with the poverty or wealth status of the household caring for these children. By improving the economic circumstances of target households, DCOF hopes to observe measurable improvements in child well-being over time. Consequently, it is important for AFE and IRIS to calculate the approximate percentage of such beneficiaries who are

living in poverty. Based on advice from USAID/Washington's Bureau for Economic Growth, Agriculture, and Trade (EGAT), the national poverty level of the Philippines appears to be a reasonable benchmark to use for this calculation. The official national poverty line<sup>3</sup> is 10,000 pesos per capita per month, which is P65.76 or roughly \$1.50 per day. About 25 percent of Filipinos are estimated to fall below this poverty threshold.

In an exchange shortly after the visit, by contrast, IRIS and STRIVE proposed a poverty threshold of \$2.50 per capita per day to estimate the proportion of its beneficiaries that may care for vulnerable children. According to World Bank modeling, roughly 50 percent of Filipinos fall below this particular threshold. DCOF finds this benchmark to be exceedingly expansive and to have little basis in the local understanding or measures of poverty.

As poverty is a complex and socially defined concept, USAID considers national poverty lines (where available and credible) to be the preferred and most locally relevant benchmark. STRIVE Philippines should begin using the official poverty threshold for project operations, monitoring, and reporting. In consultation with IRIS, STRIVE Philippines should explore whether it is most sensible to utilize the median national poverty line or to use official thresholds developed for specific regions or rural populations.

While the current project approach seems likely to increase the number of poor households who participate, it was not clear to the assessment team that with these approaches the project would be on track to reach a substantially larger number of participants. At this point it appears that, on the current trajectory, the eventual number of beneficiaries may be relatively low, the significance of the economic benefits those families may realize might be modest, and the cost per beneficiary relatively high.

Project pipeline figures as of September 2010 indicate that \$978,566 had been expended and \$1,808,204 was unspent. If the project can identify promising approaches for benefitting a substantial number of additional participants, there are enough resources to do so. However, with only about 14 months until the end of the project, time is quite limited. An issue to consider soon is whether a no-cost extension would be appropriate for STRIVE Philippines. Alternatively, funds unlikely to be expended could be made available to another STRIVE project.

The value chain approach employed by AFE follows a phased intervention strategy that aims to test the waters for particular interventions; scale up promising interventions through leverage points (in this case, lead firms); and withdraw project support. This “demonstrate – scale up – exit” approach is meant to ensure appropriate interventions are promoted, cost-effective scale is achieved, and post-project sustainability succeeds. This approach also tends to result in a limited scale of results during the “demonstration” phase of introducing and testing new interventions, which then increase exponentially during the “scale up” phase.

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<sup>3</sup> Based on 2008 survey data from the Philippines National Statistical Coordination Board.

AFE's limited results at this stage (roughly the mid-point of the project period) are a cause for concern. The team did not hear enough about AFE's scale-up or replication strategy to understand how AFE expects results to ramp up over the next year, and what scale of results they now consider to be achievable. While lead firms are a natural leverage point in any market system, others do exist and in some contexts may provide better opportunities to disseminate, scale up, or replicate important interventions. These other leverage points stem from socio-cultural factors (such as status, norms, and behaviors) rather than the structure of the value chain. It is not clear whether AFE has considered if these other leverage points have greater potential than lead firms or if they are complementary.

### **Profile of Participating Households**

While many of the weavers who have been trained are poor, a substantial proportion is not. Among those in the Lamac sample, 51.0 percent were below the national poverty line and in Tabuelan the proportion was 67.6 percent. The two households visited by the assessment team in Lamac appeared to be relatively well off, with the houses having metal roofs and glass windows, and possessions including television sets and other electronic items. In a follow-up discussion, AFE informed the team that these households were not representative of typical woven products producers. They had been selected by the sub-contractor working with weavers in the village to give a positive impression of the village.

With a more traditional economic strengthening approach, a USAID-funded project could specify the profile of training participants, potentially including only the poorest. While the downside of a value chain approach is less "efficiency" in targeting, the potential advantage is it may lead to more sustainable results. If the total number of participants is large enough, a substantial number of low-income participants can still benefit. If the number of participants remains relatively small, though, the cost per "vulnerable" beneficiary will be quite high.

### **Questionable Impact on Household Income**

The DCOF team together with members of the STRIVE Philippines team visited Lamac Barangay (population approximately 5,600) in the Pinamungahan Municipality on October 13. The firm 33 Point 3 has trained around 60 weavers in the community in two rounds of training on the hapao weaving method. Thirty of the weavers were selling baskets to 33 Point 3 at the time of the team's visit. No frame is used in hapao, and the method is rather labor-intensive. One of the new weavers interviewed said that she spends about six hours per day weaving. The sub-contractor for 33 Point 3 in the community said that currently, weavers in Lamac are producing four or five small baskets per week, from which they earn about 35 pesos (about \$0.81) per day. As their skills improve, their income should increase. The new weavers with whom the team spoke said

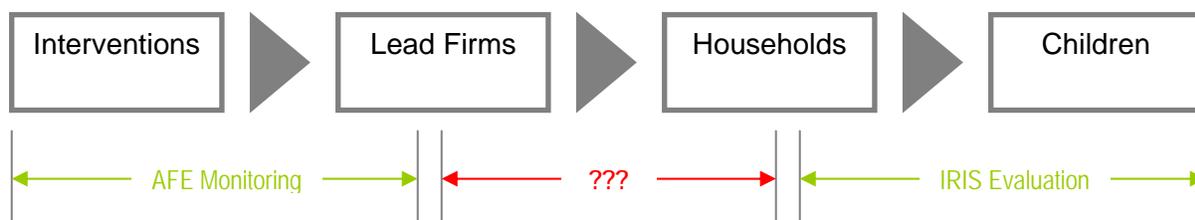
they anticipated that they might eventually be able to produce six or seven baskets per week, which would theoretically equal 210-245 pesos (\$4.88-5.70) per week.

Such small amounts may turn out to be quite meaningful for very poor households. As supplementary income, this could be significant, as it is roughly equivalent to a family's cost for rice. Weaving families may have multiple income streams (including remittances), and small yet regular income increases could allow them to allocate their resources in different ways or spend their money on different things. The team's biggest concern is that the project staff could not articulate any operating hypothesis or expectation for how this small increase in income makes a difference for participating households.

The situation appeared better among weavers producing baskets woven on metal frames for All Homes. The team's discussion with weavers in Cabungahan Barangay, Danao, suggested that they were earning at a higher level than the weavers for 33 Point 3. One weaver said that she earned about 100 pesos (\$2.33) per day and that her son was also weaving. She said that basket weaving has helped to put her children through school. Consistent with what All Homes told the team, she said that children started helping with weaving from age 12.

### Need for Monitoring Effects on Households and Children

The current project design calls for AFE to monitor only the economic aspects of the project. The evaluation process being implemented by IRIS has gathered extensive baseline data, both quantitative and qualitative, on children and households. However, the only way in which the project seems to be assessing prospects for producer income is from information provided by the lead firms. Also, there is no mechanism through which AFE is currently monitoring the potential negative effects on children of supported economic activities, though qualitative data gathered periodically by IRIS could help flag problems. Essentially, AFE's approach has been to treat households as a "black box" with the idea that IRIS will eventually measure changes at that level related to participation in seaweed or woven products value chain. AFE's focus has been solely on monitoring economic activities at the levels of lead firms, and through them, households.



When the assessment team visited the seaweed nursery of Tracks on Jao Island, Bohol, it observed a group of children helping a female seaweed farmer split seaweed and tie the

seedlings to her lines. At least two of the children appeared to be of school age, other children were younger. Also, the vice principle of the school on the island told the team that some children of school age do not attend because they are helping their families fish or grow seaweed. All Homes reported engaging out-of-school youth as young as 12 years of age as weavers. These examples suggest the need for STRIVE Philippines to include some provision for monitoring the involvement of children in work related to the project, either by its own personnel, or through a collaborative arrangement with a child-focused NGO.

Some level of children's involvement in work that helps support the household is acceptable, as long as it is safe and does not result in negative consequences, like interference with school. Within acceptable limits, some work by children may improve their well-being by helping to increase household income. But, it is critically important that the project ensure that its activities do not contribute to harmful child labor.

The PAC has not been convened since the early in the program's development; however, the program description for STRIVE Philippines indicates that "through the PAC's participation in semi-annual reviews of impact monitoring data, they will help to monitor and interpret the impact monitoring data...." Given the questions that the assessment team has raised about possible negative effects on children, it may be appropriate to involve the PAC in developing an approach to periodic household-level monitoring. It might be that the PAC of members could play a direct role in monitoring, perhaps with some support from STRIVE Philippines.

### **Decision-Making Processes**

Since the beginning of the project there has been a shift of priorities away from

- seaweed production,
- the extremely poor and vulnerable seaweed growing communities originally targeted, and
- Mindanao.

While the project has presented a good economic rationale for its shift from the seaweed value chain to woven products, the assessment team is concerned about the communication related to this change.

STRIVE Philippines began with a focus on the seaweed sector, which appealed to DCOF since these are some of the poorest communities in the Philippines. The program description gave attention to Mindanao, an area of particular concern to USAID. It indicated that the project would explore opportunities in the seaweed value chain in other parts of the country, as well. The extreme poverty of seaweed farming communities was of particular interest to DCOF, since its focus is vulnerable children. However, changing economic circumstances began to challenge the viability of the approach described in the proposal and program description. As early as the October – December 2008 quarterly report, STRIVE indicated that price volatility in the seaweed value chain (a 48 percent

drop in the price paid for seaweed) had reduced the interest of lead firms in investing in production development. The January – March 2009 quarterly reports noted that the project was exploring the woven products value chain. Subsequent quarterly reports have reflected a gradual shift in the project’s emphasis away from seaweed and toward woven products.

In December 2009, the Academy for Educational Development (AED) sent a note to DCOF addressing the project’s geographic focus, indicating that the areas targeted were selected based on the vulnerability of the potential participants and the opportunities that they may have for economic growth and integration into value chains. The note indicated that the project was continuing to work in Mindanao, but recognizing the volatility of seaweed prices, indicated that it was exploring opportunities in the woven products value chain. The note was sent for information, and did not ask the Agreement Officer’s Technical Representative (AOTR) to approve the shifts in geographic and value chain emphasis for the project. Because quarterly reports on the project had only rarely provided statistical information on participants by value chain and never by geographic area, the degree to which the project had shifted away from seaweed and Mindanao was not fully evident to DCOF. It was only after the visit that the project provided the information in Appendix C, which shows, in terms of participants, the degree of the shift toward the woven products value chain, primarily in the Visayas.

### **Exploring New Partnerships and Industry Constraints**

Although the time remaining for the project is limited, it may be appropriate for AFE to explore additional partnerships, with the aim of increasing project impact by benefiting more contract workers and their families, especially disadvantaged children. Industry associations that might be helpful in this regard include the Seaweed Industry Association of the Philippines ([http://www.dticebu.net.ph/03\\_a\\_04.html](http://www.dticebu.net.ph/03_a_04.html)) and the Philippine Housewares Industry Association. They may be able to facilitate linkages with additional lead firms. These associations may also be able to help identify industry constraints to address, and to contribute ideas regarding possible additional STRIVE enterprise development interventions that could produce results. Some constraints identified by the Philippine Housewares Industry Association can be found at [http://www.pearl2.org/portal/index.php?option=com\\_content&task=view&id=327&Itemid=92](http://www.pearl2.org/portal/index.php?option=com_content&task=view&id=327&Itemid=92).

### **Quarterly Reports**

The bullet point format of quarterly reports does not convey a clear perspective on the development of the project. Relevant information has been included, but in the absence of a narrative, it is fragmentary, making it difficult for DCOF to interpret the significance of the activities described in relation to the project’s aims. A clearer narrative explaining project progress in relation to its strategic framework would be helpful.

It would also be helpful for STRIVE Philippines to provide in its quarterly reports quantitative information on the number of individuals who have participated in project-supported activities (such as training); the number who are earning income; the amount of income; and the average amount per capita for each of the categories of participants.

## **Branding**

The issue of branding arose during the team's discussion with the mission. USAID's agreement officer for the overall FIELD-Support Leader with Associates award has granted a presumptive global exception:

***Presumptive Exception:** USAID marking requirements may not apply if they would compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials, such as election monitoring or ballots, and voter information literature; political party support or public policy advocacy or reform; independent media, such as television and radio broadcasts, newspaper articles and editorials; and public service announcements or public opinion polls and surveys (22 CFR 226.91(h)(1)).*

Although DCOF fully appreciates the importance of complying with USAID branding requirements, we believe that the branding exception for the Philippines is appropriate and warranted. One of the primary aims of the project is to increase the quality of value chains by improving the commercial relationships between the lead firms and their suppliers. In order to facilitate this relationship, it is essential that nothing compromise the perceived independence of the lead firms. Placing USAID logos within the lead firms could give the impression that the lead firm is subsidized or otherwise influenced by USAID. This perception could have a deleterious impact within the value chain itself, e.g., impair the ability of the lead firm to negotiate competitive prices for purchased or sold goods; act as a disincentive toward repayment of loans received by the suppliers, etc. Anything that negatively alters the perceptions and relationships between lead firms and suppliers decreases the effectiveness of the value chain and is counterproductive to achieving the economic outcomes sought by the project and the benefits to vulnerable children.

## **Other Matters**

During the team's debriefing at USAID Philippines, it was agreed that the mission should be more regularly informed about project activities and that Teresita Espenilla would be the point of contact. Also, the Chief of Party for STRIVE Philippines expressed interest in having greater opportunities for exchange and cross-learning with other STRIVE projects.

## RECOMMENDATIONS

1. AFE should consider the potential offered by leverage points other than lead firms. SDC Asia, an organization based in the Philippines, has been particularly effective in this area, and we recommend that AFE spend more time consulting them and learning from their experience.
2. AFE should contact the Seaweed Industry Association of the Philippines and the Philippine Housewares Industry Association to explore constraints affecting companies that might be addressed through the project, as well as to identify additional firms with which partnerships might be appropriate.
3. Quarterly reports should include a narrative overview of project activities and progress and statistical tables to facilitate monitoring project development. This could be supplemented with the kinds of bulleted information that has been provided.
4. The project should calculate and report quarterly on the actual number of individuals with income resulting from project interventions, their respective amount of income, and the geographic areas where they live. The project should also track and report total household beneficiaries and the percentage of beneficiaries who are below the national poverty line.
5. When considering possible engagement with a lead firm for a particular new intervention, project personnel should assess, and as far as possible quantify, potential effects at the household level of involvement with a proposed initiative. This might include limited rapid household sampling in new areas proposed by lead firms to ensure that there is good potential for a substantial number of vulnerable children to benefit.
6. The project should establish a mechanism consistent with the value chain approach of anticipating, and then monitoring the effects of supported activities on households and children. But where this would conflict with the project's fundamental economic role, an alternative mechanism should be arranged, such as through an NGO. Assessment and monitoring should include some direct information gathering at the household level, as well as consultation with key informants at the community level, e.g., community leaders, school principals. STRIVE Philippines should confer with the PAC or at least some of its members, to identify a workable approach to monitoring project effects on participating households, in particular on their children, with a view toward mitigating possible negative impacts of the project (e.g., school absences or potentially hazardous work).
7. Based on monitoring information, AFE should report on how it has adjusted program interventions to maximize positive effects and minimize negative ones.
8. The chief of party for the project should attend COP meetings at the mission, share quarterly reports with Teresita Espenilla, and keep her informed of major developments with the project.

9. STRIVE should explore increasing opportunities for exchange and cross-learning among the field projects it manages.

## APPENDIX A: SCOPE OF WORK

### October 2010 Assessment of the STRIVE Project in the Philippines

Country & Project Name	Implementing Organization	Concept	Funding Level & Timeline	Status & Approvals Summary
STRIVE Philippines	Action for Enterprise (AFE)	<b>Value chain development as a means of poverty alleviation:</b> Low income communities; Measuring effects on healthcare, education spending and aspiration, child time use.	\$2,800,000 (approx. design and implement)  3 ½ years: (Jul 08 – Dec 11)	<b>Implementation Phase -</b> Concept approved Mar 08 Field design during Apr 08 Full proposal approved July 08 Officially started Aug 08

### Background

STRIVE Philippines aims to promote the well-being of children by increasing household income through value chain development. The STRIVE Philippines Project interventions center on market-based solutions in targeted value chains that contribute to the economic strengthening of households in poor areas of the Philippines. These interventions include, but are not limited to:

- Encouraging lead firms to invest in the upgrading of their supply chain of MSME producers (provision of training, inputs, quality management, new product designs, etc).
- Expanding and strengthening market linkages.
- Improving information flow among actors and between levels of the value chain.
- Supporting research and pilot activities to identify innovative, sustainable solutions to current obstacles to high-quality production.

By facilitating these activities with existing actors in targeted value chains, the project aims to achieve sustainable improvements in production, leading to increases in household income. STRIVE Philippines conferred with a Program Advisory Committee (PAC) comprised of leading child-focused organizations in the Philippines to solicit input for the evaluation of the program's causal model of increased household incomes and its contribution to reduced vulnerability among children and youth in targeted communities.

While the project's initial focus was on the seaweed value chain, greater focus is now on the woven products value chain, where STRIVE Philippines has been engaged with three lead firms: All Homes Designs Inc. (AH), 33 Point 3 Exports Inc. (33.3), and Bohol Beads & Fiber (BB&F). Activities have included supporting these firms to build the capacity and develop the skills of new and existing weavers in Cebu and Bohol to meet market demands and increasing the supply of raw materials from Central and Western Visayas and northeastern Mindanao.

In the seaweed value chain STRIVE Philippines has engaged with the lead firms to develop seaweed nurseries. These include NAMSU Marketing (which established a nursery near Zamboanga Sibugay) and Tracks Seaweed Trading in northern Bohol Province.

## **Process and Timing**

Prior to departure from the United States, the DCOF team will review pertinent reports, including project progress reports, and any other documents or materials considered relevant to the assessment. Team members based in the Washington area will meet with Margie Brand of Academy for Educational Development (director of the STRIVE Program), Frank Lusby of Action for Enterprise, and Diana Rutherford of IRIS for a briefing and discussion on the STRIVE Philippines project and M&E activities, and plans.

Activities in the Philippines will be carried out October 10 -16, with the possibility of the addition of a few days if visiting project sites in Mindanao proves possible.

In Cebu, the team will meet with the local M&E firm, Development Consulting Group (DCG), with which AFE contracted for the collection of baseline household data to discuss with DCG its observations concerning the process of collection of baseline data and the implications for end of project data gathering and analysis (which will be coordinated with IRIS).

## **Overall Objective**

The assessment will enable the DCOF team and STRIVE Philippines personnel to jointly review and critique the value chain activities of STRIVE Philippines and related M&E activities and plans. This will include an exploration of the project's approaches, interventions, and methods.

## **Specific Objectives**

### ***Overall***

Meet with IRIS to discuss its observations concerning the process of collection of baseline data, any provisional findings from surveys/analysis, and the implications for end of project data gathering and analysis. (IRIS is coordinating the evaluation activities outside of AFE's monitoring activities, designing the evaluation approach, and is conducting all the analyses activities, with the local M&E firm, DCG, only carrying out the data collection activities.)

Conduct an in-briefing with STRIVE Philippines staff to review their causal model and approaches employed.

Debrief with STRIVE Philippines and USAID/Philippines on observations and information gathered from the visits to project sites.

### ***Woven Products***

Meet with woven products lead firms (AH, 33.3 and BB&F) to gain their perspectives on the market/competition for woven products, their experience to date with STRIVE, and their views on their relationships with suppliers. Specific activities/issues to review include:

- Capacity building related to training of new and existing producers,

- Training of trainers,
- Development of training curricula and materials, and
- Improving access to raw materials.
- Quality management and team building in their supply chains

Meet with a group of producers (beneficiary suppliers) associated with each of the lead firms to obtain their perspectives on their economic circumstances, their view of the market for woven products, their relationships with sales agents and lead firms, and issues affecting their children.

***Seaweed***

Meet with Tracks Seaweed Trading (due to logistical and safety concerns, travel to NAMSU Marketing and Zamboanga City will not be possible during this trip) and visit the area where seaweed seedlings are being produced and distributed to farmers to gather information on the approaches and methods being used and anticipated outcomes.

Meet with a group of seaweed farmers (in northern Bohol) who have obtained seedlings from Tracks to obtain their perspectives on their economic circumstances, their view of the market for seaweed, their relationships with Tracks Seaweed Trading, and issues affecting their children.

The following are key monitoring indicators which provide key points of reference for the DCOF team to discuss with STRIVE Philippines and the lead firms with which it has been working.

<b>1.0</b>	<b>Producer Sales</b>
<b>2.0</b>	<b>Number of Producers</b>
<b>3.0</b>	<b>Access to Inputs for Producers</b>
<b>4.0</b>	<b>Sustainability of Market Access for Producers</b>

**Report**

Within two weeks of the completion of the visit, the team will prepare a draft report on the visit with recommendations for discussion with the key actors in the design and implementation of STRIVE Philippines.

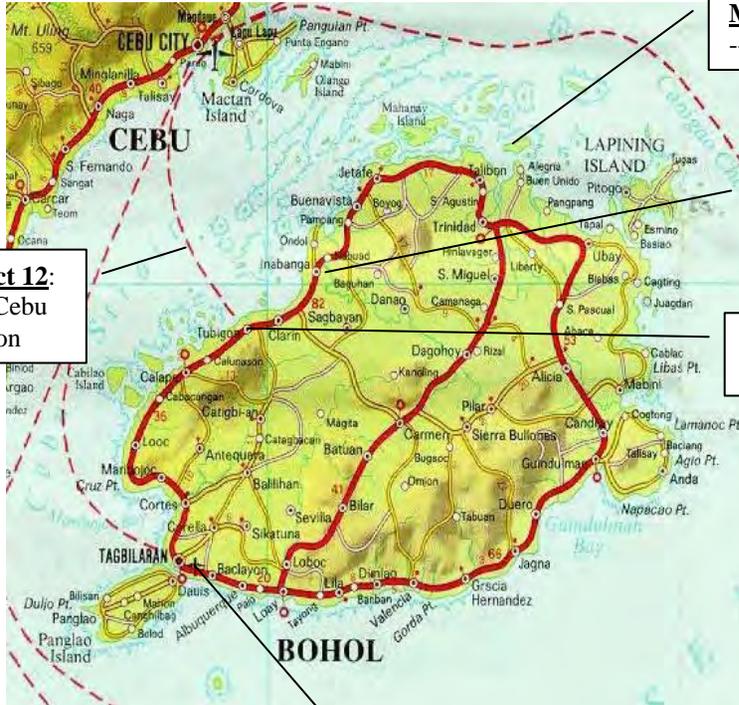
**Team Members**

The team will be led by Lloyd Feinberg, CTO of the STRIVE Program and Manager of USAID’s Displaced Children and Orphans Fund in the Office of Democracy and Governance, which has provided funding for STRIVE. It will also include Jason Wolfe Enterprise Development Advisor for Poverty Reduction/Microeconomic Development and John Williamson, Senior Technical Advisor, DCOF.

**APPENDIX B: Itinerary for Field Visit, STRIVE Philippines, October 10-15, 2010**

DATE		ACTIVITIES	LOGISTICS
(Oct 11) Monday	am	<ul style="list-style-type: none"> <li>- arrival in Tagbilaran, Bohol from Manila</li> <li>- travel to Talibon, Bohol</li> <li>- meeting with seaweed seedling lead firm (Tracks)</li> </ul>	<ul style="list-style-type: none"> <li>- possible flight from Manila Philippine Airlines PR#175 (arriving Tagbilaran @ 10am)</li> <li>- private hired van from Tagbilaran to Talibon, Bohol (two hour road trip)</li> </ul>
	pm	<ul style="list-style-type: none"> <li>- site visit of TRACKS seaweed seedling production and distribution platform on Jao Island, Bohol</li> <li>- site visit with seaweed farmers and communities on Jao Island, Bgy. Busilian</li> <li>- return travel from Talibon to Tubigon, Bohol</li> </ul>	<ul style="list-style-type: none"> <li>- travel to/from Jao Island from Talibon port via local boat (approx. 20 min. boat trip each way)</li> <li>- private hired van from Talibon to Tubigon, Bohol (one hour road trip)</li> <li>- overnight in Tubigon (Monina Inn)</li> </ul>
(Oct 12) Tuesday	am	<ul style="list-style-type: none"> <li>- orientation and overview of STRIVE Philippines activities</li> <li>- meeting with woven products lead firm in Inabanga, Bohol (Bohol Beads &amp; Fiber - BB&amp;F)</li> <li>- site visit to BB&amp;F loom weaving production and trade (Bgy. Ilaya, Inabanga)</li> </ul>	<ul style="list-style-type: none"> <li>- private hired van from Tubigon to Inabanga, Bohol (30 min. road trip)</li> <li>- private hired van for drive to/from Bgy. Ilaya, Bohol (approx. 30-45 min road trip each way)</li> </ul>
	pm	<ul style="list-style-type: none"> <li>- site visit with loom weavers and communities in Bgy. Ilaya, Inabanga</li> <li>- return travel to Cebu</li> </ul>	<ul style="list-style-type: none"> <li>- travel from Tubigon, Bohol to Cebu City via fast craft @ approx. 2 pm (one hour boat trip)</li> <li>- overnight in Marco Polo Plaza Hotel, Cebu</li> </ul>
(Oct 13) Wednesday	am	<ul style="list-style-type: none"> <li>- travel to 33 Point 3 new weaving site in western Cebu</li> <li>- site visit with <i>hapao</i> weavers and communities in Bgy. Lamac, Pinamungajan</li> <li>- return travel to Cebu City</li> </ul>	<ul style="list-style-type: none"> <li>- private hired van from Cebu city to 33 Point 3 weaving sites in Bgy. Lamac, Pinamungajan, Cebu (approx. two hour road trip each way)</li> </ul>
	pm	<ul style="list-style-type: none"> <li>- meeting with woven products lead firm in Cebu (33 Point 3 Exports)</li> </ul>	<ul style="list-style-type: none"> <li>- overnight in Marco Polo Plaza Hotel, Cebu</li> </ul>
(Oct 14) Thursday	am	<ul style="list-style-type: none"> <li>- meeting with woven products lead firm in Cebu (AH Designs Inc.)</li> <li>- de-briefing with USAID Philippines staff</li> </ul>	<ul style="list-style-type: none"> <li>- private hired van for travel from Cebu city to AH Designs sites in Cebu (approx. hour road trip each way)</li> </ul>
	pm	<ul style="list-style-type: none"> <li>- meeting with possible new lead firm in Cebu (Ecoconut Tours)</li> <li>- tour of possible new initiatives in Cebu (Olango Island)</li> </ul>	<ul style="list-style-type: none"> <li>- <u>Note</u>: return travel of USAID Philippines staff to Manila</li> <li>- private boat hire for travel to/from Olango Island</li> <li>- overnight in Marco Polo Plaza Hotel, Cebu</li> </ul>
(Oct 15) Friday	am	<ul style="list-style-type: none"> <li>- final de-briefing with DCOF &amp; MDO team</li> </ul>	<ul style="list-style-type: none"> <li>- STRIVE Philippines office, Cebu City</li> </ul>
	pm	<ul style="list-style-type: none"> <li>- final debriefing at USAID Phillippines</li> </ul>	<ul style="list-style-type: none"> <li>- return travel of DCOF &amp; MDO team to Manila</li> </ul>

## Locations of Field Visits



**Tue pm, Oct 12:**  
-- travel to Cebu from Tubigon

**Mon pm, Oct 11:**  
-- site visit to Jao Island (seaweed)

**Tue am-pm, Oct 12:**  
-- site visit Inabanga, Bohol (woven products)

**Mon pm, Oct 11:**  
-- O

**Mon am, Oct 11:**  
-- arrival from Manila



**Fri am, Oct 15:**  
-- possible site visit to Danao (weavers)

**Fri pm, Oct 15:**  
-- final de-briefing  
-- departure to Manila

**Wed pm Oct 13 & Thu am, Oct 14:**  
-- STRIVE Philippines overview  
-- misc. mtgs. with project partners

**Wed am, Oct 13:**  
-- site visit to Lamac, Pinamunajan (weavers)

**Thu pm, Oct 14:**  
-- site visit to Olango Island (new initiatives)

## APPENDIX C: Tables with Summary Data for STRIVE Philippines

The information in the following tables was provided by AFE. The original tables provided also included estimated numbers of additional persons trained informally by the beneficiaries who participated in formal training sessions organized by lead firms with the support of the project. These estimates have not been included. All figures are as of October 21, 2010.

### Project Participants

<b>Those Trained by Value Chain</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
<b>Seaweed</b> (receiving seedlings)	43	3	46
<b>Woven products</b>	504	831	1,335
<b>Total</b>	547	834	1,381

**AFE SUPPORT BY LEAD FIRM (LF) - SEAWEED/CARRAGEENAN VALUE CHAIN** (as of October 21, 2010)

Lead Firm	# of CSAs	# of Sites	Locations	# of seedlings recipients			# of farmers/stockers trained			Total Number of Beneficiaries		
				M	F	Total	M	F	Total	M	F	Total
<b>Seaweed</b>												
NAMSU	1	1	Kabog, Tunitus, Zamboanga City	26		<b>26</b>	-	-	-	26		<b>26</b>
TRACKS	2	1	Busalian, Talibon, Bohol	11	2	<b>13</b>	6	1	<b>7</b>	17	3	<b>20</b>
<b>Total</b>	<b>3</b>	<b>2</b>		<b>37</b>	<b>2</b>	<b>39</b>	<b>6</b>	<b>1</b>	<b>7</b>	<b>43</b>	<b>3</b>	<b>46</b>

# of CSAs = number of cost sharing agreements between AFE and lead firms

# of Sites = the number of areas where lead firm activities supported by AFE were conducted (e.g., seaweed nurseries)

# of farmers trained = participants during the lead firm training/activities

<b>AFE SUPPORT BY LEAD FIRM (LF) - WOVEN PRODUCTS VALUE CHAIN</b> as of October 21, 2010												
Lead Firm	# of CSAs	# of Sites	Locations	# of producers trained			# of producer / leaders trained			Total Trained to Date		
				M	F	Total	M	F	Total	M	F	Total
All Homes	7	8	Bgy. Cantabaco, Toledo City, Cebu Bgy. Kanluhangon, Tabuelan, City Bgy. Pansoy, Sogod, Cebu Poblacion, Borbon, Cebu Danao, Cebu San Carlos City, Negros Occidental Calatrava, Negros Occidental Bgy Sta Ana, Tubay, Agusan del Norte	117	229	<b>346</b>	37	25	<b>62</b>	154	254	<b>408</b>
BB&F	7	3	Bgys. Ilaya, Cawayan, & Poblacion, Inabanga, Bohol	14	137	<b>151</b>	2	8	<b>10</b>	16	145	<b>161</b>
33.3	7	5	Bgy. Lamac, Pinamungahan, Cebu Aloguinsan, Cebu Mandaue City, Cebu Lapu-Lapu City, Bohol Tagbilaran City, Bohol Carmen, Bohol Balilihan, Bohol Loon, Bohol Antequera, Bohol Bgys. Patin-ay & Talakugon, Prosperidad, Agusan del Norte	96	297	<b>393</b>	238	135	<b>373</b>	334	432	<b>766</b>
<b>Total</b>	<b>21</b>	<b>16</b>		<b>227</b>	<b>663</b>	<b>890</b>	<b>277</b>	<b>168</b>	<b>445</b>	<b>504</b>	<b>831</b>	<b>1,335</b>

# of producers trained = participants during the lead firm training/activities supported by AFE

**AFE SUPPORT BY LEAD FIRM-WOVEN SECTOR—All Homes**

as of October 21, 2010

# of CSAs	Description of Activities	Location	# of producers trained			# of producer/ leaders trained			TOTAL TRAINED TO DATE			Raw Material Producers Impacted	Producers trained by trained producers	Notes
			M	F	Total	M	F	Total	M	F	Total			
1	Quality Assurance Seminar	AH factory, Tabok, Mandaue City		-	-	19	14	33	19	14	33			
2	Training of Trainers for New Weavers	USC Retreat House, Talamban, Cebu City		-	-	15	8	23	15	8	23			
	Development of Production Capacity through training of new weavers	Brgy. Argawanon, San Remegio, Cebu	18	1	19	-	-	-	18	1	19	10	10	
		Brgy. Cabungahan, Danao city, Cebu	14	10	24			-	14	10	24	12	12	
		Brgy. Pansuy, Sogod, Cebu	5	24	29	-	-	-	5	24	29	15	15	
		Brgy. Kanluhangon, Tabuelan, Cebu	28	11	39	-	-	-	28	11	39	20	20	
		Brgy. Poblacion, Borbon, Cebu	18	37	55			-	18	37	55	28	28	

		Brgy. Cantabaco, Toledo City, Cebu	7	28	35			-	7	28	35	18	18
3	Expansion of Raw Material Supply (lampakanay) thru Site Visit	Tubay, Agusan del Norte	-	-	-	-	-	-	-	-	-		
4	Expansion of Raw Material Supply (lampakanay) thru training in Semi-Processing (twisting)	Brgy. Sta. Ana, Tubay, Agusan del Norte	24	73	97			-	24	73	97		
5	Upgrading of Weaving Production & Monitoring to Improve Efficiency of Purchases from Suppliers	USC Retreat House, Talamban, Cebu City	-	-	-			-	-	-	-		
6	Training of Trainers for Pandan Braiders	AFE conference room, Mandaue City		-	-	3	3	6	3	3	6		
	Pandan Braiding Seminar	San Carlos City, Negros Occidental	3	22	25	-	-	-	3	22	25		
		Calatrava, Negros Occidental		23	23	-	-	-	-	23	23		
	<b>Total</b>		<b>117</b>	<b>229</b>	<b>346</b>	<b>37</b>	<b>25</b>	<b>62</b>	<b>154</b>	<b>254</b>	<b>408</b>	<b>101</b>	<b>101</b>

**AFE SUPPORT BY LEAD FIRM-  
WOVEN SECTOR**

as of October 21, 2010

# of CSAs	Description of Activities	Location	# of producers trained			# of producer / leaders trained			TOTAL TRAINED TO DATE		
			M	F	Total	M	F	Total	M	F	Total
1	Management Training and Institutional Upgrading	Tagbilaran City, Bohol			-			-			-
2	Improving Productivity through Upgrading Training of Loom Weavers	Barangay Ilaya	3	36	39	2	8	10	5	44	49
	Expanding Production through of New Loom Weavers Training	Inabanga *	5	15	20			-	5	15	20
3	Expanding Market Access through Curriculum Development and Demonstrations for newly created designs	Inabanga *			-	1	5	6	1	5	6
4	Expanding Market Access through Skills Upgrading Training for newly created designs	Ilaya **	1	30	31			-	1	30	31
		Cawayan **	3	23	26			-	3	23	26
		Inabanga **	2	33	35			-	2	33	35
5	Expanding Market Access through BB&F Website Development	Inabanga						-	-	-	-
6	Expanding Market	Inabanga				1	5	6	1	5	6

	Access through Curriculum Development and Demonstrations for newly created designs							-	-	-	-
7	Expanding Market Access through Skills Upgrading Training for newly created designs	Ilaya						-	-	-	-
		Cawayan						-	-	-	-
		Inabanga						-	-	-	-
	<b>Total</b>		<b>14</b>	<b>137</b>	<b>151</b>	<b>2</b>	<b>8</b>	<b>22</b>	<b>18</b>	<b>155</b>	<b>173</b>

\* same participants as in CSA # 3 & 7 (same leaders are trained for the curriculum development)

\*\* same participants as in CSA # 7

**AFE SUPPORT BY LEAD FIRM-WOVEN  
SECTOR**

as of October 21, 2010

# of CSAs	Description of Activities	Location	# of producers trained			# of producer/ leaders trained			TOTAL NUMBER TRAINED TO DATE		
			M	F	Total	M	F	Total	M	F	Total
1	QA Seminar	Mandaue City, Cebu				61	9	70	61	9	70
		Tagbilaran City, Bohol			-	142	76	218	142	76	218
2	Development and expansion of production capacity through training of new weavers	Lamac 1 - Batch 1		30	30			-	-	30	30
		Lamac 2 - Batch 2	5	25	30		7	7	5	32	37
3	Development and Expansion of Production Capacity Through Upgrading Training of Existing Weavers on New Weaving Design	Aloguinsan	7	19	26			-	7	19	26
4	Development and expansion of production capacity through training of new weavers (new product development & existing item)	Patin-ay, Prosperidad	2	31	33			-	2	31	33
5	Development and expansion of production capacity through training of new weavers (new product development & existing item)	Carmen, Bohol	30	29	59			-	30	29	59
6	Development and expansion of production capacity through training of new weavers	Lapu - lapu City	7	14	21			-	7	14	21

7	Suppliers Team Building and Quality Assurance Seminars	Tagbilaran City, Bohol			-	35	43	<b>78</b>	35	43	<b>78</b>
		Balilihan, Bohol	1	39	<b>40</b>			-	1	39	<b>40</b>
		Loon, Bohol	37	39	<b>76</b>				37	39	<b>76</b>
		Antequera, Bohol	7	71	<b>78</b>			-	7	71	<b>78</b>
	<b>Total</b>		<b>96</b>	<b>297</b>	<b>393</b>	<b>238</b>	<b>135</b>	<b>373</b>	<b>334</b>	<b>432</b>	<b>766</b>

Suppliers Team Building and Quality Assurance Seminars

## **APPENDIX D: Evaluation Timing and Process**

### Preparation December 2009 – January 2010

- Field Researchers Manual
- Pre-testing of questionnaire
- Pre-Test Report
- Translate questionnaire
- Draft & Finalize financial diary
- Draft & Finalize training materials for diaries

### Data Collection Point No. 1 January – April 2010

- Demonstrating diaries to households
- Data collection
- Distribution of diaries
- Data sets
- Completed questionnaires
- Field Report (Baseline)

### Data Collection Point No. 2 September - October 2010

- Development of qualitative data collection tools
- Data & diary collection
- Distribution of diaries
- Completed financial diaries
- Financial data sets
- Financial Report 1
- Preliminary Case Study Report 1

### Data Collection Point No. 3 & Financial Diary Collection Point No. 3 February-March 2011

- Development of qualitative data collection tools
- Data & diary collection
- Distribution of diaries
- Completed financial diaries
- Financial data sets
- Financial Report 3
- Preliminary Case Study Report 2

### Financial Diary Collection Point No. 4 May 2011

- Diary collection
- Distribution of diaries
- Completed financial diaries
- Financial data sets
- Financial Report 4

### Data Collection Point No. 4 & Financial Diary Collection Point No. 5 September 2011

- Development of qualitative data collection tools
- Data & diary collection
- Data sets
- Completed questionnaires
- Financial data sets
- Completed financial diaries
- Field Report (Endline)
- Financial Report 5
- Final Case Study Report

Community Debriefing

November 2011

- 
- Community debriefing session plan
  - Community debriefing meetings
  - Process Evaluation

## APPENDIX E: Selected Data from the First Wave of Quantitative Data Collection

The information below is from “STRIVE Philippines: Initial Evaluation Research” (Diana Rutherford, October 2010).

### Seaweed Farmer Households

The data in the following tables was collected in January 2010.

#### Demographics and Household Information on Seaweed Farmers in Barangay Tumitus that Had Received Seedlings from NAMSU

Seaweed Recipients' Location (n=12)	Average Household Size (n=81)	Average Children 18 years & below in Household (n=45)	Average Farmer's Education Attainment	Reported Average Household Income in 2009 (pesos)	Reported Average Income From Seaweed in 2009 (pesos) (% of total income)
Kabug 1 = 6	5.33 (32)	2.17 (13)	Between some and completed high school	29,109	26,500 (91%)
Kabug 2 = 5	7.60 (38)	4.60 (23)	Some high school	27,250	21,842 (80%)
Duhul Alip = 1	11.00 (11)	9.00 (9)	Some high school	55,000	45,000 (82%)

#### Demographics and Household Information on Seaweed Farmers in Barangay Tumitus Scheduled to Receive Seedlings from NAMSU

Seaweed Recipients' Location (n=15)	Average Household Size (n=78)	Average Children 18 years & below in Household (n=43)	Average Farmer's Education Attainment	Reported Average Household Income in 2009 (pesos)	Reported Average Income From Seaweed in 2009 (pesos) (% of total income)
Kabug 1 = 11	5.18 (57)	2.91 (32)	Between some and completed high school	56,982	47,368 (83%)
Kabug 2 = 2	3.00 (6)	0.50 (1)	Completed high school	23,333	23,333 (100%)
Duhul Ahir = 2	7.50 (15)	5.00 (10)	Some high school	63,600	48,000 (76%)

81.1 percent of these 27 households fall below the national poverty line.

Of the 27 households, 23 have children.

#### Seaweed Farmers' Children by Age Group

Location	0-7 years old	8-11 years old	12-15 years old	16-18 years old
Kabug 1	22	9	8	6
Kabug 2	11	6	2	5
Duhul Alip	6	5	3	5
<b>Total</b>	<b>39</b>	<b>20</b>	<b>13</b>	<b>16</b>

Less than half (40.2 percent) of the children of the seaweed farmers paneled in Tunitus are enrolled in school. There is no school on any of the three islands and children who do attend school travel about 30 minutes by boat to do so. Cost was the most frequently identified reason for children not being enrolled in school.

Twenty percent of the children were reported to have been ill and unable to engage in normal activities for more than three consecutive days during the previous six months.

Regarding food security, 81.8 percent of the families with children reported that they normally eat three meals per day, and another 6.8 percent reported having four meals per day. Four households reported that at least one child had missed a meal in the previous week due to a lack of money or food.

#### Weaver Households

A total of 33 participants in the weaving training were included in the research panel in Lamac and 20 households were included from Tabuelan. The weaver households paneled are relatively better off than the seaweed farming households. Among those in Lamac 51.0 percent were below the national poverty line and in Tabuelan the figure was 67.6 percent. As this is baseline information among newly trained weavers, their income is from sources other than weaving.

The age profile of the children in the weavers households is presented in the table below.

#### Weavers' Children by Age Group

Location	0-7 years old	8-11 years old	12-15 years old	16-18 years old
Lamac	36	25	20	7
Tabuelan	21	14	12	7
<b>Total</b>	<b>57</b>	<b>39</b>	<b>32</b>	<b>14</b>

Two-thirds of the the school-aged children are enrolled in school and none of them were reported to have missed school the four weeks prior to the interview.

The children of the newly trained weavers were reported to be relatively healthy. In the last six months only three children in Lamac (3.4 percent of the total) and two children in Tabuelan were reported to have been ill for three or more days. In all but one of these cases the families sought treatment, and the illness not treated was not serious.

Regarding access to nutrition, all of the children in Tabuelan and 97.7 percent of those in Lamac were reported to have three meals per day, and none were reported to have missed a meal in the week preceding the interview.

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<sup>1</sup> Penelope Campbell et al., *Vulnerable Children and Youth Studies*, 5: 1, April 2010, pp. 12-32.

<sup>2</sup> Priscilla Atwani Akwara, et al, *AIDS Care*, Vol. 22, No. 9, September 2010, pp. 1066-1085.

<sup>3</sup> Town Hall Meeting: Economic Strengthening of Household and Community Safety Nets to Mitigate the Impacts of AIDS, Main Report, Jill Donahue, 2000. *A Guide for Agencies Planning and Developing Economic Strengthening Interventions for Households and Communities Caring for Orphans and Vulnerable Children*, Jim Dempsey, USAID/DCOF, 2003. *Economic Strengthening to Improve the Well-Being of Orphans and Vulnerable Children*, Workshop Report June 14-16, 2004 Dar es Salaam, Tanzania, USAID Bureau for Africa

<sup>4</sup> “Economic Strengthening for Vulnerable Children: Principles of Program Design and Technical Recommendations for Effective Field Interventions, FILED Support LWA and Save the Children for USAID, February 2008.

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