

RESULTS MEASUREMENT MANUAL

Written for the SDC, ADC and Sweden funded project the Mercy Corps implemented Alliances Caucasus 2 by
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Alliances Caucasus 2 at a Glance

Alliances Caucasus 2 is a market systems development programme targeting rural producers in Georgia. It works in the rural product core market system and with associated supporting functions and rules. The ALCP2 has not started from scratch but builds upon the foundations laid by Alliances, which began in pilot form in 2008. It evolved into a flagship market systems development programme. Drawing on over a decade of experience, ALCP2 is leveraging its established framework to enhance its impact and effectiveness in promoting sustainable rural development and economic empowerment, particularly focusing on greening MSD. The Results Measurement System, aligned with DCED standards since 2011 and audited twice, will continue in the ALCP2, ensuring robust monitoring and evaluation.

Project time frame: May 2022 to April 2026.

Project Budget: 6 million CHF

The purpose of the ALCP2 is increased income and improved livelihoods for rural producers due to better, sustainable productivity, resilient market access, local employment opportunities and more equitable inclusion in natural resource use.

Targets: The ALCP2 targets rural producers and inhabitants in Georgia, including a focus on Western Georgia; Samegrelo, Guria, Racha and Imereti. ***The ALCP2 Target*** is to reach 20,000 households, who will benefit directly from increased income from sales, increased production and/or reduced production & transaction costs. The targeted net additional attributable income for farmers is 9 million GEL / 2.8 million CHF. For more information, please go to: www.ALCP.ge

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Abbreviations

AJ: Ajara

AF: Application Form

TOs: Themes Officers:

BDS: Business Development Services

CPC: Cheese Producing Centre

DRR: Disaster Risk Reduction

FS&H: Food Safety and Hygiene

GEDSI: Gender Equality and Social Inclusion (GEDSI) Strategy

GEL: Georgian Lira (currency)

GOI: Gender Overt Intervention

GSI's: Gender Sensitized Interventions

IP: Investment Plan

ISF: Investment Support Facility

KK: Kvemo Kartli

MAP: Monitoring Action Plan

M&E: Monitoring, Evaluation and Learning (MEL) / Results Measurement (RM).

MSD: Market Systems Development (MSD) – also known as Making Market Work for the Poor (M4P)

MC: Mercy Corps

MCC: Milk Collection Centre

RC's: Results Chains

RM: Results Measurement

IRC's: Intervention Level Results Chains

OH: Outcome Harvesting

OMC: Outcome Monitoring Concept

ORC's: Outcome Level Results Chains

SDC: Swiss Agency for Development and Cooperation

GLOSSARY¹

Activity: A discrete piece of work, typically represented by a contract between the programme and a contractor, partner or consultant. Interventions typically consist of several activities that are intended to achieve change at various different points in the overall market system.

Aggregate: To combine the impact a programme has caused from various interventions; overlap must be taken into account when aggregating impact.

Assess: To gauge the change in an indicator using quantitative and/or qualitative methodologies.

Assumption: Hypotheses about factors or risks which could affect the progress or success of a development intervention.

Attribution: The ascription of a causal link between observed (or expected to be observed) changes and a specific intervention.

Baseline: An analysis describing the situation prior to a development intervention, against which progress can be assessed or comparisons made.

Calculate: To compute the value of an indicator based on several different pieces of information.

Copying: The target group of the programme (e.g. smallholder farmers, poor households, etc.) copying behavioural changes that those affected directly by programme activities have adopted.

Crowding in: Enterprises (e.g. importers/exporters, wholesalers, retailers) other than the programme target group copying behaviours that those enterprises affected by programme activities have adopted. This term can also apply to government agencies or civil society organizations who copy behaviours of those who are directly involved in the programme.

Counterfactual: Pervasive factors with specific relevance to the agricultural sector in the operating environment which can have positive or negative effects and which must be considered when separating programme effects from what would have happened anyway (attribution). Such as: economic conditions including the rate of inflation, rate of interest, lending, new laws implemented (e.g. food safety and hygiene, export and import), other projects and donor activities in sector and/or area

Direct impact: Changes that are caused as a result of programme interventions on service providers with which the programme has had significant contact and target beneficiaries. Direct impact does not include the results of system changes such as copying or crowding in.

Displacement: In a static market, expansion of some enterprises supported by the programme may come at the expense of the market share of other enterprises. This negative effect is referred to as displacement.

Donor Committee for Enterprise Development (DCED): With 22 members comprised of bi- and multilateral donors and agencies as well as private foundations the committee has a vision of making PSD more effective. It has three strategic priorities; sharing knowledge and experience between donors, development agencies and field programmes; developing and disseminating knowledge and guidance on good practice in PSD; and communicating evidence on results in PSD. The DCED developed and maintains the DCED standard for Results Measurement a set of 'must' and 'recommended' guidelines against which PSD and market development programmes may be audited

¹ Taken and adapted from the DCED Standard Version VIII January 2017

for results measurement systems 'in place' or 'in use', by DCED consultants. The audit has become an influential global benchmark of monitoring and measurement quality in PSD and market development programmes.

Estimate: An approximation of the value of an indicator or of attribution based on information gathered.

Impact: Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended.

Impact Assessment: The process of estimating a programme's impact on enterprises, poverty reduction and/or other development goals.

Indirect impact: Changes caused, at least partly, by programme activities which cannot be linked in a direct line to organizations or enterprises with which the programme has had significant contact. Indirect impact includes the results of system changes such as copying and crowding in, and second order changes resulting from a programme's direct or indirect impact, for example changes in non-targeted sectors or changes in local economies resulting from the increased purchasing power of a programme's target beneficiaries.

Indicators: Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development sector.

Information gathering: The collection of qualitative and quantitative information to measure the changes resulting from a programme at any level of the programme's results chain and to estimate attribution.

Intervention: A coherent set of activities that are designed to achieve a specific system change, reflected in one results chain. An intervention is generally a subset of a component.

Job: Full-time equivalent, taken over one year (240 days/year); may be seasonal or paid in kind, but does not include unpaid family labour.

Monitoring Action Plan Meeting (MAP): A bi-monthly MAP meeting, where Theme officers' aggregate impact to date per output for which they are responsible, with the help of the RM team and present it to each other and management. MAP's operationalize; broad staff ownership of RM, communication between RM staff and Programme Staff ongoing troubleshooting of issues which ensue and ongoing of calibration of intervention (management and monitoring) based on data.

Measure: To assess the value of an indicator.

Methodology: A means to assess the value of indicators, for example a survey, focus group discussion or key informant interviews.

Monitoring: A continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.

Overlap: When two different interventions reach the same target group there is a risk of overlap. Programmes need to correct for overlap instead of adding the impact of all interventions (when overlap is likely) in order to avoid double counting.

Programme: A programme is the typical unit of analysis for a donor, often contracted to one overall partner or company. A programme consists of several components.

Projection: A reasonable estimate of future results, based on current, informed knowledge about the overall system.

Proxy indicator: An indicator for which measurable change is clearly and reliably correlated with an indicator of a change that the programme aims to achieve (but is more practical to measure).

Reasonable: A conclusion that an external, unbiased and relatively informed observer would come to.

Results Chain: The causal sequence for a development intervention that stipulates the necessary sequence to achieve desired objectives beginning with inputs, moving through activities and outputs, and culminating in outcomes, impacts and feedback.

Results measurement: The process of designing a measurement system in order to estimate a programme's impact so that it can be used to report results and improve project management.

ROI (Return on Investment): A sustainability indicator of the business model, defining its level of financial independency. A Predictive Return on Investment is calculated for larger investments. A predictive ROI is based on the baseline figures obtained in the *Investment Plan* which enables the definition of the optimal share i.e. percentage % co-investment per intervention and the construction of a timeline for the breakeven point of the co-investment. It is a decision making tool in planning investments, setting targets and measuring impact.

Sector Wide Behaviour Change: Changes in the wider target sector with lead actors other than those directly targeted e.g. elements of government, media, business organizations, INGO's which may be directly or partly attributable to system changes brought about by the programme or indeed may be qualitative system changes themselves. Includes wide reaching changes in rules, perceptions, attitudes as well as in supporting functions.

Social Return on Investment (SROI): Shows the benefits provided by service providers to SSLP's expressed in terms of additional income, increased sales and reduced transaction costs. A Predictive Social Return on Investment is calculated for larger investments. It is the main means of quantifying the broader impact of an intervention on the target group i.e. SSLP's. Once raw financial data is received on-going financial calculations are made and an annual SROI calculated per investment. SROI is used to evaluate the efficiency of an investment or to compare the efficiency of a number of different investments. The programme calculates SROI according to the following formula: $SROI = (\text{Farmer's NAIC} - \text{Cost of investment}) / \text{Cost of investment}$

Survey: Gathering information from a specific number of respondents in a specific population generally using a set of questions for which the answers can be quantified.

Sustainability: The continuation of benefits from a development intervention after major development assistance has been completed and the probability of continued long term benefits. (For measurement purposes, sustainability will be indicated by continuation of benefits at least two years after the end of a programme).

System change: System change is change in the underlying causes of market system performance that leads to a better-functioning, more pro-poor market system. A system change must have three characteristics: scale, sustainability and resilience. If a programme aspires to system change, it must define what is, and is not, system change. This must be in a format that can be monitored.

Target enterprises: The enterprises that a programme aims to benefit.

Target Group: The clearly defined group of people the programme aims to benefit.

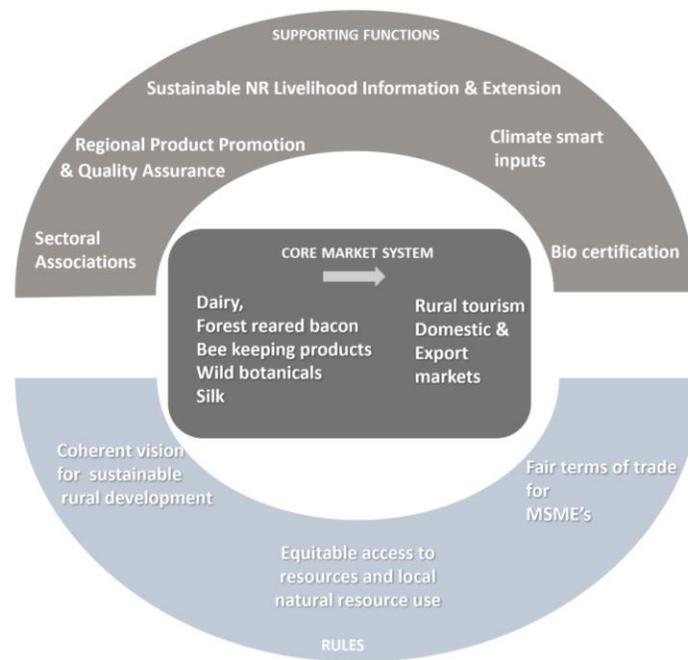
Unintended Effects: Any changes that are due to a programme's activities and that were not anticipated when designing the activities. These impacts may be positive or negative.

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INTRODUCTION

Alliances Caucasus 2 runs from May 2022 to April 2026 with a budget of 6 million CHF. It is a market systems development programme funded by a consortium of donors, the Swiss Development Cooperation (SDC), Sweden and the Austrian Development Cooperation. It targets rural producers in Georgia, working in the rural product core market system and with associated supporting functions and rules. Its purpose is to increase incomes and improve livelihoods through better, sustainable productivity, resilient market access, local employment opportunities and more equitable inclusion in local natural resource use. Implemented through the lens of environmental sustainability and Gender Equality and Social Inclusion (GESI) it seeks to augment the lives of rural inhabitants through developing their knowledge of the value of rural resources and the potentiality of the environment in which they live. It will increase their participation in decision making concerning these resources and the availability of knowledge, inputs and skills to enable them to profit sustainably from them. It will tap into and further build a sustainable platform for rural producers to participate in added value, export and tourism markets.



Rural Producer Market System Diagram with Areas of Intervention

ALCP2 utilizes extensive networks with all levels of the private sector, civil society and government. It works across Georgia in Kvemo Kartli, Samtskhe Javakheti, Ajara and Kakheti and includes a new focus on Western Georgia; Samegrelo, Guria, Racha and Imereti. It continues to promote regional trade and initiatives in information and equitable access to decision making between Georgia, Armenia and Azerbaijan. It incorporated in the first six months, a market research phase to deepen market research on new regions, value chains, key market actors and target group.

OVERVIEW OF THE SYSTEM

The *ALCP2 Results Measurement (RM)*² System has been developed in compliance with *the Donor Committee for Enterprise Development Guidelines*³ for:

- ❖ Measuring programme progress against objectives
- ❖ Usage as an internal programme management tool
- ❖ Informing interventions and learning
- ❖ Feeding into and satisfying donor reporting requirements
- ❖ Learning broad lessons from the MSD programming
- ❖ Recording, measuring and analyzing system change to inform strategy and programming

The *ALCP2 Results Measurement Manual* is a key document for use by programme personnel and gives in full detail and in logical order:

- ❖ Results Measurement procedures carried out in the ALCP2
- ❖ Results Measurement documents used by the ALCP2
- ❖ Roles, responsibilities and activities to be undertaken by programme staff to ensure the proper functioning of the RM system.

Overview of the RM System ethos:

1. Articulating the results chain
2. Developing and supporting the intervention rationale
3. Defining and capturing change: the monitoring plan
4. Estimating attributable change
5. Measuring actual attributable change
6. Capturing wider changes in the system or market
7. Tracking programme costs
8. Reporting costs and results
9. Integrating transversal themes
10. RM as a decision-making tool: managing the system for results measurement

² The ALCP2 Monitoring and Evaluation system has changed its name to Results Measurement system (RM). However, the old name might be still seen in the old monitoring documents.

³ See <https://www.enterprise-development.org/>

SYSTEM ETHOS

The key concept behind the system is that *management and Results Measurement are interdependent*. RM forms part of the management of the programme through an iterative cycle of *data gathering, analysis and real world feedback* which results in better calibration of interventions for pro poor growth and for impact for the target group (See Figure 1).

The quality of the RM output is assured by clear and accurate assignation of roles and responsibilities and coordination to ensure timeliness within the system. The key programme tools for ensuring this interdependence, are the *Weekly Results Measurement Activity Report* sent to the entire ALCP2⁴ and the bi-monthly *Monitoring Action Plan Meeting (Bi-monthly MAP meeting)* where Theme Officers aggregate impact to date with the help of the RM team and Information Coordinator and present it to each other and management. The *main quantitative and qualitative indicators* should be included in the MAP documents. The monthly *MAP* ensures that there is:

- Broad staff ownership of RM
- Communication between RM staff and Programme Staff is managed and improved
- Ongoing troubleshooting of issues
- Ongoing of calibration of intervention (management and RM) based on data

MEASURING MARKET DEVELOPMENT

As a market development programme results are measured using the *universal impact indicators: jobs, scale and net attributable income change (NAIC)* as well as *qualitative indicators to capture behaviour change* and are geared to evaluating intervention sustainability over time i.e. *system change within the system*. *Results Chains (RCs)* are the basis for all interventions. The results chains allow the programme strategy as detailed in the log frame to be elaborated upon in-line with real world stakeholders and conditions and are the *key programme management tool linking programme management with results management*. Results chain boxes are ascribed a target, an indicator and a baseline, which form the basis of monitoring plans. The Programme has a quantitative *Monitoring Plan 1* and a qualitative *Monitoring Plan 2*.

The ALCP 2 operates according to the [Mercy Corps' Gender Equality and Social Inclusion \(GESI\) Strategy](#) and the programme collects GESI disaggregated data to improve targeting of vulnerable groups and is dedicated to gender sensitizing of interventions through assigning GESI sensitized boxes to the results chains. See Figures 3, 4 & 5 for diagrammatic representations of the RM System, the key chronological steps in its implementation and the roles and responsibilities of those involved.

⁴ Weekly programme reports are sent from each office on a Monday also, so all staff are appraised by Monday lunchtime of what is happening across the programme in programme and in results measurement.

This Manual is to be used in conjunction with the SDC approved ALCP2 *Investments Manual Version 3 2022* which documents and contains all programmatic procedures and documentation of the programme and with Mercy Corps' Monitoring, Evaluation and Learning Standards.

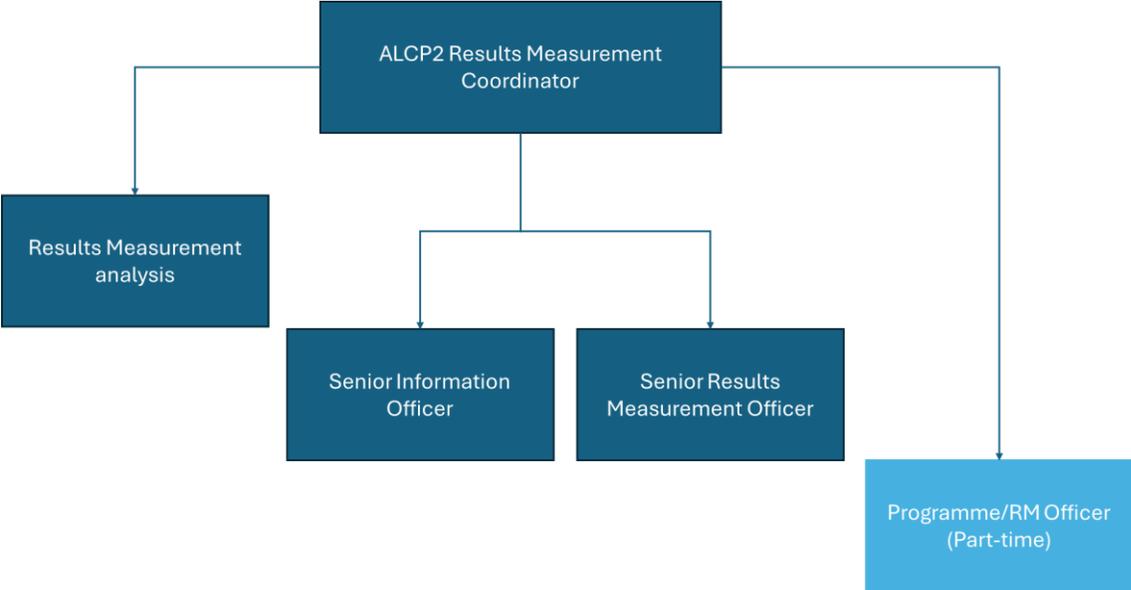


Figure 1 ALCP2 RM team Diagram

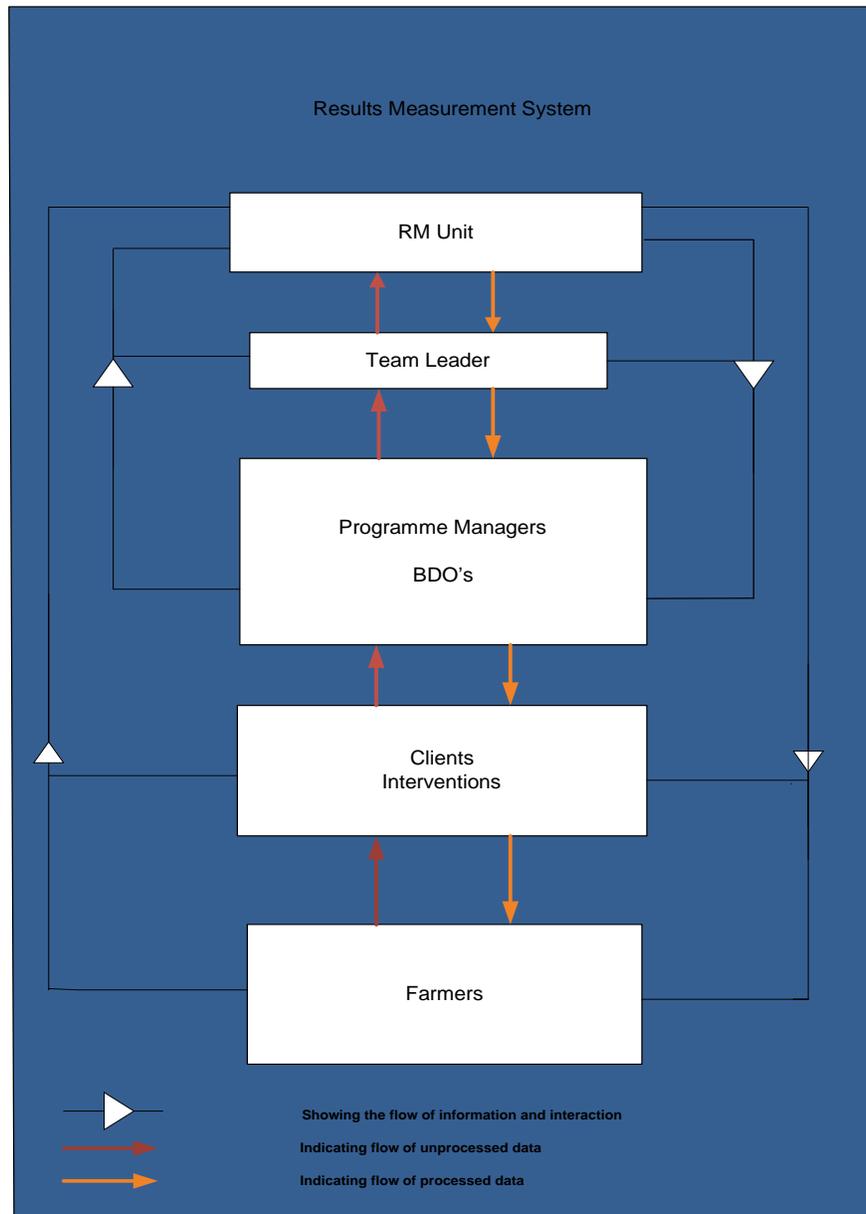


Figure 2 ALCP2 Results Measurement System

ALCP2 WORK FLOW DIAGRAM

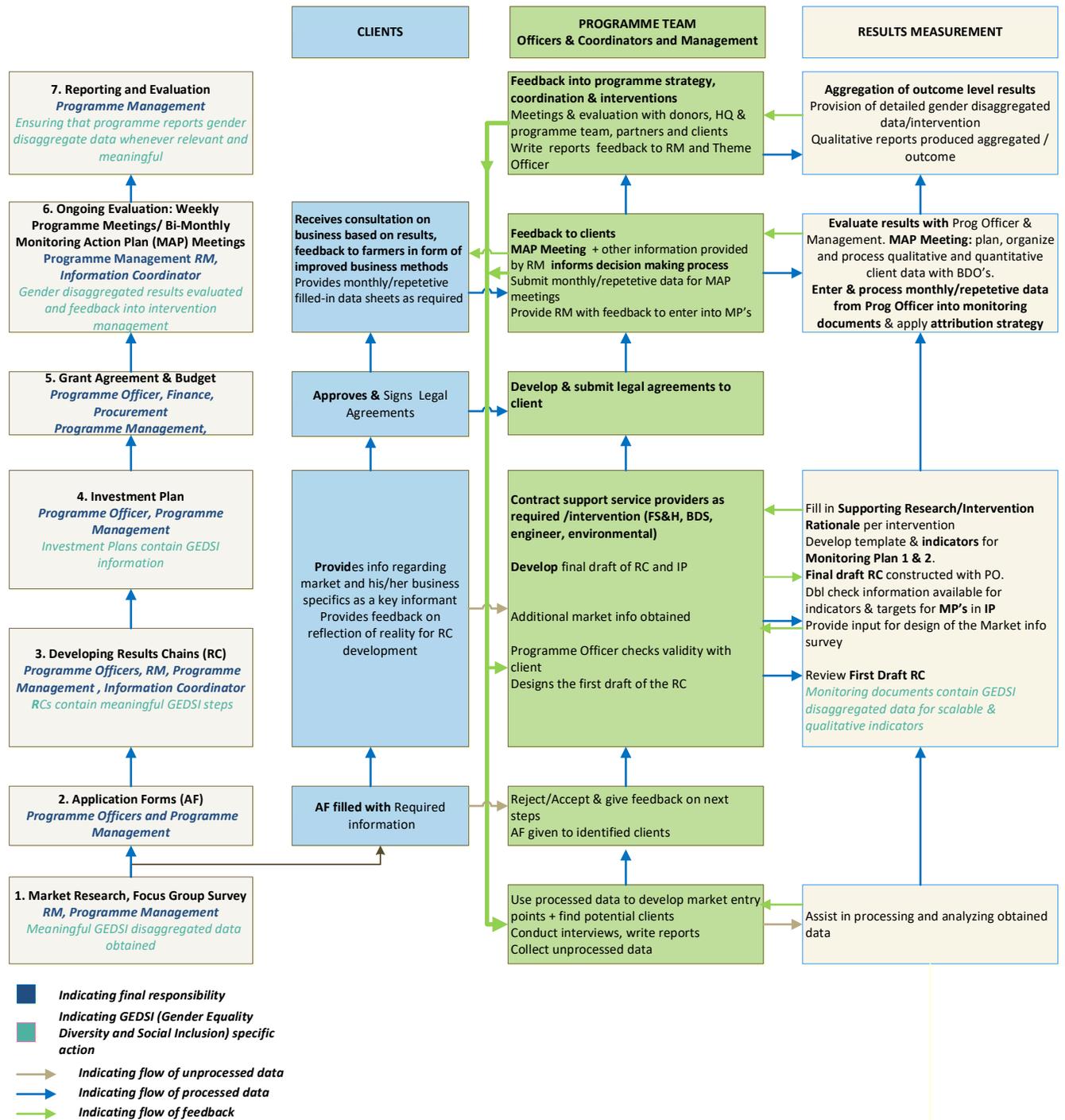


Figure 3 ALCP2 Programme Work Flow Diagram

1. ARTICULATING THE RESULTS CHAIN

Result Chains (RC's) are the key strategic documents which form the basis for the rest of the monitoring system and through which intervention logic is built. They epitomize the interdependence of management and RM systems. RC's are diagrammatic representations of the logical progression of the changes/impact that the programme expects to instigate in the market system at the intervention and outcome level through programme activities undertaken through programme interventions. They represent an expansion of areas of the programme strategy as represented in the programme Log Frame and allow the programme to capture the more complex sequencing of interdependent activities. The RC's are designed within the context of the current market environment and dynamics and thus represent a realistic chain of results where programme activities lead to impact and ultimately contribute to the Programme Purpose as detailed in the Logframe:

ALCP2 Purpose: Income increased and livelihoods improved for rural producers due to better, sustainable productivity, resilient market access, local employment opportunities and more equitable inclusion in natural resource use.

1.1 TYPES OF RESULTS CHAINS UTILIZED BY THE PROGRAMME

PURPOSE RESULTS CHAINS

Purpose Level Results Chains allow for an elaboration of the programme strategy as presented in the Logframe and are constructed in the ALCP2 while the development of proposal document for the next phase of the programme and represent proposal's integral part. They are based on the previous experience of the programme, primary market analysis and stakeholder analysis, which have enabled the formation of an initial strategy with opening interventions, and lead to the outputs and outcomes and purpose as represented in the Logframe. Purpose Level Results chains are provided as part of the submission process. (Please see the document template in *Annex 1.1.*) The purpose level results chains on ALCP2 correspond to the following outcomes:

Outcome 1 will deliver *access to the inputs, skills and services* to enable rural producers and MSME's to improve production including applying information, knowledge and skills gained from an informed media, tailored VET and technical services from industry associations but also from the outreach of climate smart and affordable technologies from sustainable businesses recognizing the value of the rural market and through accessing financing to enable them to apply and realize these improvements, creating viable production systems and ventures which will increase income and employment.

Outcome 2 will deliver *access* for rural producers and MSME's to *reliable and sustainable value-added markets* for rural producers and will be based on developing Georgian regional products and certified and quality assured products, including dairy, meat, wool and honey but also women centric value chains such as wild botanical harvesting and bee and honey by products and possibly formerly vital but now almost forgotten value chains such as silk. These products will be sourced by sustainable rural MSME's who will be further linked to sources of financing and BDS and facilitated to increase their volume and value of trade sourced from rural producers offering sustainable local job creation as they grow.

Outcome 3 will influence the operating environment in which rural producers live providing access to inclusion in the development and custodianship of their environment and community, for their own advantage and for that of future generations. It will include the development of inclusive, transparent and efficient local environmental governance including environmental impact assessments of potential developments, meaningful information dissemination, community engagement concerning investments and development on local land involving civil society entities and ensuring citizens are fully appraised of potential advantages and disadvantages allowing informed decision making. It will be based around rural hubs with substantive local regional and international linkages which include local government as a main partner as modelled by the Goderdzi Alpine Garden and Khulo Municipality. It will include developing a powerful regional vision of the human nature interface through the galvanization and cohesion of regional conservation actors.

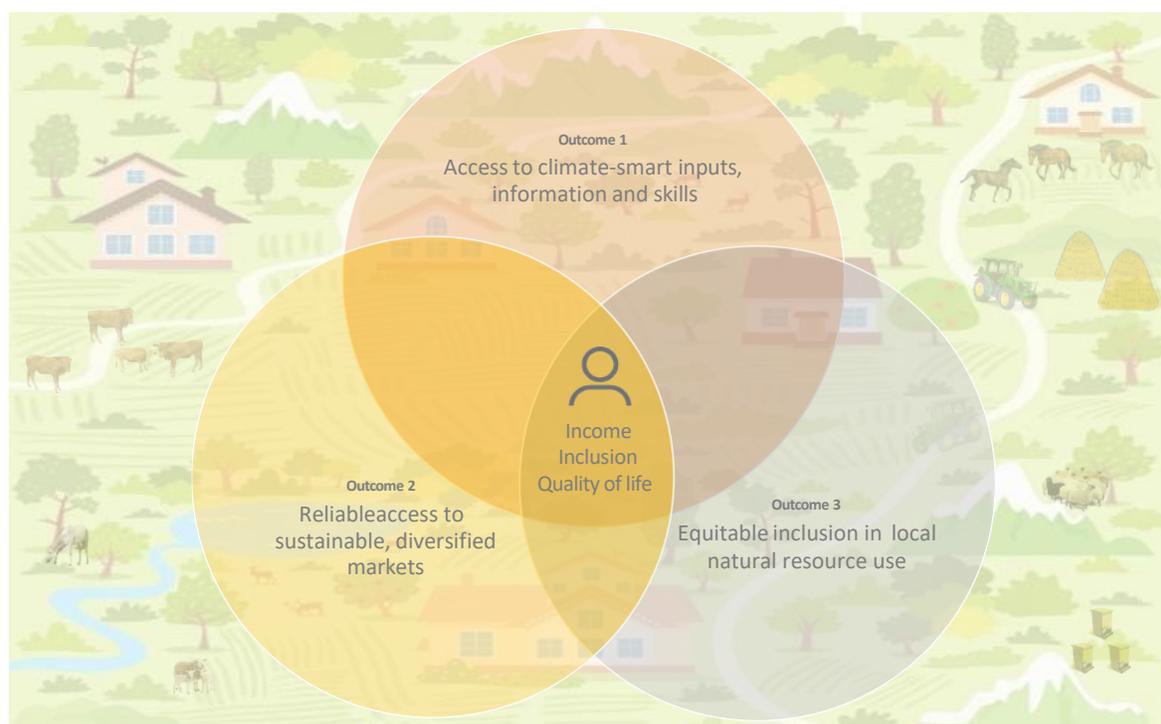


Figure 4 ALCP2 Outcomes

INTERVENTION LEVEL RESULTS CHAINS

Intervention Level Results Chains offer more flexibility in capturing the dynamics of a changing market in a complex social and economic environment. They form the key documentary link between programmatic interventions and activity and the measurement of that activity. They allow the programme to capture deeper layers of complexity and sequencing and are the key tool used by the programme staff for planning, analysis and decision making. They enable programme staff to depict the logical progression of an intervention and to see whether and *how* certain activities lead to desired changes. Each intervention has a separate Results Chain (including pilot and inception phase interventions). The ALCP 2 may develop broader or sectoral result chains and sub-result chains for specific activities (e.g., in dairy or honey sectors) if the intervention is too complex. The Sectoral and Intervention level Results Chains form the foundation of the RM system (Please see the document template in *Annex 1.2 & 1.3*).

All interventions facilitated by the programme aim to generate system change and system change boxes are inserted in the result chains.

1.3 TIMING, ROLES AND RESPONSIBILITIES

Timing: Constructing results chains consists of two steps: Construction of the first draft and construction of the operational draft. The *first draft* of a Results Chain is built at the beginning of an intervention, as soon as the programme receives an application from a potential Client and/or as soon an opportunity for a new intervention occurs. The first draft of the RC is based on the application form / investment plan and initial market research.⁵ The *final operational draft* is constructed after all supporting research and other documentation is ready. The final draft is used as the key strategic document by the Theme Officers & Theme Coordinators (TO's &TC's) responsible for the intervention and forms the backbone for all related monitoring documents which are developed and maintained by the RM unit per intervention and is reviewed and revised annually on the date of its adoption as the final operational draft or when a Phase II or extension to the intervention is developed. Where Phase II is developed the new activities and impacts are amalgamated into the results chain.

Roles and Responsibilities: The first draft of each Results Chain is built by the *Theme Officers* responsible for the relevant intervention. The operational draft is constructed by the *Theme Officers* and *Theme Coordinators, RM Coordinator and RM Officer*, under the supervision of *Team Leader and Deputy Team Leader*.

The review process: Results chains must be reviewed at least annually. However ongoing reviews are also held during quarterly Monitoring Action Plan (MAP) Meetings when programme impact to date is discussed. The review process involves discussion of the legitimacy of each result of the *Final Draft*, its supporting rationale and assumptions and overall monitoring system. Where changes are required they are authorized and documented. The relevant *Theme Officer and Theme Coordinators, client, RM team, Team Leader and Deputy Team Leader* are involved in the discussion concerning the intervention rationale.

⁵ Clients and relevant stakeholders indirectly take part in constructing the first draft of the relevant Results Chain. The information provided in the Application Form by the client is the basis on which the first draft” of the relevant Results Chains is built. As interventions progress RC's can be used as a basis for discussion where the client can provide practical feedback on their own business development and also on external factors related to value chains.

2. DEVELOPING AN INTERVENTION RATIONALE

In order to successfully plan and develop interventions and develop robust results chains, with logical outcomes based on credible assumptions, each main level of the results chain must be scrutinized according to a set of criteria which attempt to represent the factors influencing the market system and are supported by evidence in the form of data. This data includes data specific and localized to clients as well as more general social, economic and legislative data. This data is obtained through market research carried out by the programme and by available secondary data sources. The process is recorded within the RM system in a document called the *Intervention Rationale and Summary of Supporting Documentation* (Please see the document template in Annex 2.)

2.1 OVERVIEW OF THE INTERVENTION RATIONALE AND SUMMARY OF SUPPORTING DOCUMENTATION TEMPLATE

The Intervention Rationale and Summary of Supporting Documentation is comprised of the following sections:

RATIONALE & ASSUMPTIONS: Shows how each step of Results Chain is supported by research and data⁶, which *supporting documents* have been used and how this is linked to the rationale developed and/or assumption being made at each level of the results chain.

The programme uses the following *supporting documents*:

Application Forms – Filled-in by the client containing basic criteria and intervention specific information which the programme uses to assess the value of the client. Used by *Theme Officers and Theme Coordinators* in construction of the first draft RC.

Investment Plans – Written by *Theme Officers and Theme Coordinators* + Business Development Service (financial data) based on the information provided by the client and market research. Signed off by management. Contains material on beneficiaries, financial data and marketing strategy. The RM system uses it for constructing baseline data, targets and Results Chains.

Ongoing Market Research – Conducted by *Theme Officers and Theme Coordinators*’ (with support of RM unit) and programme partners and used by RM team to complement Investment Plans. Includes reports, market price data, stakeholder analysis, case studies etc.

Grant Agreements and Intervention Budgets – written by *Theme Officers and Theme Coordinators* and used by RM system for Calculating Financial indicators (E.g. ROI and SROI)

⁶ See Annex 4 for a full breakdown of *ALCP2 Data Collection and Research Methods*

Programme Research & Surveys: Larger scale research conducted by management, RM unit or external consultants including market sector analysis, legislative analysis, focus group surveys, gender surveys and impact assessment surveys.

Secondary Data Sources: Including national statistics, donor and UN agency reports.

SYSTEM CHANGES: Defines *how* and *why* system changes noted in the Results Chains are going to occur and describes the factors enabling copying and/or crowding in⁷.

DISPLACEMENT: Displacement is considered for each intervention in order to support the attribution strategy.

COUNTERFACTUALS: Another facet of a robust attribution strategy is separating programme effects from what would have happened anyway without the programme due to pervasive factors (counterfactuals) with specific relevance to the agricultural sector in the operating environment which can have positive or negative effects such as:

- Economic conditions including the rate of inflation, rate of interest, lending
- New laws implemented (e.g. food safety and hygiene, export and import)
- Other projects and donor activities in sector and/or area

GESI: This section includes a description of how the intervention addresses the particular situations of women, ethnic minorities, different age groups, and other vulnerable groups, if contextually relevant. This section should explain how the intervention ensures the inclusion of vulnerable groups.

2.2 TIMING, ROLES & RESPONSIBILITIES

As soon as the first draft of the *IRC* is drawn and the initial market analysis has been conducted the *Theme Officers and Theme Coordinators* start writing the major programme generated supporting document the *Investment Plan*⁸. Based on these documents the *RM team* constructs the *Intervention Rationale & Summary of Supporting Documentation*. Stakeholders and/or clients indirectly add to the construction of the intervention rationale through the information submitted by them in the application form and the information obtained for *Investment Plans*. When results chains are reviewed and amended changes are made to the document they are authorized by management and documented. The relevant *Theme Officers and Theme Coordinators, client, RM Coordinator, RM Officer, Deputy Team Leader & Team Leader* are involved in the development of the intervention rationale.

⁷ The ALCP2 result chains reflect copying and crowding in, however other types of system changes are monitored through the System change Log.

⁸ See *Alliances Programme Investment Manual Version 2 2015 -2019* for more detail

3. DEFINING AND CAPTURING CHANGE: INDICATORS & THE MONITORING PLAN

The steps outlined in the Results Chains picture the *expected* impacts at each level of the results chain, starting with programme activities and ending with the desired impact on the target group. Indicators must therefore be designed to accurately capture the change described at each stage of the RC. In practice this means that to capture quantitative change an indicator is ascribed to each box of the RC and these indicators are set down in *Monitoring Plan 1 (MP1)*. To capture qualitative change key indicators are selected for key levels of change in the results chain and these are set down in *Monitoring Plan 2 (MP2)*. The quantitative and the qualitative monitoring plans are linked to each other and they are designed in a way to complement each other (Please see the Monitoring Plan templates in *Annex 3*).

The monitoring plans allow the programme to formalize the capture of changes i.e. *impact*, by defining this change, defining the conditions of the capture, and collecting the information regarding it in one place that is accessible to all relevant programme staff. *The Monitoring Plans are the operational interface of the RM system.*

3.1 THE LAYOUT OF THE INTERVENTION MONITORING PLAN

Indicators are grouped in 2 broad groups and form Monitoring Plan 1 & 2:

MP1: Measurement of Scalable Changes consists and quantitative scalable indicators capturing changes for farmers, and businesses in terms of outreach, financial benefits etc.

MP2: Measurement/Description of behavioural changes consists of qualitative indicators measuring and describing key behavioural changes for farmers and business management changes for service providers.

Monitoring Plan 1 consists of:

Results Chain step – A result chain is disaggregated into RC boxes, which means that a scalable indicator is set for every RC box.

Scalable Indicators – This is an indicator for which the data is being collected. The indicator measures the result chain boxes and is the basis for impact evaluation.

Data collection methodology – How data for measuring against an indicator is collected.

Data Collection Frequency – This indicates how frequently data is collected. Frequency as well as source of information differ by an indicator and heavily depend on the nature of the particular indicator. Data for quantitative indicators is usually collected either monthly or quarterly or, in some rare cases, biannually. Information for qualitative indicators is collected annually because some time is needed for behavioural changes to happen.

Attribution Method – This shows a method used for the attribution of impact to each indicator.

Source Document – This indicates the source of the information for the particular indicator. Sources differ by indicators. For some indicators, the sources may be application forms and investment plans whereas for

others they are monthly data tracking sheets, individual surveys, focus groups surveys, key informant interviews, experiments, etc.

Baseline – Baseline information is collected before the intervention starts. In most cases, baselines are collected per intervention and are gathered both from farmers and service providers. They provide the basis from which to calculate attributable impact.

Targeted Impact – Predicted impact is calculated based on the projections made by the service provider in his application form and/or investment plan. The predictions are done for several consecutive years.

Actual Impact – This shows cumulative figures for the whole period of intervention implementation.

Monitoring Plan 2 consists of:

Results Chain – Outputs, outcomes and impact level RC boxes are put into a MP2 for progress measurement.

Qualitative Indicators - Measure RC's boxes. There are one or more indicators for each change, defining what and on which level we expected changes, which are represented by the RC boxes. If expected changes are taking place, then the reasons and extent to which these changes are occurring and their sustainability should be defined. If the expected changes are not taking place, the reasons of not change should be studied.

Monitoring Check Frequency - This indicates how frequently data is collected. Frequency as well as source of information differ by an indicator and heavily depend on the nature of the particular indicator, thus data for qualitative indicators are collected at least annually as time is needed for appearing of behavioral changes.

Methodology Applied - Semi-structured, in-depth face to face interviews with service providers, input suppliers and farmers.

Key Questions - It includes only main questions, however during an actual interview follow up questions are also asked. These questions should be relevant to measure pre-defined indicators. The key questions are related to the RC boxes and they are defined in order to assess whether expected changes are occurring or not. If yes / no, then the reasons and extent to which these changes are / are not occurring and their sustainability should be defined.

Baseline - Observed environment and tendencies found out among respondents prior to an intervention start. In most cases, baselines are collected per intervention and are gathered both from farmers and service providers. They provide a starting point from which attributable impact is calculated.

Actual Impact - Behavioral changes captured among respondents as a result of the programme activities; outcomes that develop an initial understanding and identify and explain behavior, beliefs and actions. All the data collected is analyzed in greater detail; Outcomes emerge from transcripts.

WHAT TO CONSIDER WHEN DESIGNING QUALITATIVE INDICATORS

Qualitative information is gathered at three levels: farmer level, service provider and sectoral level (Other businesses, government officials, BDS service providers, other NGOs) It concentrates on looking at whether uptake has or has not occurred or not, the reasons why it was taken up or not, how uptake has been applied, the impact of the uptake i.e. the change in behavior that uptake or application has brought about and the likelihood of it continuing. The main qualitative indicators utilized are listed below.

Table 1: Key qualitative indicators

Actors	Qualitative Indicators <i>Note: All the relevant indicators must be gender disaggregated</i>
Farmers	<p>Uptake and initial application</p> <ul style="list-style-type: none"> - Reasons for applying or not applying, using / not using the service; - Reasons of using/not using the knowledge received from trainings; - How do beneficiaries apply the new or improved practices or utilize new or improved inputs; - Why do beneficiaries apply the new or improved practices or utilize new or improved inputs; - Reasons of increasing / decreasing beneficiaries' capacity / production; - Beneficiaries satisfaction regarding the new services / goods; <p>To measure likelihood of sustainability:</p> <ul style="list-style-type: none"> - Opinions of beneficiaries on service received; - Interest of beneficiaries in continuing these behavioral changes; - Reasons for continuing or not continuing with these behavioral changes; - Reasons for increasing/decreasing income; - Economic and social sustainability of the behavioral changes - Environmental Sustainability of the behavioral changes - Changes in climate and environmental awareness, including social inclusion - Changes in the general attitudes regarding received services; - General sense of positivity/negativity/attitude going forward in their production/supply/livelihood
Service Providers	<ul style="list-style-type: none"> - How / why do they provide new or improved services or inputs related to new business model; - Reasons for providing or not providing the services; - Incentives for entering or not entering the market; - Satisfaction and opinions of market players on support received; - Improvements in the management and business practices; - Changes in the image of the business; - Changes in climate and environmental awareness, - Acknowledging the importance of integrating environmental factors into their business operations - Opinions of market players on the initiative;

	<ul style="list-style-type: none"> - Interest of market players in continuing the initiative without project support; - Reasons for continuing or not continuing with the initiative; - New employees' satisfaction/benefits from created jobs; - Improvements in the business/working environment; - General sense of positivity/negativity/attitude going forward in their business/sector development
Sector level	<ul style="list-style-type: none"> - Quality of jobs created within the sector; - Changes / not changes rules and regulations; - Changes / not changes climate change and environmental rules and regulations; - Reasons of changing / not changing rules and regulations; - Beneficiaries (farmers' / service providers) satisfaction with ongoing sectoral changes; - Reasons of crowding in within the sector; - Main challenges / opportunities for the market actors (differentiation on different levels); - Motivations to work / stay in the sector; - Synergistic impact between sectoral impacts.

3.2 DESIGNING KEY CHANGE INDICATORS

All changes described in Intervention Results Chains describe key changes. Each step/box is measured by at least one quantitative and/or qualitative indicator of change. The programme designs SMART (Specific, Measurable, Attributable, Relevant and Time bound) indicators and ensures that: *all indicators are precise and detailed enough to not require further questions for clarification*. Indicators are generated for each intervention, and are adapted to capture the specifics of each. All the relevant indicators should be gender disaggregated. All indicators describing key changes are significant however two groups of indicators deserve specific mention.

UNIVERSAL IMPACT INDICATORS

Universal Impact Indicators of *jobs*, *scale* and *income* are defined as MUST criteria by the DCED standard and are the main reporting indicators to which the programme is held accountable. The programme defines these indicators in the following ways:

Scale: The number of target enterprises who received financial benefit as a result of the programme's activities, each year and cumulatively. In the ALCP2 scale measures the number of target SSLP HH enterprises, as well as the number of target Service Providers who have increased financial benefit as a result of the programme's activities. Both are measured each year and cumulatively, for each intervention and aggregated for each outcome and programme as a whole.

*Net Attributable Income Change (NAIC)*⁹: The additional net income accrued by targeted enterprises as a result of the programme per year. In the ALCP2 this is calculated for the two types of beneficiaries described above, per intervention, per outcome and on the purpose level¹⁰. The IA does not either measure per outcome: in this cases, estimated NAIC is aggregated on outcome level and it is reported as estimated as well. The ALCP2 *estimates* NAIC from the monthly collected data and in every two years the programme conducts an intervention specific IA or the full IA for all intervention to measure *actual* NAIC (See chapter 4.3).

Net additional Jobs Created: Net additional, full time equivalent jobs created in target enterprises as a result of the programme, per year and cumulatively. “Additional” means jobs created minus jobs lost. “Per year” comprises 240 working days (see Box 2). The programme must explain why these jobs are likely to be sustainable. Jobs saved or sustained may be reported separately.

INDICATORS OF LASTING IMPACT

The *Indicators for Assessing the Likelihood of Lasting Impact* are crucial for feeding back into the decision making process of the programme and are used in analysis, during and post intervention as well as prior to the start of interventions in the form of projections of the likely sustainability of an intervention. Financial indicators assessing business sustainability are used with indicators for capturing behavioral changes of farmers and improved business management practices. All relevant indicators are disaggregated by GEDSI.

ROI: Return on Investment is an indicator which is used to measure sustainability of the businesses. It shows the amount of return on an investment relative to the investment’s cost. Therefore, it enables programme to understand whether clients’ investment was efficient or not. The following formula is used to calculate ROI: = (NAIC of Clients – Clients’ co-investment) / Clients’ co-investment

SROI: Social Return on Investment is an indicator which is used to assess whether the programme investment was efficient or not. The SROI is positive when beneficiaries’ gained more monetary benefits than the amount of money invested by the programme. The following formula is used to calculate SROI: = (NAIC of beneficiaries – the programme’s co-investment) / the programme’s co-investment)

*Customers’ and clients’ satisfaction*¹¹: The programme has indicators describing the level of customer / client satisfaction with questions designed to find out information such as: *Do you regard milk collection to be beneficial because of transaction cost savings? How satisfied or dissatisfied are you with the development of your business?*

⁹ Net additional income = Addition sales – Addition costs. The costs should include only those extra expenses, which are related to the ALCP2 intervention.

¹⁰ Those interventions, which are financed in the previous phase and are still attributable for the programme is also measured and aggregated on the purpose level.

¹¹ If business model includes other stakeholders, e.g. Intermediaries, their satisfaction should be measured as well.

Improved capacity to carry out new functions: Like expanding production and/or outreach of their business or diversifying the production and offering new services.

Problems and drawbacks faced by clients: E.g. drawbacks to increasing sales like low demand caused by high prices and/or low awareness among customers, poor or no distribution chain etc.

3.3 TIMING, ROLES AND RESPONSIBILITIES

Monitoring plans are drafted at the beginning of an intervention, as soon as programme has a final operational draft of the *Intervention Results Chain*.

Quantitative Monitoring Plans (MPI's) are built by the *Senior RM Officer, RM Analyst and/or RM Coordinator* with the support of the *Theme Officers* responsible for the relevant intervention.

Qualitative Monitoring Plans (MP2's) are built by the *Senior Information Officer* with the support of the *Theme Officer* responsible for the relevant intervention. The *RM Coordinator* is responsible for ensuring they dovetail into the system as a whole.

Client/Stakeholder Involvement: For the definition of applicable business indicators consultations with *relevant clients/stakeholders* are conducted.

Review: The document is reviewed by management together with corresponding RCs. Where changes are required they are authorized by *management* and documented.

Data Entry & Information Sources: Clients submit monthly data sheets (See section 4, Repetitive Monitoring for more details about the monthly data), interviews with beneficiaries and secondary data is also checked. This data is entered by the *Theme Officers, the Information Officer* and the *RM Officers*.

4. MEASURING CHANGE

See *Annex 4* for a complete overview of all ALCP2 data collection and research methods. Carrying out quality RM requires a robust measurement system fueled by quality data, based on good research practices and efficient and accurate data collection and entry methods. Very often more than one tool is used for a single indicator for data triangulation. Estimating *attributable change* is an inherent component of each calculation. The attribution strategy for that particular step of the *results chain* and type of information required will therefore determine the choice of data collection and research method. Data collection and analysis can be divided into two categories:

Repetitive - Monthly data collection, entry and analysis: The advantage of monthly data collection and analysis in the Bi-monthly MAP meetings is the regular feedback loop allowing for ongoing calibration of the interventions. It helps the programme to capture business and market trends and every day changes occurring on the market. The programme has two main sources of this kind of data; the client and the market, in the form of monthly data sheets submitted by clients containing key information such as production and sales volumes, number and names of suppliers, prices per litre or kg of commodity and market prices.

Extensive: Larger scale / targeted research done at a variety of intervals to capture attributable impact and more extensive changes such as the synergistic effect between interventions. It includes representative surveys with programme beneficiaries and provides statistically significant data which comes directly from farmers. Also, intervention specific impact assessments are carried out to capture impact of the particular intervention (See. Chapter 4.4 for more details).

Estimated and Actual Changes: The repetitive monitoring provides actual data on clients level, however, as the information does not come directly from rural producers, figures based on monthly collected data are reported as estimated figures. The Actual data on farmers' levels comes from the impact assessments. The key estimated figures from repetitive monitoring are adjusted according to the surveys.

For data adjustment the programme calculates the difference rate (positive or negative) between survey data and monthly collected data. For example, if according to the monthly data sheets there are 100 beneficiaries and survey shows that actually this figure is 200 the difference rate equals 2.0. This rate might be used as a multiplier for estimating scale from monthly data sheets (Please, see Chart #1 for the visual representation of the ALCP2 attribution strategy).

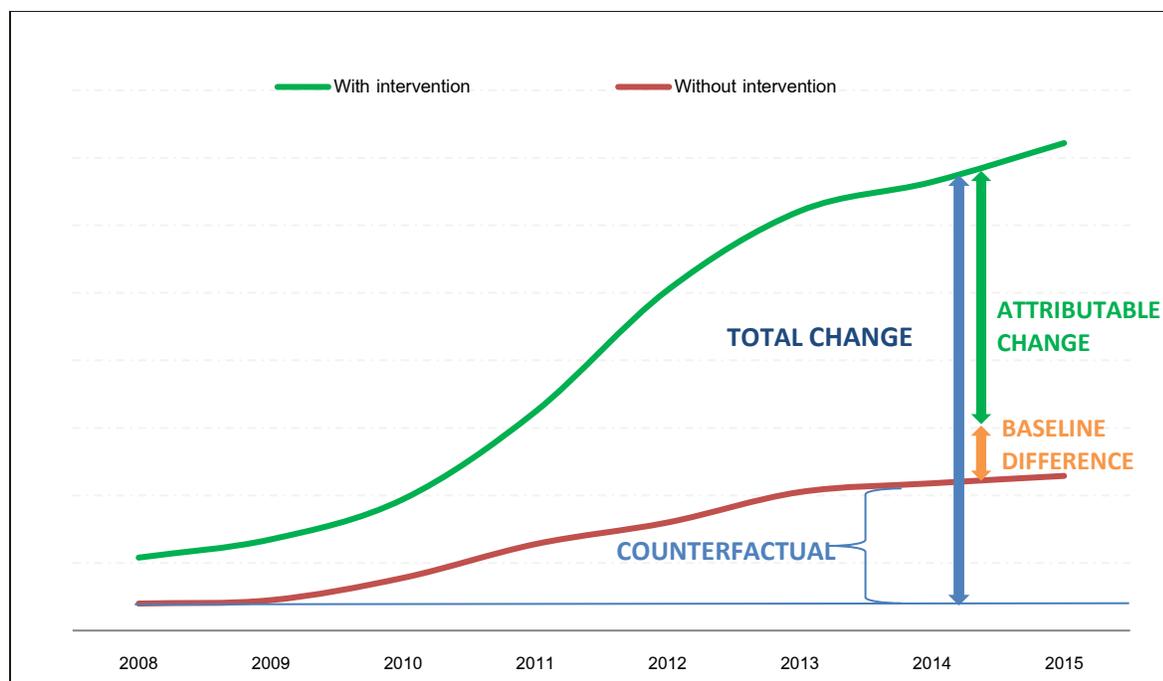


Chart #1: The ALCP2 the main attribution strategy for the impact assessment surveys.

THE ALCP2 ATTRIBUTION STRATEGY

In order to be able to genuinely evaluate impact generated by the programme it is imperative to have an accurate system for isolating programme benefits / changes caused by the activities of the programme from external factors and to show why change is happening¹² i.e. an accurate *attribution strategy*. The ALCP2 programme refers to attribution as: *The change that can be claimed by the project out of the total changes that take place in the region.*

The ALCP2 develops an attribution strategy for every income generating intervention. The attribution strategy defines the methodology for estimating NAIC for rural producers from the repetitive monitoring. It also includes outline of impact assessment methodology for capturing the actual NAIC (See Annex 5).

During the inception phase the programme defined external factors which have or could have an effect on programme impact and should be calculated while building the system for attribution. These are as follows: *Baseline, Displacement, Other Public Funding, Inflation, Changes in the Legislative Environment, Market Environment Changes and Changes in Regional Stability.* (See Annex 5 for more details) In addition the programme takes into account *overlaps* i.e. when more than one intervention reaches the same target enterprises to avoid *double counting*, however in the current programme overlap rate is very low, because interventions are geographically spread all over the country.

¹² Source: <http://www.enterprise-development.org/page/download?id=2012>

The first step is to assess the extent to which each change along the result chains actually happened and the likely reasons for those changes (by asking why changes have happened). Then, the counterfactual (what would have happened anyway) has to be taken into account. There are several methods that can be utilized:

In the ALCP2 a selection of attribution methods is based on a case by case basis dependent on factors such as what data is available, what were the external influencing factors and what is being measured. The most commonly used in the ALCP2 are Before and After Comparison plus Opinion (BACO), and Comparison Groups (CG) plus opinion. This first method is mostly used when the RM team makes attribution based on the monthly collected data. However, attribution strategy in the actual impact assessments is Comparison Groups plus qualitative data. Each indicator has pre-defined attribution strategy documented in the monitoring plans.

Each indicator defined by the programme must and does have an attribution method.¹³ In the monitoring plan at least one data collection method is defined per indicator.

Note: It is important that in attribution, as in data collection, a balance is kept and that the topic is not allowed to become overcomplicated and overworked in relation to the time/money/capacity spent on it, and that it should like all other components of the RM system be *practical and fit for purpose*.

4.2 VALIDATING CHANGE STEPS IN RESULTS CHAINS AND MEASURING ATTRIBUTABLE CHANGES

The foundation of attributing change to the programme is laid in the results chains. In each intervention results chain the indicators applied to each box measure the changes brought about by programme activity. These changes at one level lead to changes at the output, outcome and impact levels and are therefore attributable to the programme.

The programme method is described as follows: How programme activities lead to the desired changes in the market system and the desired outcomes for the target group are described in the results chain, the causal links documented between programme activities and changes are validated through research and noted in the *Intervention Rationale & Summary of Supporting Research Document*. Indicators which capture the change attributable to the programme for that step in the results chain are ascribed and the attribution method for calculating the impact of factors and noted in the measurement plan.

ESTABLISHING BASELINES

Baseline information provides the programme with the values for key indicators that were in place prior to any programme intervention, thereby providing a place from which to measure. Without baseline information, change *i.e. the difference in the key indicators described in the monitoring pre and post intervention*, cannot be measured. Baseline information is also absolutely essential for developing robust

¹³ Key factors that affect the choice of the attribution method are: Which and how much other factors are likely to affect indicators, availability of the baseline data, the timeframe and magnitude of changes and an understanding of what the counterfactual is in a given situation.

*attribution*¹⁴ and for the measurement of changes/impact *attributable to the programme*. The exceptions are when the baseline is zero. There are also cases when the programme collects baseline data retrospectively; however, in such cases, the recall time should not exceed two years.

CLIENT DATA FOR INTERVENTION BASELINES

At the intervention level in the *Application Form (AF)* and then in much greater detail in the *Investment Plan*¹⁵ (See *ALCP2 Investment Manual*) the programme collects the fundamental information for establishing baselines for each box of the results chain to allow for the measurement of change. The development of the RC allows the *Theme Officers* to use it as a reference when writing the *Investment Plan* to ensure that all requisite data is included in the IP. Client specific baseline data in the ALCP2 typically includes information such as the following:

- Number of customers served per month/annually;
- Number of services provided per month/annually (like, consultation serviced provided by women's rooms, or sheep dipping serviced provided through Bio Security Points etc.);
- Amount of litres of commodity e.g. milk, wool received/processed per day/week/month/year;
- Amount of processed product sold per day/week/month/year;
- Amount of cattle slaughtered per day/week/month/year;
- Number of suppliers of milk/meat/wool etc. and number of target group suppliers;
- Monthly/annual turnover, profit and sales;
- Existing capacity and knowledge at farmer/service provider levels;
- Stability of the business, established linkages;
- Interest / motivation / satisfaction of client to start provision of service;
- Expected behavioral changes / system changes at farmer / service provider levels.

Client specific data is also triangulated with monthly market price information, secondary sources and programme specific reports & surveys.

OUTCOME AND PURPOSE LEVEL INDICATOR BASELINES

For log frame indicators describing change at outcome and purpose level the programme obtains baseline data from broad triangulated in-depth surveys carried out by the programme¹⁶. The surveys carried out in

¹⁴ Please see Section 5 which covers the ALCP2 attribution strategy and estimating attributable change. Not all change can be claimed by the programme. Other factors such as an improved economy, other donors, lower inflation etc. may be responsible for positive change. These factors are considered in the attribution strategy. As discussed in Section 3 attribution and counterfactuals are built into the monitoring plan. Please, see Section 3.

¹⁵ Investment Plans are also augmented by separate business plans done by an external BDS provider.

¹⁶ In the ALCP2 and in common with other MSD projects inception phases or market research phases generally lasting six months are built into each new phase of the programme. The initial formal inception phase allows for extensive market research and the development of an in-depth strategy and log frame after which the full project was granted. Subsequent phases have seen a market research/ 'soft' inception phase included as part of the ongoing phase Also, the

the inception phases were all used to inform the Strategy / Proposal document for the implementation phase. The *market analysis and previous impact assessment surveys* are used the most extensively to establish the baseline. Also, ongoing market research and surveys are conducted as required programmatically.

4.3 THE ROLE OF THE IMPACT ASSESSMENT SURVEY IN ATTRIBUTION

In the ALCP2 impact assessment surveys are conducted either for a specific intervention or for all interventions at once. Some interventions which are clustered together in a small geographical area require methods, which assess the effect of multiple interventions simultaneously e.g. in Ajara region. For those interventions, which are more disaggregated and geographically spread, employ intervention specific impact assessments. Appropriate research methodology is designed according to implementation strategy.

Both these impact assessment methodologies measure universal indicators and GEDSI disaggregated indicators. Then, the samples are allocated to users and non-user groups minimizing counterfactual bias and making the attribution process more reliable.

NAIC is calculated by using the Comparison Groups method and measures the difference between beneficiary and non-beneficiary income. The programme aims to attribute the difference in changes only for the target income i.e. agricultural income: excluding changes in salaries, social aids, stipends, income from selling property etc.

The impact assessment survey aims to summarize all sizable effects on the livestock sector. The key aims of the analyses are:

- To report on changes attributable to the programme: through the difference (either positive or negative) in changes across affected and non-affected populations, during the programme implementation period, triggered by the programme.
- To evaluate costs and benefits: through attributable changes in target households and the aggregated social return on the programme investment.
- To assess the sustainability of the changes: through the profitability of the business models, the business return on the private sector investment, system changes i.e. copying and crowding in and changes in the rate, type of reinvestment in agriculture by farmers.
- To assess the synergistic effect of the systemic approach: through capturing the effect of the synergy of different interventions and outcomes (Whenever impact assessment are conducted for all interventions simultaneously).
- To double-check the data that comes from repetitive monitoring and to adjust all the estimated figures based on multipliers derived from a comparison with actual data.

In order to ensure the quality of ALCP2 impact assessments 14 steps are followed:

ALCP2 conducts impact assessment surveys at the end of each phase which are used as a baseline data in the current phase of the programme.

1. Review programme needs in defining the main research questions and sampling methodology.
2. Design structured or semi-structured questionnaires.
3. Test and refine questionnaires.
4. Sampling
5. Define method for HHs' and respondents' selection (e.g. random walk / within the family the most informed adult person (18+) in regard to animal husbandry is interviewed).
6. Conduct pilot interviews, updating questionnaires if needed.
7. Develop a data base in SPSS or STATA.
8. Conduct intensive training for the interviewers.
9. Supervise the field work (capturing issues and finding the ways to handle them);
10. Enter the data in the data base checking quality ¹⁷
11. Clean the database (e.g. defining the missing values, error detecting, error correction etc.)
12. Compare treatment and control groups.
13. Triangulate the data with other sources (e.g. monthly collected data, qualitative data, meta sources etc.)
14. Report tabulated results.

THE DIFFERENCE BETWEEN INTERVENTION SPECIFIC IMPACT ASSESSMENT (ISIA) AND MULTIPLE INTERVENTION IMPACT ASSESSMENT (MIIA)

In the current programme many interventions have become nationally distributed and more geographically disaggregated therefore intervention specific impact assessments are becoming more appropriate. Thus:

- If the overlap rate between interventions is not expected to be high, and the impact of a particular intervention can be isolated, the programme conducts an intervention specific impact assessment (E.g. Dairy, Silk, Lori Sectors).
- If the overlap rate between interventions is high, the programme conducts one impact assessment for all interventions simultaneously. In this case the synergy effect from multiple interventions is also captured (E.g. in honey sector).

The difference between methodologies:

The main difference between the two methodologies is sample size. In general, the intervention specific impact assessment has a lower number of people sampled, while the impact assessment in measuring all interventions across a population is representative of the target population of the defined area and generally has bigger sample.

¹⁷ In general, when approximately 50% of questionnaires are filled out the data entry process is started. Also, in order to capture data entry bias, a single questionnaire is entered by more than one person and differences, if any, are corrected.

- **Intervention specific impact assessment:** A minimum of 30 treatment and 10 control farmers should be sampled per intervention;¹⁸ for main interventions which are expected to have significant outreach and scale the sample should be representative for the target population. Both are accompanied by rigorous triangulation using qualitative data at the farmer and business and sectoral level, monthly client level data e.g. sales, volumes prices and third party statistics e.g. government export data and system change surveys.
- **Impact assessment for all interventions:** Surveys sample sizes are calculated based on 95% confidence level and 5% margin of errors.

Types of questionnaires

- **Intervention specific impact assessment:** Semi-structured questionnaire, including open-ended questions for capturing qualitative data¹⁹.
- **Impact assessment for all interventions:** Structured questionnaire with close-ended questions, which captures only quantitative data.

The role of qualitative data

Because of the modest size of the sampling, intervention specific impact assessments need more detailed and specific qualitative data to validate the links between programme activity and actual impact. The role of qualitative data cannot be underestimated and represents a core part of attribution: Qualitative data is a must for triangulation as the measuring of the impact requires a synthesis of both, qualitative and quantitative data.²⁰

Efficiency in Impact Assessment and Surveying

In this phase, ALCP2 is focused on making data collection more efficient by utilizing online methods and quick targeted surveys to gather impact data from multiple levels, not just the target group. This includes collecting data from the private sector, trainees, members of sectoral associations, or retail outlets stocking client products. For example, the programme conducts online surveys of beekeepers via popular Facebook groups like Georgian Bee or surveys dairies through WhatsApp surveys of GMM members. These

¹⁸ As suggested by the DCED in the Practical Guideline for Conducting Research (2013) as a practical benchmark. Sampling each intervention representatively is prohibitive as the programme facilitates multiple interventions and it would be unrealistic to conduct impact assessments with representative sampling per intervention and be prohibitive drain on resources. However, sampling for most of the interventions are higher in practice and for the main (High and medium importance) interventions sampled have to be representatively. Monthly collected data and qualitative information should be used to categories interventions as high, medium and low importance interventions. Estimated scale, NAIC, and jobs are the main indicators which defines the sampling methodology for the intervention specific surveys.

¹⁹ These two questionnaires are still very similar, however intervention specific surveys give the programme opportunity to ask additional in-depth questions as well, while impact assessment for all interventions have long questionnaires and do not have enough space for qualitative questions.

²⁰ Good examples of it might be found in the [jobs](#) and [access to finance](#) surveys.

approaches are time-saving, efficient, and provide quick responses on key questions, enabling up-to-date, data-driven decision-making.

4.4 LIMITATIONS TO THE IMPACT ASSESMENT

Although the program is able to collect comprehensive information with impact assessment surveys, both of the methodologies still have some limitations.

- **Recall bias:** Both methodologies sometimes require recall information from the farmers for a two years period and can be unreliable. *Solution:* The ALCP2 uses original baseline surveys²¹, monthly collected data and meta sources for triangulation to reduce & avoid recall bias.
- **NAIC per intervention:** When the programme conducts one impact assessment for all interventions it can capture the synergy effect of combined interventions, however it is virtually impossible to credibly isolate the impact of individual interventions. *Solution:* The ALCP2 use the monthly monitoring system to estimate NAIC per intervention. Also, qualitative information is used to alert whether quantitative data requires further justification and vice versa. If additional information is still required, the RM team conducts intervention specific surveys to capture actual NAIC per intervention.

4.5 MEASURING QUALITATIVE CHANGES²²

Once an MP2 is designed and all relevant indicators with their baseline are set, the ALCP2 conducts qualitative research to measure the changes. The following steps describe how the programme measures qualitative indicators:

1. **Choosing a research method:** Data collection methods are defined per indicator in a MP2. In the ALCP2 the most frequently used method to measure qualitative indicators is in-depth interviews.
2. **Constructing questionnaire:** The ALCP2 usually use semi-structured questionnaires. The main questions are documented in a MP2 according to each indicator and new questions are also added before actual field work.
3. **Sampling methodology:** A target group is identified and respondents for primary interviews are selected within this group (e.g. Milk suppliers, Women's rooms visitors). After that other respondents are usually selected using the snow-ball sampling method²³. In general, at least 6 interviews (3 men

²¹ Original surveys are used to set general baseline, however often baseline data collected before the intervention is not enough for making attribution and the programme need to collect more specific baseline retrospectively. During triangulation general baseline and specific baseline should be compared with each other to make sure that retrospectively collected baseline is in line with original baseline (Otherwise the reasons of the differences between the two need to be clearly explained).

above, intervention specific impact assessment also includes qualitative questions and is used to measure qualitative indicators.

²³ Random sampling method is also used when the potential participants are easy to reach. However, the Snow Ball method is chosen when the target group is difficult to find. Snowball sampling consists of two steps: Identify potential subjects in the population. Often, only one or two subjects can be found initially. Ask those subjects to recruit other people.

/ 3 women) should be conducted, however maximum number of interviews is not predefined: field work is finished as soon as the answers are repeated. The sample should also include those respondents who has not used the programme facilitated services. It helps the programme to find out reasons of not using the services.

4. **Field work:** Face to face interviews are conducted in target areas. The programme usually does not do audio recording ²⁴ and respondents' answers are mostly noted down directly in a questionnaire.
5. **Constructing a table of transcript:** Raw data, information taken from the questionnaire, is put into a table of transcript. It includes the main questions, respondents' age, ethnicity, sex and duration of the interview. The main part of the transcript defines key statements of respondents. Key statements are respondents' answers, which directly or indirectly responds to the original research questions. The table of transcript is documented in a separate folder, which is also linked to the appropriate MP 2.
6. **Formulating main outcomes:** Based on a Table of Transcript the main answers are coded and trends / important findings are selected. During this process main outcomes are defined, which answers the original research questions and measures the predefined indicators. Also, it might include unintended outcomes, if any. The finding must be gender disaggregated whenever it is relevant.
7. **Triangulation / substantiation outcomes:** The main outcomes are triangulated with already existing data (qualitative & quantitative) and / or meta sources. Also, the programme consults with relevant well-informed people, who could be from outside of organization, for example: government representatives, community leaders and others, or inside the organization like theme officers, who can provide more information and details about the main outcomes. Only those outcomes which are substantiated and includes clear link to the programme activity is attributed to the programme. Therefore, only this information will be reported in a MP2 and / or in the programme reports.
8. **Writing reports** – All the relevant information, which measures qualitative indicators goes in a MP2. Sometimes a research goal is more broad and is related to the sectoral changes. In this case, a separate report should be produced or qualitative findings are integrated into other ALCP2 reports (e.g. quantitative and qualitative mixed methods impact assessments). Also, findings are reported in the biannual / annual programme reports.

²⁴ Analyzing audio recording is time consuming and it is not practical for the programme point of view.

4.6 CONDUCTING RESEARCH: GETTING THE FIELD WORK RIGHT

The programme follows the critical points of the Guidelines and Research Ethics²⁵ Outlined in the DCED standard:

Box 1: Ethics of Conducting Research

Respect Cultural Norms - There are a number of cultural norms which exist in any setting of which you must be aware prior to beginning research. For example, in some contexts cross-gender interviews are forbidden. Identify and have a strategy to adapt your research plan to these norms prior to beginning.

Be Transparent - It is important that all respondents understand who you are and why you are conducting research. If you are arriving without prior notification to conduct research, be respectful of their other obligations and do not pressure them to participate if they are not willing to do so.

Manage Expectations - It is usually prudent not to promise any specific outcome from your research (such as a new project) that is not certain of happening.

Share Your Results - Market research should not be approached as an 'extractive' process, in which you enter, take information and leave. In discussing peoples' problems and gathering their ideas to fix these, expectations are often raised that you will also adopt these suggestions and improve conditions. It is important that after gathering information, you also share the results with interested clients. This not only honours their contributions; it also allows you to gather additional feedback on your analysis."²⁶

Confidentiality – The reliability of surveys depends on participants to volunteer information regarding individual actions. A respondent is more likely to provide honest responses when their identity is not going to be exposed. Thus, during ALCP2 surveys no personally identifiable information are reported outside the research team, unless respondents voluntarily offer personal or contact information in any of the comment fields. Additionally, respondents' responses are combined with those of many others and summarized in a report to further protect the anonymity.

Special regard should be given to obtaining a gender balanced response and where socio-cultural barriers or constraints exist to interviewing women in any survey the following practice is employed in the ALCP2:

²⁵ 'It is always important that the research which you conduct is done so in a fair, ethical way that respects those from whom you are gathering data. While many of the critical parameters and guidelines for collected information are context-specific, there are a number of points which should be observed in any research situation'. SEE DCED STANDARD VERSION VI "BOX 6: RESEARCH GUIDELINES AND ETHICS: (SOURCE: MIEHLBRADT AND JONES. 2007; P11

Box 2: Conducting Gendered and Inclusive Field Work

Stand-alone GESI analysis and the research required to generate baselines and test assumptions for generating and measuring inclusivity and WEE impact will require field work at the HH level. Thus, the team members must be able to navigate local contexts with both sensitivity and tact.

Depending on context the following can be encountered; cultural differences in different ethnic communities, constraints such as women's mobility, norms related to the amount of contact women may have with individuals from outside the family or unpaid care burdens, reactions such as shame, reluctance, lack of time, fear of potential repercussions or women thinking that their opinion and response is of no value.

Also, climate change disproportionately affects marginalized communities with fewer resources and less power, and this must be considered during fieldwork. This includes understanding the factors that limit or alter their access, needs, and participation in research projects. Therefore, the sampling of respondents must be inclusive, addressing language barriers and ensuring comprehensive representation.

Understanding the factors which impede or change the level of access or needs of the rural population who the extension is trying to reach. These factors are diverse and include gender, ethnicity, age, wealth, religion, geographic location (ranging from lowland to upland areas) and farms of varying size and type of productivity (be they small, medium, or large, or a household operation mainly providing food security, income from sales of surplus or semi or fully commercial).

The following rules have been generated by and are followed by team members to create a safe space for interviews:

Establishing trust: find community female or male leaders to help gain trust.

Make sure to speak with the husbands/HH heads of women farmers: Try to talk with a male family member to get respect and trust; the aim of the interview should be explained and the benefits of the survey for his family. The team/interviewer will explain that the benefit is not just about women, but about family and community including men.

Team members should be confident and knowledgeable, and show respect: The community/individual interviewed should feel confidence in the interviewer and that the interviewer is familiar with and sympathetic to the community including their problems, lifestyle, rules and traditions and that these are respected. This should include appropriate modulation of language, speech, references, topics introduced and dress.

Helping a female respondent: It may be difficult to get the female respondent to expound on her answers. When this occurs try asking the same question phrased differently or open the question to a wider group of women where the interviewee may be more comfortable in voicing her opinion. The interview should be in depth when trying to ascertain information on the existence of and reasons for behaviour changes.

4.7 TIMING, ROLES AND RESPONSIBILITIES

Choice and design of survey instrument for each indicator starts as soon as monitoring plans are drafted and indicators defined. Existing data is used whenever possible for efficiency. *Stakeholder Involvement: The RM & Information Officers and Theme Officers* consult with the relevant client when choosing the data collection methodology and constructs a data collection sheet to be filled in by the client monthly.

The *RM Coordinator and Results Measurement Analyst* are in charge of choosing appropriate measurement and data collection methodologies and *Theme Officers* are in charge of data collection from clients under the regular direction and supervision of *Programme Management*. In addition, *Programme Management* often commissions pieces of new market research to answer the need for more information which unfolds as part of the developing market strategy and in response to the RM feedback loop, see in detail below:

Clear and appropriate assessment design: Designed by *RM unit*, assisted by *Theme Officers and Theme Coordinators* under the supervision of, or commissioned and designed by the *Team Leader & Deputy Team leader*;

Data collection: Planned by *RM unit* conducted by *Theme Officers* and for larger ones requisite *external Interviewers*.

Data entry: Conducted by *RM & Information officers, RM Analyst and Theme Officers* and for larger one-time data specially recruited *data entry personnel*;

Data Analysis and Results Management: Conducted by the *RM Coordinator, RM and Information Officer, RM Analyst*, under supervision of *Programme Management*;

Management of assessments: Conducted by the *RM Coordinator, RM Officer, RM Analyst* together with *Theme Officers*;

Use of existing data sources: Assured by *RM Coordinator, RM Analyst, RM & Information Officers and Programme Management*;

Costs, financing and logistics: Planned by *RM unit* together with finance and logistics department and supervised and approved by the *Programme Management*.

5. CAPTURING WIDER CHANGES IN THE SYSTEM OR MARKET

System change in a market development programme is caused by the knock-on effect of programme interventions which have been designed and undertaken to exploit key entry points²⁷ which when leveraged correctly by an intervention cause change throughout the part of the market system which has been targeted. System change can also occur in parts of the system not specifically targeted by the interventions²⁸. Potentially system changes caused by the intervention could lead to positive or negative outcomes. However, the programme is designed to cause positive system change especially *copying, crowding in and natural growth*. As the programme matures changes may go beyond those originally targeted and *expected* by the programme. Outcome impacts can behave synergistically and external factors can contribute to go beyond those intended and mapped out in the results chain and cause more complex and more extenuated changes in the wider market system. These are captured as an extension of an intended form of system change i.e. an evolution or development from something triggered by the programme or described within the wider context of sectoral change in Annex 1 of the annual and biannual donor reports. Capturing and measuring system change therefore presents a challenge to any programme in which it is occurring²⁹. Assessing the changes at intervention adjacent level and broader sectoral or system level is an important next step in feeding back into strategy and reporting³⁰.

Key facets of any RM system design must include clear definitions of what is being tracked and reflexive staff, systems and methods to capture changes.

Types of System change Captured in the ALCP2:

- Crowding in³¹
- Copying
- Natural Growth / Business Expansion

²⁷ Entry points are defined to offer the best opportunities for system change through addressing key constraints and exploiting pro poor opportunities for growth.

²⁸ It also includes ‘second order changes resulting from a programme’s direct or indirect impact, for example changes in non-targeted sectors or changes in local economies resulting from the increased purchasing power of a programme’s target beneficiaries’ P16 DCED Version VI, January 2013

²⁹ The fact that there is no one definition for a market system or for what constitutes system change is illustrative of this. See *Evaluating Systems and System change for Inclusive Market Development* (2015) USAID LEO

³⁰ [A Pragmatic Approach to Assessing System Change](#) (2020) The document describes intervention level scrutiny and ‘helicopter’ view or scrutiny of wider system changes, taken together they form the basis of documenting, assessing and reporting on system change.

³¹ Crowding in and copying are the most frequent types of system changes in ALCP2. Crowding in happens on client’s level, when new entity copies the programme facilitate intervention model (E.g. New entity adapts the ALCP2 financed business model and opens new cheese factory, slaughterhouse etc.) Copying occurs on farmers’ level, when they copy the behaviors of the programme beneficiary farmers (E.g. Farmer switched from making home-made cheese to selling raw milk, because he/she saw the benefits of it based on the example of the ALCP2 beneficiary farmers).

- Independent Investment
- Increased Human Resources
- Sector Wide Behaviour Change: includes changes in rules, attitudes and perceptions amongst influential actors / lead players in the market system as well as supporting functions which affect multiple actors across a sector.
- Synergistic Effects: where wider system changes work together and cause further changes.
- Unintended Effect: (Often but not always a form of sector wide behaviour change) when system change is observed in parts of the market system amongst actors not targeted or originally considered by the programme
- Displacement - Negative system changes

The indirect impact of the programme increases as the direct impact of the programme grows and key constraints are addressed and entry points exploited. The systems as detailed below are in place to capture the change as and when it occurs.

5.1 HOW SYSTEM CHANGE IS CAPTURED AND ESTIMATED IN THE SYSTEM

The ALCP2 RM system reflects DCED guidance.³² In practice RM team develops following steps to capture the system change:

Results Chains: Boxes shaded in grey are placed on the outcome level of the intervention results chains to capture copying or crowding in.³³

Intervention Rationale Document: The rationale behind the type of system change expected (E.g. copying, crowding in or displacement) is explained.

Monitoring Plans: The indicators that are used to measure direct change at the outcome level are used to measure indirect impact/system change i.e. the indicators for copying and crowding in are defined by the indicators ascribed to the changes expected to catalyze/generate them.

System change Log Sheet: see below for more details. This forms the most important tool for capturing and recording change before feeding it into the system for attribution.

Annex 1: System Change: this Annex in the Bi-Annual donor report takes specific elements of system change that have occurred during the reporting period and analyses, discusses and presents that change in

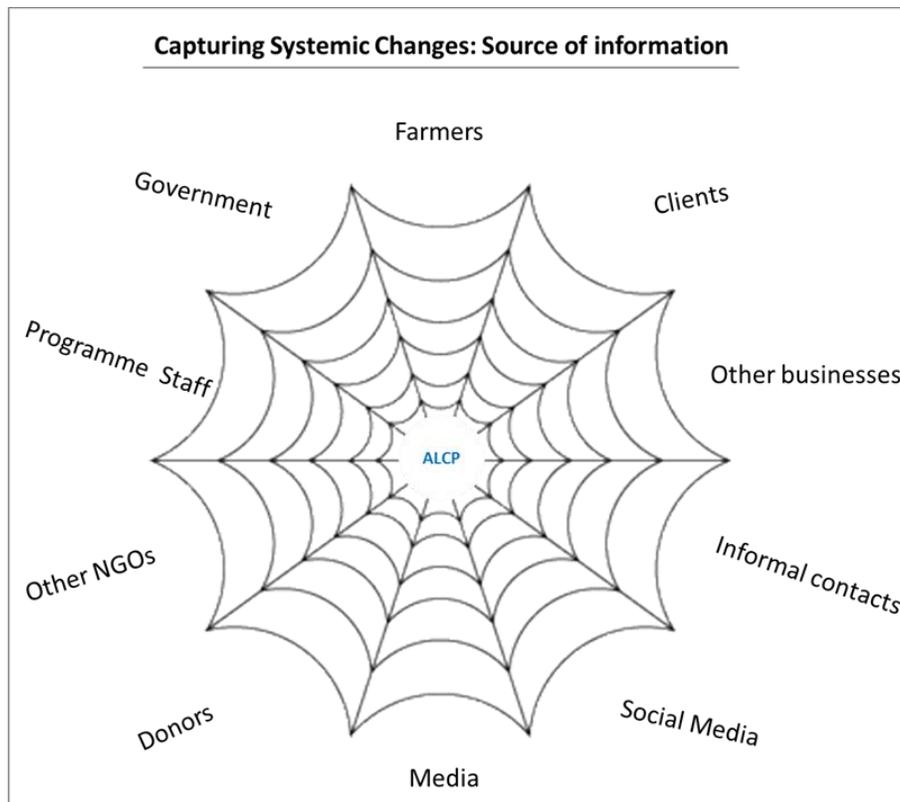
³² Adam Kessler. Assessing System change: Implementation guidelines for the DCED Standard, August 2014

³³ The ALCP2 experience shows that Results Chain is limited to include all types of the system changes, because it causes the overloading of the document and negatively affect its practicality. Therefore, the ALCP2 only puts coping and crowding in boxes in the RC, while other types of system changes are described in the Intervention Rational Document.

the annex. E.g. a comparison of the indicators of growing sustainability from two programme facilitated sectoral associations, as well as the wider impact of that growing sustainability.

HOW INSTANCES OF SYSTEM CHANGE ARE CAPTURED

As represented in the diagram below, instances of system change are captured through *networks* that staff have formed in a wide range of fields. These networks have grown and deepened throughout the implementation of the project³⁴ as a natural progression in knowledge and capacity as interventions are implemented, impact grows and system change is catalyzed. The ongoing market research and awareness which is an expected part of every programme member's job requires members to constantly monitor the market and therefore be able to catch and then report potential cases of system change from various sources for verification, recording, validation and entry of impact into the system by the relevant members of the RM team.



³⁴ These relationships mean that it becomes a natural process of information exchange rather than the team members having always to 'ask'. They often 'receive' information as part of a natural exchange.

SYSTEM CHANGE LOG SHEET:

All relevant team members are trained in what to look for and how to recognize types of system change (as listed in 5.1). The main and most important tool for recording and systematizing this impact is the System change Log Sheet, which includes with following information:

- Programme Client's & Intervention Name: It is the name of the intervention which caused the system change
- Type of System change: It defines the type of the system change (e.g. Crowding in, business expansion etc.)
- Verification: Source of information: It shows where the data comes from and whether the programme verified this information or not.
- Impact Calculation added to system: It shows whether the programme calculated quantitative impact of the system change or not.
- Location: It shows the location where the system change occurred.
- Starting Date: It includes date when the system change started / occurred.
- Business Description & Stability: It describes the capacity of the business / sustainability of the system change
- Attribution to the Programme: It is one of the main part of the SCL which describes the link between the programme activity and system change.
- Calculation (Jobs, scale & income): In this section the programme calculates main indicators for the new businesses / system change.

Please also see Annex 6 for the System change Log Sheet template and Annex 7 for an example of programme wide analysis and visualization of system change at different levels.

VERIFICATION PROCEEDURE

After receiving information about the instance of the system change the information is double checked before entry into the log sheet. If it is a business expansion case, the information is checked with the client using a set of questions and through site observation; in case of a crowding in, it is cross-checked with the client and the crowding in entities on site for clarification of the programme attribution. All system changes occurring in the market are captured in the log sheet. The changes are described, categorized, dated, and attribution ascribed and fed into the system. The programme only attributes system change when there is clear, objective and well-grounded proof that system changes occurred due to programme activities. Only after verification does the programme starts calculating the indirect benefits of the system changes (See the System change Log Sheet in Annex 6).

Data Collection & Measurement & Attribution: For some indicators direct measurement of system change is possible e.g. new service providers. Where direct measurement is difficult, (E.g. Scale, NAIC) projections are based on the already existing data or a piece of in depth interview is conducted to measure the impact of this particular system change. During interviews with the programme client and/or crowding in service provider sales, volume or number of beneficiaries of the new businesses are captured. This information is triangulated with the existing data of similar business and with external data sources. After that the RM

team makes a conservative estimation of impact. In addition, to double check the estimated results the programme conducts a sample survey with customers of the crowding in business.

Box 3: Example of Capturing System change and its impact: Crowding in

Intervention: The ALCP2 has developed the dairy sector and introduced a sustainable dairy model. ALCP2 facilitated dairies collect milk from local farmers, primarily from grass-fed cattle, and the programme has also created the Georgian Milk Mark (GMM), a quality assurance mark that unites these dairies.

Expected Indirect impact/ System change at Outcome Level: Other/new dairies which are not supported by the programme, contact the GMM dairies and copy the model to enter or enhance their market, gain GMM certification and access value added markets.

Qualitative information: During a field visit, the relevant intervention manager discovered that a programme-facilitated GMM dairy had been contacted by an unregistered dairy owner seeking advice on becoming a compliant GMM member. The information was reported to the RM team for substantiation through Systemic Change Log Sheet.

System change Log Sheet: Following this, the results measurement (RM) team double-checked the case and confirmed that the new dairy had copied the model and begun constructing a compliant factory based on the ALCP2 framework.

Measurement: The programme estimates the number of beneficiaries of crowding in dairies. The maximum capacity is 2 tonnes of milk per day and the dairy will collect milk from around 50 farmers.

Reporting: Once indirect benefits have been generated, they are reported in a way which distinguishes them from direct results, in the bi-annual and annual reports.

Note: Further survey might be conducted within the farmers to capture the actual impact of the crowding in dairy.

COPYING

The System change Log Sheet does not include cases of copying. Copying is recorded in the MP1 from the relevant boxes in the Results Chain. The impact of copying is estimated by:

- Establishing the copying ratio: the number of copying farmers for each direct beneficiary farmers
- Asking respondents during the impact assessment whether their neighbours copied their new practices.
- Interviewing a sample of the neighbours named (using snowball sampling) to cross check whether they are actually copying the practices and reasons for copying.
- Checking for overlapping among the copiers (i.e. whether one copying farmers is copying from 2 or more direct farmers).
- Using this information to calculate an estimated average copying ratio.
- Collecting baseline information for copying farmers. Later on, validate the behavioural and performance changes for copying farmers. (If the copying farmers have already copied and realised performance change, it is possible to collect baseline information through recall, and behaviour and performance changes at the same time as gathering information on the copying ratio.)³⁵

³⁵ However, in the programme coverage area the impact of copying is rarely reported, because the market is still thin and scale of farmers who copied the behaviour are mostly overlapping the scale already achieved either from the direct

Capturing, Synthesizing and Analyzing Wider Changes: Annex 1 for the Annual and Bi-Annual Reports is the section where the ALCP2 captures, synthesizes and analyzes wider changes. This section provides both textual and visual representations of key systemic change indicators, focusing on areas such as business expansion and crowding-in cases. The inclusion of these indicators enables the programme to assess broader market dynamics and the replication of successful models. In doing so, Annex 1 serves as a critical component in demonstrating how programme interventions are fostering sustainable market shifts and long-term impact.

Annex 1 also features a more in-depth analysis of a specific research topic identified in each reporting period. These topics are chosen based on their potential for broader assessment and relevance to the programme's objectives. For example, one such topic was the systemic change potential of climate-smart inputs related to the Greening MSD approach. If further investigation is necessary, the programme may conduct additional studies to deepen understanding of the researched topic. For instance, the Outcome Harvesting study might be conducted specifically for annex 1.

6.3 TIMING, ROLES AND RESPONSIBILITIES

The expected system change is built into the results chain and MP's at the beginning of the intervention. *The RM Coordinator, RM Analyst, RM Officer and Information Officers* are responsible for conducting research regarding the system change. The *SCA* also assists the designing of pathways to capture the changes (RC, Intervention rational, indicators and research methodology). As the intervention matures and at least on an annual basis the *Themes Officers & Coordinators, and Information officers* is closely consulted in obtaining information relating to system change, is in charge of conducting qualitative surveys and assembling qualitative data. When it is identified that system change has occurred, the *RM unit* selects the best suitable form for measuring the indicators for indirect impact.

System change Log Sheet is updating at least bi-annually. *The information officers* and the *SCA* are responsible to include all possible system change cases into the log sheet. Then, *the RM Coordinator* is reviewing the document case by case, and finally the biannual system change log sheet is approved by *management*.

programme clients or from the crowding in service providers. For example, if farmer copied the behaviour of the neighbours and start selling milk to the programme facilitated milk processor, it will be captured among the direct beneficiaries of this milk processors.

6. GESI & WOMEN'S ECONOMIC EMPOWERMENT

The ALCP has been a market systems development programme since its inception and has harnessed the scale and systemic nature of the MSD approach to successfully effect at scale, gender inclusion and Women's economic empowerment as well as ethnic inclusion. This has included a structured approach to the operational inclusion of mechanisms to ensure gender, WEE and social inclusion impact³⁶. From the programme beginning, Alliances was situated in the most ethnically diverse areas of Georgia and ensuring ethnic inclusion was vitally necessary to ensure equitable and successful programming.

Programme research³⁷ and experience in rural areas of Georgia, consolidated programme awareness of the existing vulnerable groups living in the regions. The ALCP2 has a target group of rural producers and statistics show that the rural population in Georgia is more vulnerable than the urban population because of the higher unemployment rate, percentage of people under the absolute poverty line, densely populated ethnic minorities and high rate of domestic violence and early marriages. In the ALCP2, gender and ethnicity viewed through an age lens are considered to be the main inclusivity elements to mainstream across all market system interventions, with the potential for other smaller groups to be monitored and included where possible in the Women's Rooms interventions, which specifically deal with inclusion for rural populations and can provide programmatic elements for extremely vulnerable groups including people with disabilities.

The ALCP2 operates according to the [Mercy Corps' Gender Equality and Social Inclusion \(GESI\) Strategy](#) which is a long-term vision of advancing gender equality and social inclusion in MC programmes and operations. In all ALCP2 interventions gender equality and social inclusion are mainstreamed according to Leave No One Behind principles.

Women's Economic Empowerment (WEE) is still a special focus in the ALCP2³⁸. The guidance provided in this chapter concerning the methods in use to capture WEE in the ALCP2 can be seen in detail and placed

³⁶ Bradbury H (2016) *How to Put Gender and WEE into Practice in M4P(MSD) A Description of Ethos, Systems and Tools Used in the Alliances Programme in Georgia*. DCED Women's Economic Empowerment Working Group.

³⁷ [ALCP2 GESI Analysis \(November 2022\)](#)

³⁸ By dealing with the poor as one target group rather than more traditional overt gender programming which targets women specifically, debate has surrounded the challenge of gender mainstreaming in MSD. A tangible result of this debate was the development of the MSD Hub sponsored *Guidelines to the Incorporating Women's Economic Empowerment (WEE) into MSD Programmes*³⁸ in 2012 which includes a framework for use throughout the MSD programme cycle³⁸ RM is the final part of the framework and offers solid guidance to incorporating WEE into the RM system, which goes beyond disaggregating gender data and includes guidance on the development of results chains, indicators, the establishment of baselines, monitoring plans and analysis, decision making and reporting. The framework is in use by the programme ([See Part B of the document](#)). The process of developing guidelines for results measurement in WEE has continued, to include the DCED commissioned *Guidelines for Measuring WEE in Private Sector Development* (2015) as well as the guidelines on [how to put gender and WEE in practice in MSD](#) (2016). The programme was one of two case studies in both documents.

in a wider context of gender and WEE implementation and measurement in PSD/market systems programming, in the latter.

6.1 MEASUREMENT METHODS APPLIED TO GESI MONITORING

Monitoring plans which are built to correspond with the results chain boxes include qualitative and quantitative GESI data per intervention and each monitoring plan describes GESI component and its logic within the intervention rationale. The ALCP2 is focused on gender, ethnicity and age, but takes into consideration other vulnerable groups and communities, if relevant for a particular intervention. According to the DCED standard, the universal impact indicators—scale, net additional income change (NAIC), and net additional full-time job equivalents created—must be gender-disaggregated, and this principle is fully followed by the programme (Table 1 below). ALCP2 further disaggregates these and other relevant indicators by ethnicity and age. Additionally, through qualitative analysis, intervention-specific and context-relevant vulnerability indicators may be assessed (e.g., disability, poverty, mental health).

The core benefit of GESI-sensitized results measurement is that it ensures GESI-disaggregated data is integrated into decision-making processes. For this reason, the result measurement team provides and discusses GESI-disaggregated data with programme management for data-driven decision-making. For example, during Monitoring, Action, Plan (MAP) Meetings—internal pause-and-reflect meetings for ALCP 2—the RM team and programme staff discuss GESI results and develop appropriate actions based on the meeting minutes.

Finally, ALCP2 ensures transparency and accountability by reporting GESI-disaggregated data in donor reports and other evaluation studies. This approach not only highlights the programme's commitment to gender equality, social inclusion, and addressing vulnerabilities but also allows stakeholders to assess the effectiveness and impact of interventions on different groups within the community.

Table 1: DCED Requirements for Gender Disaggregation of Universal Indicator and ALCP2 Practice for GESI

DCED Standard	ALCP2
<i>Scale</i> : “Data should be divided to show the relative numbers of male- and female-owned SMEs”.	Major target beneficiaries: rural producers and MSME’s access to climate-smart extension, inputs, and information & more reliable, value-added market access (Women, age groups, ethnicity)
<i>Net Attributable Income Change (NAIC)</i> : “Data should be divided to show the additional net income of male-owned SMEs compared to that of female-owned SMEs and male workers compared to female workers”.	Major target beneficiaries: rural producers and MSME’s & ALCP2 clients and/or supported entities (more than 95% of whom are SME’s) (Women, age groups, ethnicity)
<i>Net additional Jobs Created</i> : “Data should be divided to show the number of FTE jobs that went to men, and to the number of FTE jobs that went to women”.	# of FTE jobs created (Women, age groups, ethnicity)

ASSUMPTION DEVELOPMENT AND TESTING

The assumptions developed from qualitative data relating to women, ethnic minorities and different age groups i.e. from the GESI sensitized market analysis and focus group surveys, GESI analysis and ongoing analysis are tested midway through the programme cycle to verify their application to data disaggregation and their use in the development of GESI indicators. The assumptions include the profiles of the target beneficiaries within their communities, working lives and homes, roles, responsibilities within the target market systems and access and control over resources.

6.2 MEASURING WEE

Measuring WEE requires a commitment to ensuring that WEE is present in every aspect of programme design and implementation and that necessary instruments are employed at the right time in the programme cycle. It will entail research at the HH level which will have to gauge what can and cannot be sensitively measured within the complex gender relations of the HH and community and an additional survey in the form of the WEE Assumptions Testing Survey (see assumptions development and testing above). Success in measuring WEE indicators will be improved by using indicators that are within the scope and experience of the programme remit. The generation and use of WEE indicators and their employment within the wider programme gender and WEE apparatus and tools, specifically the use of *GESI sensitized* and *gender overt* interventions are discussed below.

6.2 GESI SENSITIZED INTERVENTIONS

GESI SENSITIZED INTERVENTIONS

ALCP2 uses *GESI sensitized interventions* which reflects the fact that to impact both men and women, boys and girls, or different ethnic groups interventions must take into account that they perform different roles as market players, face different constraints and are able to exploit different market opportunities. Each intervention results chain contains within it the steps (*GESI boxes*) necessary to ensure that an intervention is calibrated in a way to reach women, different age groups and ethnic minorities, and ensure equitable impact. Depending on the nature of the intervention it may mean as little as ensuring that different communities are targeted in advertising or that information dissemination reaches them, or in others designing the intervention to take into account that finding the correct entry points with vulnerable groups will be pivotal to the success of the intervention e.g. reaching ethnic minority women raw milk suppliers with specifically tailored information for the supply of quality milk. Building these steps into the results chains is part of the normal intervention results chain development process (Please refer to the relevant sections for the general process into which GESI is mainstreamed).

To build in the GESI sensitized change boxes in the results chain steps the following steps are taken:

1. The GESI disaggregated focus group survey and market analysis conducted prior to the intervention, study the specific roles and responsibilities in the market: including the constraints and most importantly the opportunities/entry points in the market. The knowledge gained is reflected in investment plans also in the intervention rationale³⁹, and is used for planning GSI activities and expected outputs and possibly outcomes which are incorporated into the results chain.
2. The GESI sensitized activities are incorporated in the results chains as GESI boxes and describe activities specific to women, different age groups and ethnic communities, and the outputs and sometimes outcomes that are expected specific to these groups⁴⁰. These are included in the respective monitoring plans.
3. In addition to the specific GESI change steps mentioned above, quantitative and qualitative indicators for all key changes are disaggregated by GESI and assumptions (based on research) are applied to the data to allow for its meaningful interpretation. E.g.: *#/% of female vet pharmacy customers, annually* – might reflect: *#/% of women in charge of budgeting livestock related expenditure within their households*⁴¹.

³⁹ See intervention rationale table.

⁴⁰ In many results chains GSI boxes stop at the output level having ensured that in carrying out these steps that certain constraints are overcome and women are able to benefit from the intervention. In others where the role of women is more pivotal for the success of the interventions impact the GSI boxes may reach the outcome level.

⁴¹ This assumption seems to be borne out by existing research however this is also being tested by a survey with statistically significant results being carried out in 2013 to verify or negate these assumptions. See next section.

The GESI method enables the better targeting of interventions to achieve equitable impact and the meaningful interpretation of data and reporting of results. It also with the involvement of *stakeholders* in RC design (see earlier sections), enables clients to differentiate among their customers, shows them the roles vulnerable groups play as suppliers and customers and allows for intervention design which builds in more sustainability for the business as well as for the intervention⁴².

Box 4: Example of GESI Indicators per ALCP2 outcomes

Outcome 1: Inclusive Access to climate-smart inputs, extensions and information.

Objective: Ensure the inclusion of women, Azerbaijani and Armenian communities, and different age groups as users of inputs, extension and information.

Activity: Create and disseminate informational materials and resources in Azerbaijani and Armenian languages to ensure accessibility.

Indicators:

- Evidence of women, different age groups, and Azerbaijani and Armenian communities actively seeking and applying information on climate adaptation strategies.
- Feedback from target groups indicating their enthusiasm for and satisfaction with the information and training received.
- # of new users (especially women and different age and ethnic groups) engaging with the educational resources and services provided.

Outcome 2: Inclusion in Value Chains

Objective: Ensure the inclusion of women and different age groups in value chains, specifically in dairy, honey, and wild botanicals, with a focus on ethnic communities in these sectors.

Activity: Create access to market for women's & different age groups participation in dairy, honey, wild botanicals, and silk value chains.

Indicators:

- Evidence of rural women accessing/suppling dairy, honey, wild botanicals, and silk markets
- Women, different age groups and ethnic communities demonstrate improved knowledge and skills related to dairy, honey, wild botanicals, and silk value chains
- How access to market benefits different social groups (households and within the households)

Outcome 3: Inclusion in Environmental Governance

Objective: Ensure the inclusion of women, different age groups, and Azerbaijani and Armenian communities in environmental development and governance.

Activity: Provide education on rights related to natural resources and environmental management to rural inhabitants, emphasizing the inclusion of women and ethnic communities.

Indicators:

⁴² Note: This often referred to as ‘making the business case for women’ (see *Making the Business Case: WEE in Market Systems Development* (2015) USAID LEO) based on the idea that an upfront idea pitched to the business proving the economic or ‘business’ worth of women is necessary to ensure WEE in programming. In the ALCP2 the belief is that stemming from the research and correct choice of sector, constraints and opportunities built into every stage of the programme cycle and the selection of the correct entry points the WEE process can be more natural and more iterative. It is in fact the facilitator i.e. the programme who must carry the responsibility for engineering the WEE rather than the business by understanding and leveraging opportunities from within the operating environment. It is context specific, flexible and is based on a clear understanding of the role of facilitator and the role of client. For more on the investments process please see the *ALCP2 Investments Manual version 2 2015-2019*.

- Evidence of increased participation by women, different age groups, and Azerbaijani and Armenian communities in decision-making related to natural resource management.
- Demonstrated impact of inclusive decision-making on sustainable development and natural resource management in the region.

6.3 TIMING, ROLES AND RESPONSIBILITIES

GESI Analysis is part of the market analysis process and is supervised by the *Team Leader* and overseen by the *Programme Managers* and *RM unit*, and is conducted at the beginning of new programme phases or inception phase. The building of GESI sensitized intervention boxes in the intervention results chain, the links to the MP1's & MP2's as part of the monitoring of GESI specific indicators and overt GESI sensitized interventions are the responsibilities of *Themes Officers & Coordinators*, *RM Coordinator / RM Officers* and *Information Coordinator*⁴³. The WEE Assumptions testing survey is carried out mid cycle overseen by the *Team Leader* as above and may involve an external research organization. Other in-depth research may be carried out on an ad hoc basis as the need arises in line with programme requirements by *Themes Officers & Coordinators or external consultant/Programme Management*. RM team members are responsible to ensure that all MEL data collection tools are designed in a way that allows safe collection of sex and age disaggregation (SADD), without breaching Mercy Corps' data quality and data collection policies. Programme and RM team are familiar with the Mercy Corps' Program Management Policy requirements relating to the collection of SADD for all relevant indicators in the Monitoring Plans.

7. TRACKING PROGRAMME COSTS

Programme costs are tracked monthly when a monthly expense report is compiled by the centrally based **Finance Officer** based on the coding of each expense. These are sent to the **Senior Programme management**. Annual revised budgets are prepared as a contractual condition between Mercy Corps as the implementing partner and the donors. Unaudited accounts are provided bi-annually. In addition, the programmatic investment budget is reported in every bi-annual and annual report (available on www.ALCP.ge) which is submitted to the donor. The budget is reported in the Finance and Management Section, specifically:

- Percentage of Budget Spent vs. Planned per Outcome
- Budget Deviations and Outlook for the Rest of the Phase
- Appraisal on How Efficiently Inputs were Converted into Outputs

⁴³ Please refer to the Timing, Roles and Responsibilities sections in chapters 1,2 & 3 which deal with building results chains, intervention rationale and monitoring plans and indicators.

8. REPORTING RESULTS

BASIC PRINCIPLES OF REPORTING

The programme meets the following basic principles while reporting:

- The template should follow the template provided by the donors (which follows the outcome monitoring concept)
- The data is presented honestly and reflects reality
- The data presented is readable and clear for the audience
- The sources, methodologies and assumptions applied are described in detail clearly (if the format of the report offered by donors allows this)
- The programme reports against all indicators agreed with and accepted by the donors at the beginning of the project, listed in the logframe
- The three Universal Impact Indicators are reported
- The data is GESI disaggregated
- Qualitative impact, behaviour change, and system change is comprehensively presented and analyzed

8.1 BI AND ANNUAL REPORTS

Programme reports are written on a bi-annual and annual basis by the Team Leader which are then submitted to the donors after being reviewed by the Mercy Corps Georgia Country Director and Mercy Corps HQ. The report format follows the format provided by the donors. Additional information including more detailed scalable and gender disaggregated results per intervention, gender interpreted data per outcome, qualitative information and detailed information regarding interventions, how interventions have developed in comparison to the original proposed opening interventions detailed in the log frame and success stories including results of note are given in the annexes.

Team members should understand their role in and have examples of reporting in which reporting on women and men is a given and which highlights the way in which interventions have been calibrated to overcome key constraints to women and the specific impact on women generated as a result. This will include a synthesis of quantitative and qualitative data (including the impact from WEE indicators), showing how impact contributes to the goal of the intervention and the project goal.

DONOR FEEDBACK

The donors arrange a Steering Committee meeting after receiving and reading the report to discuss it and the implications if any for the programme in light of the report, in terms of calibrating programme management in line with programme and donor expectations and strategy.

8.2 QUALITATIVE REPORTING AND SYSTEM CHANGE

The qualitative impact is an integral part of ALCP2 reports. The bi and annual reports include quantitative and qualitative data side by side. Also, the reports include additional in-depth discussion on system change in Annex 1, where the programme analyses broad changes, lessons learned and sustainability related

indicators. The information contained in these reports is aggregated fully by outcomes and illustrations and interpretations of results made possible through qualitative findings are produced. Infographics are produced which attempt to synthesize qualitative and quantitative information and analysis pictorially. This synthesis of qualitative and quantitative data and the subsequent ‘stories’ of programme impact is harnessed for use in learning and dissemination, agency wide with the donor and within the global community of practice (see below).

8.3 PUBLISHING RESULTS

Subject to the approval of SDC/ADA and Sida the bi and annual reports are published on the programme (www.ALCP.ge) and Mercy Corps website (www.mercycorps.ge) The programme also produces materials which show the results, investments and targets made in an intervention as well as the rationale and strategy behind it in ‘fact sheets’ which are used for donors, dignitary and cross learning visits. The results from surveys and programme specific interventions such as the results garnered from improved breeding are disseminated through appropriate channels including the MC Connect website, Linked In MAFI Network, DCED website and the MSD Hub and through presentations. Easily accessible information and ‘stories’ are used for intra agency communication to private donors i.e. awareness and fund raising and externally for communication with a more general public.

As the programme impact has grown material and analysis is being fed into numerous channels on MSD. All reports are available on the programme website.

8.4 TIMING, ROLES AND RESPONSIBILITIES

The report is written on a bi-annual and annual basis as required by the donors and submitted in August and February. The report is written by the *Team Leader* based on the data provided by *RM Coordinator*, *Information Officers* and the *Themes Officers & Coordinators* facilitated by the *Deputy Team Leader*. It is checked by the *Country Director* and the *Georgia Programme Officer in HQ*. On an ongoing basis the *RM Coordinator* is expected to provide data as and when required as needs for results dissemination occur (see above).

9. MANAGING THE RM SYSTEM: RESULTS MEASUREMENT AND EVALUATION

As stated in the introduction the ALCP2 Programme is committed to the interdependency of management and results measurement. All programme and RM staff members perform duties which ensure inclusive design of intervention results chains and monitoring plans, ongoing interaction between programme implementation, the collection and entry of intervention data, the aggregation and review of this data, the use of the data to feed back into programme implementation, problem solving and reporting.

This is achieved in the following ways:

- *Clear job descriptions*, where roles and responsibilities are assigned
- *Clear plan* of programme procedures and RM procedures and how they intersect as shown in the *Programme Work Flow Diagram*. (See Figure 2)
- Comprehensive written guidance in the ALCP2 RM Manual and the ALCP2 Investments Manual Version 2 2015-2019
- *Bi-Monthly Monitoring Action Plan* meetings for RM, programme staff and management which form the backbone of assessing intervention results on a bi-monthly basis, trouble shooting, problem solving and using impact to calibrate interventions for better implementation and impact. Discussion concerns the intervention successes and drawbacks of each intervention based on any new qualitative information and quantitative indicators for scale including production capacity, amount processed, scale, productivity, income number of services etc.
- Evaluation of the impact reported in the *bi and annual reports* for the programme, are carried out by Programme Management meetings with programme staff, Mercy Corps HQ and donors respectively for planning and programming.
- *Results chains are living documents*. Regular review of the results chains on at least an annual basis, however in practice when an intervention enters another phase⁴⁴ of funding (which forms part of the risk management in the implementation strategy) results and results chains are reviewed.
- *An open office culture* where results are discussed candidly and information flows freely between all elements of the programme (See RM System Information Flow Diagram Figure 1) as a vital part of an implementation system with a vision for change, underperformance, failure and mistakes can be openly discussed, tracked and analysed to further inform intervention implementation. The main forum for this is the *Bi-monthly MAP meeting* after which corrective

⁴⁴ Some interventions might have second phase of the investment. This can be the case when intervention has clear potential for expansion, or the market manifests changes which can be answered by changing intervention. The need and/or relevance of the second phase of the investment can emerge based on outcomes of MAP meetings and ongoing communication over impact with clients. As part of a risk management strategy the second phase often represents the series of actions to achieve an original planned goal however uncertainty over whether a client will be able to succeed is offset by having a first phase where basic activities to address certain key constraint are undertaken first before being able to build the intervention. For more on the investment process including phasing, additional funding and risk management see the *ALCP2 Investments Manual 2015-2019*.

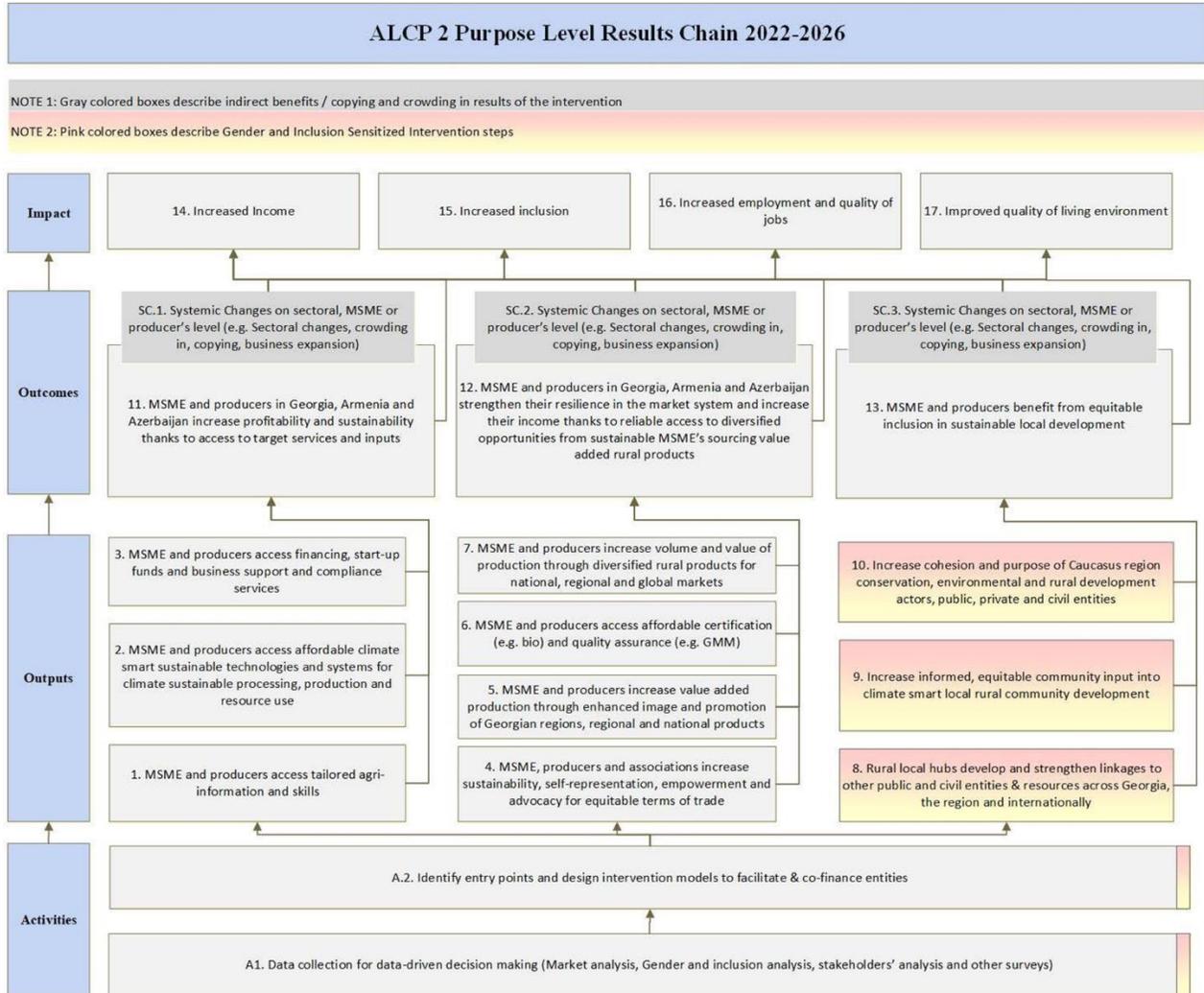
- action or action to enhance performance is taken. More *informal discussion and weekly staff meetings* also provide opportunities for discussion and feedback.
- *Bi annual RM Workshops* and other programme workshops provide opportunities for discussing performance and results. Annual gender workshops are held focusing on analysis of gender results and a review of interventions. Reports are published see www.ALCP.ge
 - *Weekly report - at the beginning of week* the management and RM team shares weekly activity lists with the ALCP2 staff members. It is a tool which enables management and RM team to be fully updated about each other's schedule, planned activities and its progress over time. It makes sure that information flow within the ALCP2 team (departments and offices) goes smoothly
 - *Stakeholder Feedback* results are regularly reviewed and compared with clients who use them to feed back into aspects of their business model. Client satisfaction, increase/decrease of sales, # of beneficiaries provides Theme Officers' material on which to base constructive communication with clients.

9.2 TIMING, ROLES AND RESPONSIBILITIES

Themes Officers are responsible for collecting and organizing their data for each monthly Bi-monthly MAP meeting aided by the *RM Officers & RM analyst* and advised by the *RM Coordinator*. The *RM Analyst / RM Officers* is responsible for helping *Themes Officers* present and interpret their results ahead of the meeting and attempt to troubleshoot ahead of time. The *Information Officer* is responsible for producing the meeting minutes. The *Team Leader* is responsible for reporting (see Section 8) and for following up with the respective parties for discussion and evaluation following the delivery of the report. Weekly reports are written by *RM Coordinator*, which unites key weekly activities scheduled by *RM unit*.

ANNEX 1: EXAMPLES OF RESULTS CHAINS

1.1 Purpose Level RC



Accompanied Theory of Change: If rural producers and MSMEs have access to climate smart inputs, skills and knowledge and agency over natural resource use as well as being able to produce and process certified, branded local produce, **then** their market resilience will be enhanced, allowing them to increase income, local employment and improve livelihoods **because** reliable supply of well branded, sustainable local products will better service national, regional and international markets.

1.2 Sector level RC

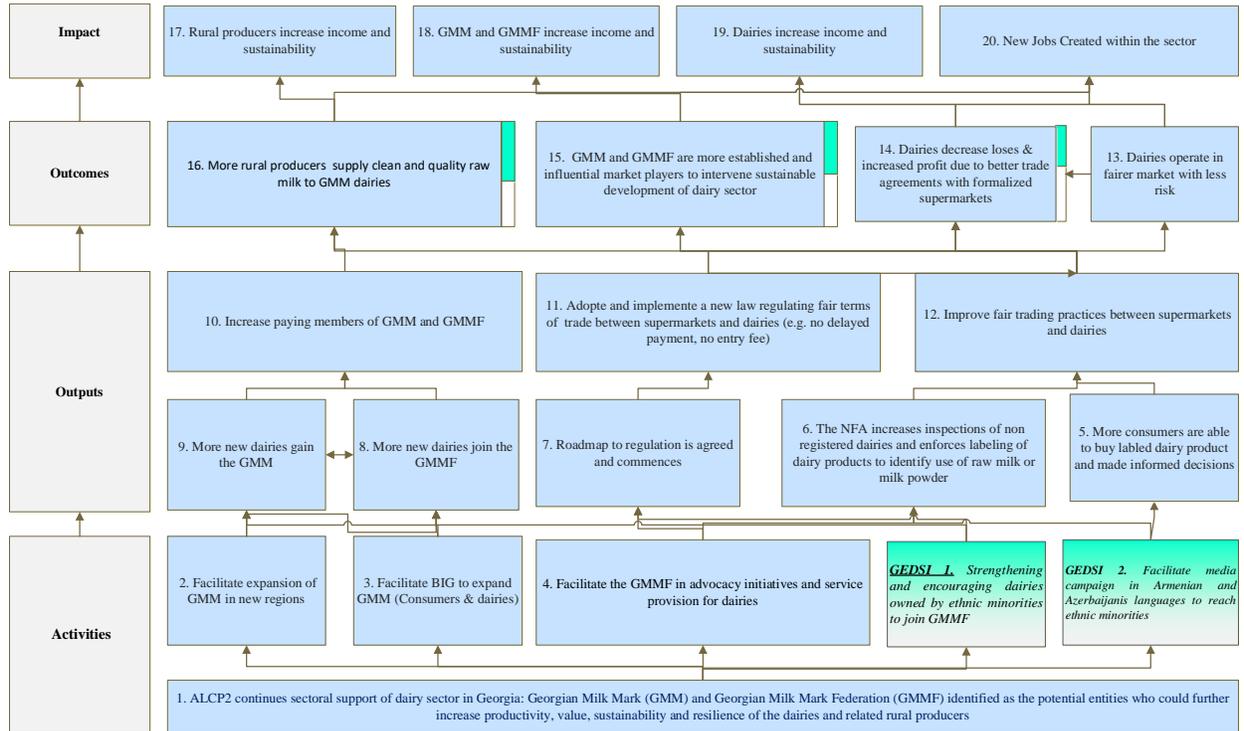
2.1/2.4 (1.1 through dairy association) Intervention 1 - Results Chain

Intervention Title: Increased sustainability, self-representation, empowerment and advocacy for equitable term of trade by rural producer member associations, increased volume and value added MSME production of diversified rural products

Intervention Starting Date: 21.11.2022

NOTE 1: White colored boxes describe indirect benefits/ copying and crowding in results of the intervention

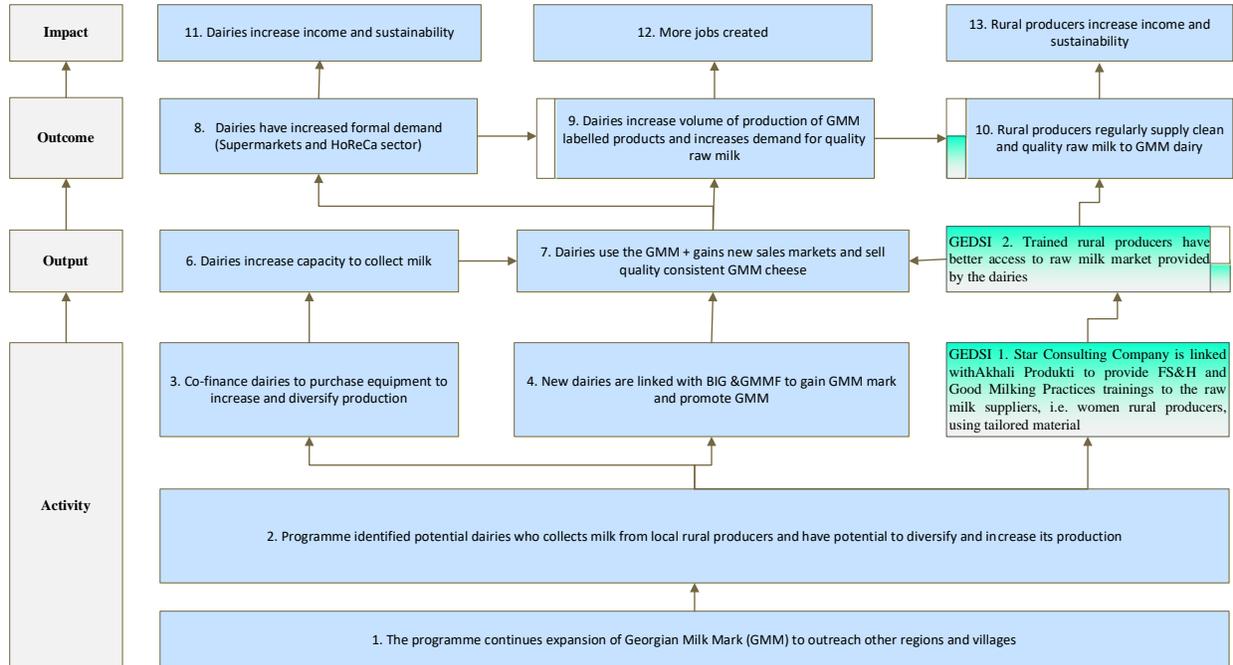
NOTE 2: Light Green colored boxes describe Gender Equality Diversity and Social Inclusion (GEDSI) Aspects of the Intervention



1.3 Intervention level RC

2.4 Intervention 1 - Results Chain
New Dairies financed:
 1. Akhali Produkti
 2. I.E Imaze Bolkvadze brand name Marita
 3. I.E Davit Gogiasvili brand name Sanakebo
 4. Keke Veli
 5. I.E Maia Aleksaia
Intervention Title: Facilitate compliance, improved production technology and market diversification of Akhali Produkti for ensuring its expansion and sustainability

NOTE 1: White colored boxes describe indirect benefits/ copying and crowding in results of the intervention
NOTE 2: Light Green colored boxes describe Gender Equality Diversity and Social Inclusion (GEDSI) Aspects of the Intervention



ANNEX 2: INTERVENTION RATIONALE AND SUMMARY OF SUPPORTING RESEARCH

ALCP2 Example from Georgian Milk Mark (GMM) Intervention							
Level	Result Chain Steps	Rationale/Assumptions (Summary of Supporting Researches & Documentations)	Source Used	Considerations			
				Displacement	System changes	Counterfactual	GEDSI
Outputs	5. More consumers are able to buy labeled dairy products and make informed decisions	After the media campaign consumers have more information about GMM products and they make informed decisions/more of them buy products made from raw milk	Market research. MAP Meetings. Field visits with clients. Data from previous phases of the ALCP	<p>Despite the fact that there are some marks issued by the government there is no Milk Mark among them, also, there is no entity to perform this function like the BIG (e.g. inspect, inform, audit). Thus, the intervention does not lead to the displacement of other consultation entities or marks.</p> <p>However, due to interventions some unregistered factories might be inspected and closed, and it might affect their milk suppliers</p>	<p>Crowding in is expected by dairies who become GMM members. Some non-compliant dairies might switch to the raw milk market, some of them might join GMMF, and more farmers would sell raw milk to GMM factories.</p> <p>As there are other entities operating in the agricultural</p>	<p>Unfair trade and unregistered factories create the risk that compliant factories might be harmed and some of them even closed due to unfair competition: the situation without intervention is quite bleak. Unless the value of raw milk is promoted, farmers might lose the market for selling raw milk with fair prices and value addition due to cheap milk powder/substitutes and investors seizing the opportunity for</p>	<p>From market research and previous experience, the programme knows that dairy is inclusive value chain, includes different ethnic, gender and age groups.</p> <p>Women are the main actors involved in the selling milk in the value chain. Women are milking the cow and sell to the dairies. Thus, sustainable operations of GMM dairies leads to stable selling market for farmers especially women</p>
	6. The NFA increases inspections of non registered dairies and enforces labeling of dairy products to identify use of raw milk or milk powder	NFA increase inspections after GMMF advocacy initiatives and proactive requests. Also, media campaigns also encourage NFA to conduct more field visits and control non-registered dairies.					
	7. Roadmap to regulation is agreed and commences	The roadmap to regulation is made by BIG&GMMF through ALCP2 facilitation. They have a clear vision of what they are advocating for and how					

8. More new dairies join the GMMF	Expansion of GMM and supporting GMMF to add more members directly leads to increased membership		(although, most of them use milk powder/substitutes and not raw milk). This needs to be closely monitored but there is high competition for raw milk and it is less likely that farmers will lose access to raw milk markets - instead registered factories will expand and they will collect milk from them. Hence, displacement is only possible at the unregistered dairy factory level.	sector, it is possible that the GMM model might be copied by other products (meat, honey and etc.). For instance, ALCP2 plans to use a similar model to improve the market for Lori. Also, system changes are expected on dairy and farmers' level (Copying the behavior from raw milk suppliers to compliant dairies).	intensive dairy production. Also, currently BIG/GMMF is not sustainable and GMM might no longer work without the programme intervention.	LHPs. Also, ACLP2 plans to reach ethnic minorities and this is why, new dairies operating in ethnic minority regions will be added to GMM. Also, marketing campaigns/trainings will target ethnic minorities (materials will be translated in Armenian and Azerbaijani languages too).
9. More new dairies gain the GMM						
10. Increase paying members of GMM and GMMF	More members means more income for GMMF: members are informed that in order to be part of the project they have to pay their monthly fee					
11. Adopt and implement a new law regulating fair terms of trade between supermarkets and dairies (e.g. no delayed payment, no entry fee)	Precisely targeted advocacy campaigns lead to concrete results: legislation will be changed for fairer trade between the parties					

ANNEX 3: MONITORING PLAN 1&2

Monitoring Plan 1

Indicators	Data Collection Methodologies					Baseline	Target	Actual
	Baseline Data	Targets	Data Collection Frequency	Sources	Impact Assessment			
5.1 % of urban dairy consumers aware of GMM lable	ALCP data from the previous programme Interviews with clients	Previous programme experience.	Once in two years	Consumer survey	Mid-term and end term IA will be conducted (after 1 year and 2 years)	34%	40%	0
5.2 % of urban dairy consumers buy GMM brands			Once in two years	Consumer survey		41%	50%	0
6.1 Number of NFA inspections of non registered dairies		Annual	NFA annual data sheets/field visits/public data	0		10	0	
7.1 Number of roadmap document approved		Annual	A roadmap doc	0		1	0	

Monitoring Plan 2

Result Chain Steps		Indicators	Key Questions	Baseline (Case study prior intervention)		Actual Impact
				Date	The Main Findings/ (The conditions observed and the tendencies caught among the respondents prior the intervention)	
I M P A C T	17. Rural producers increase income and sustainability	GEDSI 4 Increased income of female/male rural producers' linked to dairy production during the intervention lifetime	Rural producers (including ethnic minorities) <ul style="list-style-type: none"> • Opinions and reasons for increasing/not increasing sustainable income • What is increase in percentage • What are the payment conditions? Is it favourable for you? • How the increased income was spend for? 	May 2022	<ul style="list-style-type: none"> • The farmers are motivated to increase production as demand is strong, and they are assured that they have regular access to a stable income. 	
		17.1 Rising trends of rural producers' satisfaction/improved prospects in livestock production linked to selling milk during the intervention lifetime	<ul style="list-style-type: none"> • Do you have any savings? • Do you have any new investments? • Were you able to plan/purchase new items due to selling milk? • Have you invested in a new agricultural activity? • Challenges observed • Other external factors that supported/hindered the progress 			

ANNEX 4: MAIN DATA COLLECTION AND RESEARCH METHODS USED IN ALLIANCES

Table 1: Data Collection and Research Methods Used in ALCP2

Programme Wide				
Surveys & Tools	Study Topic	The role/function in the system	Methodology applied	Timing
Market Analysis	Sectors and value chains targeted by the programme on national and local level	<p><i>Strategic planning:</i> contributes to programme &/or sector strategy along with focus groups surveys.</p> <p><i>Attribution:</i> Gathers information for all relevant key change indicators prior the programme affect (before analysis)</p> <p><i>Secondary use:</i> Builds a foundation for the on-going analyses.</p>	<p><i>Tools:</i> desk research, key informant interviews.</p>	Beginning of programme or new phase in new area and ongoing.
Focus Group Surveys	Baseline Assumptions Testing/Early Impact	<p><i>Strategic planning:</i> Documents the perspectives, trends, attitudes and day to day activities of female and male farmers in relation to the supporting functions, core markets and rules of the sub sectors of the livestock market in which the programme operates, namely the dairy, beef and sheep and honey sectors.</p>	<p><i>Tools:</i> Focus Groups</p> <p><i>Target Population:</i> Households involved in livestock husbandry in target communities</p> <p><i>Sampling:</i> Snow ball or Random. Sample should reflect ethnic/religion and other cultural composition of the target population.</p>	Beginning of programme or new phase in new area.

<p>Programme Baseline Assessments</p>	<p>Baseline assessment of main scale and income, indicators.</p>	<p><i>Strategic planning:</i> contributes to programme &/or sector strategy along with focus groups surveys.</p> <p><i>Attribution:</i> Gathers information for all relevant key change indicators prior the programme affect (before analysis)</p> <p><i>Secondary use:</i> Builds a foundation for the on-going analyses, and enables a justifiable continuous monitoring system.</p>	<p><i>Tools:</i> Fully structured questionnaire;</p> <p><i>Target Population:</i> Rural Population in target area;</p> <p><i>Sampling:</i> Random, with Multi-stage cluster.</p>	<p>Beginning of programme or new phase in new area.</p>
<p>Impact Assessments</p>	<p>Programme Impact assessment for changes of main indicators. It enables the programme to capture impact from the intervention. Impact assessment might include retrospective baseline data collection.</p>	<p><i>Attribution:</i> Impact assessment data along with baseline data measures the programme impact and builds a robust part in the triangulation of the data. Homogeneous affected and non-affected groups are compared for obtaining the impact.</p> <p><i>Secondary use:</i> further justifies and corrects (if needed) programme used assumptions and calculation methods</p>	<p><i>Data type:</i> Rotating panel</p> <p>Statistically representative for the region: With confidence interval 95%, and significance level 5%;</p>	<p>End of phases</p>

WEE studies	Studies agency i.e. control and ability to use resources along with the main quantitative (access, income) indicators.	<p><i>Strategic planning:</i> Validates program assumptions regarding women taken from the baseline for roles and responsibilities, access and control. Deepens understanding to calibrate interventions accordingly.</p> <p>Deepens understanding of cross cutting problems faced by women in the region – for designing Gender Overt Interventions.</p> <p><i>Attribution:</i> captures attributable changes in WEE indicators</p> <p><i>Secondary use:</i> Finding key information for better structuring WEE questions for the Impact Assessment.</p>	Quantitative data are collected through the impact assessment. However, it mainly provides gender disaggregated data (GDD) and WEE indicators are further studied through qualitative surveys. The programme conducts in-depth interviews using the snow ball or random sampling.	End of Phase
System change Log	Studies programme caused indirect changes in markets systems like: sector growth, copying and crowding in	<p><i>Strategic planning:</i> Used for understanding broader interactions and generating further scale. Describes business model replicability and the likelihood of the sustainability of intervention results</p> <p><i>Attribution:</i> Programme reports on the changes which are caused by the programme</p> <p><i>Secondary use:</i> Captures key behaviour changes</p>	Table into which instances of system change reported by clients & programme staff and other market actors are logged and verified for attribution before being entered into the MP's	Ongoing

<p>Intervention specific Impact Assessments</p>	<p>Measuring programme impact per intervention. Mainly intervention specific impact assessments are used to capture and attribute scale, NAIC and other outcome / purpose level changes occurring because of the particular intervention.</p>	<p><i>Attribution:</i> Intervention specific Impact Assessments data along with baseline and qualitative data measures the programme impact and builds an important part in the triangulation of the data. Homogeneous affected and non-affected groups are compared for obtaining the impact.</p> <p><i>Secondary use:</i> further justifies and corrects (if needed) programme used assumptions and calculation methods</p>	<p><i>Tools:</i> semi structured questionnaire</p> <p><i>Target Population:</i> Mostly households involved in livestock husbandry in target communities. Also, mini surveys include interviews with the ALCP2 clients / other similar businesses.</p> <p><i>Sampling:</i> Random, with Multi-stage cluster (Clusters: 1. Municipality, 2. Ethnicity and/or Religion / Age).</p> <p><i>Data type:</i> Quantitative and qualitative</p> <p>Sometimes, the Intervention specific Impact Assessments are not representative for target population, however they show trends: As suggested by the DCED in the Practical Guideline for Conducting Researches (2013) at least 30 treatment and 10 control farmers should be taken per intervention during an assessment</p>	<p>As outlined in the intervention monitoring plan or as required programmatically</p>
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ANNEX 5: ATTRIBUTION STRATEGY AND FACTORS CONSIDERED DURING THE ATTRIBUTION

Example of Attribution Strategy for Honey Interventions:

ALCP2 continues its support for honey companies in the collection of honey from local beekeepers, with the primary focus on exporting Georgian honey to the international market. This export effort includes both bulk honey, which has been exported in substantial quantities, and branded honey, which also has the potential to grow. Additionally, these companies may sell limited quantities of honey in value-added local markets (e.g., to the HoReCa sector).

Access to value-added international and local markets empowers honey companies to provide high-quality services, establish consistent sales markets, and secure competitive prices for Georgian beekeepers. To ensure a steady and dependable supply, especially when dealing with large quantities, these companies are willing to pay a premium for high-quality honey that undergoes laboratory testing and is free from antibiotics or other harmful additives.

Furthermore, the honey companies actively encourage beekeepers to boost their production. Beekeepers are aware that they have a stable and reliable market that offers competitive prices for their honey. Consequently, beneficiary beekeepers are anticipated to increase both the quantity and quality of their beehives. This will result in higher honey production compared to non-beneficiary beekeepers who lack access to these honey companies. This kind of benefit is extremely difficult to measure through clients' monthly collected data. However, the ALCP2 will try to capture the changes through the honey sectoral impact assessment surveys.

Overall, beekeepers' NAIC from the intervention will be measured in two stages. **A.** In the first stage, the ALCP2 will estimate the benefits using monthly data provided by the honey companies. This ongoing tracking is primarily for facilitation and decision-making purposes. However, it is important to note that this data originates from the clients themselves and not directly from the beneficiary beekeepers. Therefore, it is necessary to adjust this data through beekeepers' level impact assessments to ensure accuracy. **B.** In the second stage, the estimated benefits will be validated through an intervention-specific impact assessment. This assessment will involve a Comparison Group (CG) attribution strategy. The impact assessment will provide insights into the actual effects of the intervention, allowing for adjustments to the estimated figures. The final attributable impact of the intervention will be reported based on these adjusted and validated figures.

Following is the attribution strategy and outlines of methodologies for both stages.

A. Stage One: Rationale for Estimating NAIC From Monthly Data Sheets

The following formula will be used for estimating NAIC from honey companies' monthly data sheets:

NAIC = Amount of honey collected by the companies * 2 Gel

The programme experience has proven that the honey companies pay around 2 Gel more to their supplier beekeepers than other buyers (e.g., Agri market, neighbors, relatives, smugglers for the Turkish market, etc).

By offering a price that is approximately 2 Gel higher than other buyers, the honey companies create a competitive advantage. This incentivizes beekeepers to choose these companies as their preferred buyers, ensuring a stable and reliable market for their honey. Also, by paying a premium, these companies ensure that they receive honey of superior quality, meeting international standards (These benefits not only the companies but also the reputation of Georgian honey in the international market).

B. Stage Two: Adjusting Estimating Figures Through the Impact Assessments

To capture the actual NAIC, ALCP2 will implement a comprehensive impact assessment using a CG strategy. This impact assessment will be sectoral and honey companies will be the part of the assessment.

In this case, the programme will evaluate not only differences in prices but also the increased productivity of beneficiary farmers. The assumption is that paying a premium price benefits beekeepers directly by increasing their income. This additional income and regular sales can significantly impact their livelihoods, motivating them to invest more in beekeeping activities, such as improving the quality and quantity of their beehives.

A stable and reliable market, characterized by consistently higher prices, not only instills confidence in beekeepers that their efforts will be rewarded but also plays a pivotal role in beekeepers' resilience and sustainability of the sector, particularly during crises like the 2023 weather-induced 70% reduction in honey harvest.

In this case, the honey impact assessment will be carried out together with the Georgian Beekeepers Association and Jara Beekeepers Association (Potentially, Beehives and beeswax intervention will be added in 2025). It will enable the programme to capture the synergic effect and total monetary benefits from the honey interventions (including information, skills, and knowledge).

Methodology: Comparison Group Attribution Strategy

The programme will use DCED attribution strategy Comparison Groups (CG) in the beneficiary and non-beneficiary groups to capture attributable impact and wider benefits through better access to the honey market (honey companies), also, information, training, and consultation services (GBU).

It was assumed that both access to information, training and consultation services (GBU) and regular supply to the ALCP-facilitated honey collectors would contribute to the increased productivity and income for beekeepers.

KEY INDICATORS	2022	2023
Treatment - Number of bee colonies (active beehives)	A1	A2
Control - A Number of bee colonies (active beehives)	B1	B2
Average productivity per in beehives (Kg)	C1	C2
Treatment – Value of honey sold (GEL)	D1	D2
Control - Value of honey sold (GEL)	P1	P2
Price of honey (GEL)	M1	M2
Treatment- Mortality rate (%) in bee colonies	M3	M4
Control- Mortality rate (%) in bee colonies	H1	H2
Ave. disease rate (%) in bee colonies	G1	G2

NAIC CALCULATIONS

To determine the impact of the programme on beekeepers in the treatment group as compared to those in the control group.

Key Indicators:

Productivity: A comparison will be made between the treatment and control group beekeepers to evaluate if the programme has led to an increase in honey production or other measurable outputs.

Mortality Rate: We will compare the mortality rate of bees in both groups. A lower mortality rate in the treatment group would suggest positive effects of the programme.

Disease Rate: We aim to determine if the programme helps reduce the prevalence of diseases among bee colonies. This will be gauged by comparing the disease rate between the treatment and control groups.

Bee Colony Growth: Evaluating the increase in the number of bee colonies over a year will offer insights into the programme's success. If the treatment group shows a more significant increase, it might indicate the programme's effectiveness.

Validation Through Behavioral Changes:

In addition to these direct indicators, we will also assess behavioral changes among beekeepers to validate our results further.

Question 5 will measure applied beekeeping practices in both groups. The underlying assumption of the programme is that beekeepers in the treatment group will adopt better beekeeping practices than those in the control group (because they had access to information and knowledge from the programme clients). Also, we will use qualitative data, and in-depth interviews with the clients and beekeepers to double-check the assumptions and to interpret the quantitative data more accurately.

It should be noted that the final methodology for the impact assessment depends on the actual development of the intervention. The methodology described above will be subject to further discussion and refinement during the impact assessment process in 2025.

Factor that can cause a bias while attributing	The reasons for the factor to be relevant to the programme and actual in the region	The assumptions applied	The general method of attribution applied by the programme, while calculating.
Baseline	It is well accepted, logically true and required by majority of the standards that baselines should be reflected in the attributable impact.	<i>N/a</i>	The baseline should be subtracted from whole impact.
Displacement	Largely, the project is planned in a way to meet the needs of thin market and is not expected to cause much displacement. Still, the factor is so significant that cannot be ignored and must be controlled for particularly as the impact of the programme increases. Therefore, the RM system is built in a way to control for displacement on every level for each programme activity in the monitoring plans.	The displacement can occur only on three levels: Input supplier Service provider Farmers	Whenever displacement occurs the amount of displaced benefits should be subtracted from whole impact generated by the project.
Other public funding	Other public funding might affect the results and outcomes of the programme. The RM system is built in a way to consider each case separately.	The likely bias other public funding cause is overestimating the results.	The method can vary from case to case, depending on the scale and level of the impact. There can be cases

	<p>Three types of public of other public funding is considered by the programme. See below</p>		<p>when the factor is negligible. When programme considers this a factor, the results will be either subtracted or divided according to the share of the investment. See below:</p>
	<p>1. Other donor or non- governmental/governmental funds allocated in the region or in the sector, causing business environmental changes and influencing on the results.</p>	<p>This type of public funding can affect the results of a particular intervention also on higher levels of programme impact.</p> <p>In this case public funding increases not only the scale of the benefits but also might cause systemic or environmental changes</p>	<p>The results are assigned the weights according to several criteria:</p> <p><i>Shares of the investment of ALCP2 project and other donor</i></p> <p><i>Expected influence of the investment on the sector in general</i></p> <p><i>Expected influence of the investment on the particular interventions</i></p>
	<p>2. Other donor or non- governmental/governmental funds allocated to support any of ALCP2 clients or supported entity. The case considers that funds are not large and/or that the client/supported market player do not operates on high level of value chain.</p>	<p>This type of other public funding is most likely to affect the results of a particular intervention given that funds are not large enough and/or given that market player do not operates on sufficient high level of value chain to influence the market.</p> <p>In this case public funding increases not only the scale of the benefits but also might cause systemic or environmental changes</p>	<p>The results are assigned the weights according to several criteria:</p> <p><i>Shares of the investment of ALCP2 project and other donor</i></p> <p><i>Expected influence of the investment on the sector in general</i></p> <p><i>Expected influence of the investment on the particular interventions</i></p>
	<p>3. Other donor or non- governmental/governmental funds allocated to support any of ALCP2 clients or supported entity. The case considers that funds are large and/or that client/supported market player operates on high level of value chain.</p>	<p>This type of other public funding is most likely to affect the results of a particular intervention given that the funds are not large enough and/or given that market player</p>	<p>The results are simply divided according to shares in expenses/investment and other donor share is simply subtracted from the total results of an intervention.</p>

		<p>does not operates on sufficient high level of value chain to influence the market.</p> <p>In this case public funding increases just the scale of the benefits and do not cause systemic or environmental changes</p>	
Other private funding	The same policy applies as to other public funding	The same policy applies as to other public funding	The same policy applies as to other public funding
Inflation	The expected inflation published by the NBG currently is 6%. Hence, it is known by the programme what should be subtracted from NAIC, it will be subtracted during the impact assessment. For simplicity and accuracy, it is preferable to subtract cumulatively for three actual years inflation than count for expected ones.	<i>N/A</i>	For each year the actual inflation rate from NBG will be subtracted from total results during the impact assessment.
Changes in legislative environment	<p>Not all the changes in legislative environment should be considered but the ones that might affect the programme results. Like the following:</p> <p>New food safety and hygiene law;</p> <p>Changes in labour code;</p> <p>Changes in agricultural policy.</p> <p>Changes in VAT impacting leasing, agricultural products.</p>	<i>N/A</i>	The general method of attribution applied by the programme will depend on type and character of the change and will be discussed case by case.
Market environment changes	Not all the changes in the market system should be considered but the ones that might affect the programme results. Like the following:	<i>N/A</i>	The general method of attribution applied by the programme will depend on type and character of the change and will be discussed case by case.

	<p>Market changes affecting the prices of value chain goods, in the programme area;</p> <p>Market changes affecting the supply/demand of value chain goods, in the programme area;</p> <p>Market changes affecting/affected by changes in export import balance of value chain goods, in the programme area.</p>		
<p>Changes in region stability</p>	<p>Not all the changes in region stability should be considered but the ones that might affect the programme results. Changes can be several but most of them will be grouped into two:</p> <p>DRR component (earthquakes, floods etc.)</p> <p>Political instability (wars)</p>	<p>N/A</p>	<p>The general method of attribution applied by the programme will depend on the type and character of the change and will be discussed case by case.</p>

ANNEX 6: ALCP2 ANNUAL SYSTEM CHANGE LOG

#	Programme Client's & Intervention Name	Type of System change	Verification		Impact Calculation added to system (Y/N) (Direct/Indirect/ Quant/Qual/ Both)	Location (Region, Municipality)	Starting Date	Business Description & Stability	Attribution to the Programme	Calculation Jobs, scale & income (min 1)
			Source	Verified /not Verified (& date if verified)						
1	1.1.1 Client X veterinary	Crowding in	Client/ Theme Officer	Verified/ February 2015	Y Indirect Both	XXX	February 2015	1 female vet in X engaged with X LTD independently and opened a vet pharmacy	X has started distribution to X after the programme facilitation including X	200 customers
2	1.1.1 Client Y nutrition	Business Expansion	Client Supported entity	Verified/ February 2015	Y Direct Both	XXX	October 2014	2 additional vet pharmacies established in X Village.	Facilitation with X Ltd on the improved business model convinced the owner to open two more	

ANNEX 7: ALCP2 VISUALIZATION OF SYSTEM CHANGES

