Enterprise Challenge Fund
for the Pacific and South East Asia
Achieving and Measuring Results
in the Enterprise Challenge Fund
About the Enterprise Challenge Fund

- AusAID pilot program = A$20.5 million over 6 years

- At least 50% of project funded by private sector company, pro-poor outcomes and potential for systemic impact

- Competitive grants valued between A$100,000 – A$1.5 million to private sector in 9 countries in Asia Pacific

- Total 21 projects in progress = A$11.6 million
Results measurement in ECF

Why?
- Monitor progress of private sector partners in meeting objectives
- Prioritise projects on likely impacts to focus limited resources
- Comparison against other programs (AusAID / other PSD programs) - use of DCED Standard

Challenges
- Implementation is managed by the private sector partners
- Lack of detailed research into industry / sector
- Light touch monitoring - results management not part of the design
Example – Cagayan de Oro Philippines

- Handmade paper factory located in Cagayan de Oro, southern Philippines using abaca in production of paper for export

- An ECF grant of A$407,139 provided to
  1) Expand handmade paper manufacturing and craft making facilities
  2) Work with 300 households of the Higaunon Tribe in Claveria, Mindanao to increase production and supply of abaca and develop a local market place
Cagayan de Oro Handmade Paper Crafts - Philippines
June 2012

Direct impacts

1. CDOH sets up its abaca trading activity (2009)

2. CDOH establishes local market for good fiber from farmer beneficiaries (2009-2011)

3. CDOH upgrades and expands the handmade paper factory and equipment (Oct-Jun 10)

4. CDOH produces more handmade paper for export (2011)

5. CDOH becomes profitable and experiences increased income

6. CDOH and national government (FIDA / DTI) provide assistance to farmers cooperatives on abaca (2009-2011)

7. CDOH employs and trains 88 home based and 24 factory workers (Jun 2010)

8. 70 workers supply CDOH with services for handmade paper

9. 44 home base workers receive annual income of ~P95,000 (US$2,000) from CDOH (2010-2011)

9a. 24 factory workers receive daily income of P296 (~US$1,875 annually) from CDOH (2010-2011)

10. 300 farmers supported to plant additional 1 hectare of abaca from CDOH (2009-2010)

11. Farmers learn new techniques in abaca farming and processing

12. CDOH provides additional tools and equipment to farmers to improve quality and volume of abaca

13. Farmers produce new products (value-add) from abaca fiber off cuts

14. Farmers selling good abaca fibre to CDOH (from Dec 2011)

15. 300 farmers receive additional income US$423 from sale of abaca (from Dec 2011)

16. Farmers replant abaca hectar after harvest (from Dec 2011)

Systemic impacts

17. Copying / crowding in - other farmers interested in supplying abaca (noted 2010)

18. Other farmers approach CDOH to purchase their abaca

19. Other farmers selling abaca fibre to CDOH

20. Other farmers receive additional income from abaca

21. Other companies show interest in supporting / producing abaca based products

22. Other companies set up new factories

23. Other companies use farmers to provide abaca raw materials

24. Farmers receive additional income from other companies

ECF provides AS$407,139 grant to CDOH to expand paper making facilities and to support production improvements in the abaca supply chain in southern Philippines

ECF and CDOH promote the CDOH model
Example – Cagayan de Oro Philippines

Measurement system

- Six monthly field visits
- Mixed method data collection / wide range of stakeholder feedback
- Contribution analysis using results chains and field interviews

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<td>300 farmers supported to plant additional 1 hectare of abaca from CDOH (2008-2010)</td>
<td>Number of households with abaca planted</td>
<td>300 households/farmers</td>
<td>A) Quarterly reporting CDOH B) Beneficiary survey/ interviews</td>
<td>A) June 10, Sept 10, Feb 11, May 11, Oct 11 B) Oct 2011 - final collection</td>
<td>A) CDOH quarterly report to country manager B) Field visits with CM</td>
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Example – Cagayan de Oro Philippines

Business growth / sustainability

- Increased production = 12,000 -> 30,000 pieces per day

Poverty reduction

- Employed and trained 117 workers (75 FTE), increased annual income ~US1,875 + scholarships to children of workers
- 300 households have additional income ~US423
  - trained and provided improved access to equipment
  - support to plant 1 additional hectare of abaca
  - access to market (higher prices / local access)

Systemic impacts

- Copying – new beneficiaries want to supply
- Other companies interested to develop abaca products
Aggregation of results from ECF

- Reporting on results achieved to date
- Three year monitoring period
  1. Business growth / sustainability
  2. Poverty impacts
     - No overlaps in ECF
     - Analysis of context in reporting narrative
  3. Systemic impacts

“The ECF has an outreach of over 150,000 people across the Pacific and South-East Asia and an estimated 35,000 people and 970 small businesses are directly benefiting” – ECF Annual Portfolio Report 2011
Lessons in results measurement from ECF

Working with the DCED Standard improved project management efficiency

- Management team responsible for monitoring – cost and time effective
- Audit provided focus and timeline for team
- Additional support from DCED consultants – widens exposure

- Rethinking monitoring approach to challenge funds...
  - How much monitoring information can the private sector contribute?
  - How can results be used in decision making when the fund manager is not implementing the project?
Lessons in results measurement from ECF

Partner with the private sector in designing the monitoring approach

- Private sector has existing information systems = market research
- Know the limitations to commercial interest – need for fund manager to monitor beneficiary and wider system impacts
- Monitoring tools such as results chains and indicators are familiar to the private sector

“It turned out to be very helpful for us especially in learning the Logic Model. To be honest, we are not looking at many aspects of the project the way you do. We are head on, one track pursuing to accomplish the project. It was indeed an eye-opener in terms of expanding our vision and understanding of the other facets of the project which we have not really given some thought.”

CDOH managing director
Lessons in results measurement from ECF

Results in challenge funds should be collected in order to be useful for decision making

- Monitoring information should be timely, useful in order to feed into decision making and project improvement
- Designing the monitoring approach to link with private sector needs for information
- Information can also support facilitating wider systemic impact
  - eg supporting linkages, research and dissemination of the model
- Need to consider investing in the approach
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