



November 2021

## Sustainability review of the project

# 'Integration of horticulture supply/value chains into tourism, Tanzania'

Results and lessons learned three years after project completion

### HIGHLIGHTS

- The project for the “**Integration of horticulture supply/value chains into tourism**” was part of a portfolio of interventions: the SECO-UN Trade Cluster Project in Tanzania, which lasted from Feb. 2013 to Dec. 2018, with a view to integrating horticulture supply/value chains into the tourism sector by enabling local smallholder farmers to gain market access to supply fresh fruit and vegetables to the country's tourism industry. ITC was one of the implementing agencies that acted specifically to support capacity building for SME in the horticultural sector to respond to market opportunities, doing so through EIF structures.
- **The review concludes that the project made a positive difference in the horticultural sector in Tanzania and contributed to capacity for trade**, especially for small producers and youth, helping them to grow and develop the quality and quantity of their production and their access to market.
- **The review considers that the project's results, and impact, have been reasonably sustained**: gains in production and resulting increases in revenues for small producers and youth remain above pre-project levels, greenhouse use has increased in the area where the project has been implemented, and new markets have been exploited.
- **The success of the project over time is due in large part to its focus on sustainability from the design stage and throughout its implementation.** (Post) project monitoring however was not systematically carried out and, as such, opportunities for sustaining and amplifying value may have been missed, e.g., support to deal with market saturation, diversification of products, improvements in technologies, changes in local contexts, etc.
- Recommendations call for broader involvement of stakeholders at the design stage, more appropriate and sustained monitoring, as well as a systems view of the horticultural sector in Tanzania.

### BACKGROUND

For projects to have a lasting impact, they must be sustainable. Unfortunately, however, sustainability is rarely assessed once projects have ended. To fill this gap, the ITC Independent Evaluation Unit (IEU) developed an approach to assess the sustainability of projects 3-4 years after their completion. In 2020, the IEU piloted this approach with three projects and identified limitations, lessons learned, and recommendations for the methodology. Building on this experience, this review forms part of a new cycle of sustainability reviews, conducted in partnership with the Enhanced Integrated Framework (EIF), and using a revised approach and methodology.

The project for the “Integration of horticulture supply/value chains into tourism” implemented through Tanzania's EIF National Implementation Unit (NIU) was selected for this new cycle of sustainability reviews in 2021. The review was conducted by independent consultants working closely with an in-country EIF NIU secondee.

## PROJECT DESCRIPTION

The overall SECO-UN Trade Cluster Project in Tanzania, entitled “*Market Value Chains Relating to Horticultural Products for Responsible Tourism Market Access*”, of which the project formed part, was anchored in the Ministry of Industry, Trade and Investment of the United Republic of Tanzania, in its EIF National Implementation Unit (NIU).

The SECO-UN Trade Cluster Project, implemented in two phases, aimed to improve livelihoods of Tanzanians by strengthening responsible practices in the tourism sector by sourcing local high-quality products and skilled labour. More specifically, the objective of the integration of horticulture supply/value chains into tourism was to reinforce national market value chains, by, on one hand, developing standards for responsible tourism in Tanzania and training the food catering value chain in the tourism sector to use locally grown horticultural products, and on the other hand by training the labour force in the horticulture sector to improve its skills and production.

### KEY PROJECT DATA

**Start:** 1 February 2013  
(signature of memorandum of understanding)

**Closure:** 31 December 2018

**Duration:** 69 months

**Total budget for phase 2:** \$2,509,000

**ITC contribution phase 2:** \$945,400 (spent)

**Target groups:** SMEs, BSOs

Funded by the Government of Switzerland's State Secretariat for Economic Affairs (SECO), the project involved five UN agencies (UNCTAD, ITC, UNIDO, ILO and UNOPS). ITC was one of the implementing agencies for this project that built capacity for SMEs in the horticultural sector to better respond to market opportunities.

The ITC intervention intended specially to enable local smallholder farmers to gain market access by supplying fresh fruit and vegetables to the country's tourism industry, e.g., helping them to improve the quality and quantity of their production. More specifically, in Phase 1, ITC supported the realisation of a demand-side study, developed activities to facilitate linkages between farmers and hotels, contributed to the development of a market information system and to the improvement of horticulture productivity by supplying greenhouses [in Rufiji, Dodoma and Morogoro] and related training, as well as by advertising the advantages of greenhouse technology in different regions of Tanzania. To consolidate and scale up some of the project components, a Phase 2/Exit Phase of 24 months was designed as a final step with a strong focus on sustainability, to consolidate the activities of Phase 1 to achieve sustainable results in the areas of project intervention.

ITC's mandate in the project at the Exit Phase was to:

- *Sustain market linkages to the tourism sector (output 1.1), to support producers deliver higher quantities of safe high-quality Tanzanian horticulture and agro-processed products to the tourism sector in Arusha and Dar coastal areas, especially to hotels and restaurants (intended outcome 1).* In 2018, three sessions on Market Linkages were organized: one to link horticulturists to sellers of greenhouses, and two strategic business to business meetings in Dodoma and Morogoro.
- *Showcase to key decision makers tourism and horticulture linkages and results from Phase 1 (output 3.1), to contribute to mainstreaming trade-related Responsible Tourism Criteria in Public Private Dialogue (PPD) mechanisms (intended outcome 3).* In 2017, ITC and TAHA (Tanzania Horticultural Association) organized the International Horticulture Conference in Arusha, which was attended by 182 participants, including the Minister of Agriculture, Food Security and Cooperatives, regional commissioners for the various national districts, government officials, representatives from the international agriculture development sector, the private sector, civil society, technical experts and delegates from 13 African States.

## METHODOLOGY

This review provides an assessment of the sustainability of the project, together with actionable recommendations for improvement, by addressing the overall question: What has been the sustainability of the project's results, i.e., outcomes and impact, and of their contribution to organizational and systems capacity for trade?

The sustainability of the intervention is assessed on four key dimensions:

- **Value-addition:** What did the project activities contribute to capacity for trade? How has that contribution been sustained up to now?
- **Outcomes:** How did improved capacity (as a result of the project) translate into changes in intended outcomes? What is the state of those intended outcomes today and why?
- **Impact:** What impact did the project have on the revenues of ultimate intended beneficiaries, particularly women and youth? What other effects, positive and negative, intended and unintended, did the project have on stakeholders and beneficiaries? How did these evolve up to now?
- **Context:** What key contextual factors affected intended results and their evolution up to now?

## Approach

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Sustainability depends on the capacity of the institutions and organizations in Tanzania to maintain results achieved by the project and to build on these. Accordingly, the sustainability review takes into account the capacity of the institutional and organizational arrangements in Tanzania, e.g., between EIF, ITC, the ministries and project implementers, to sustain processes and systems that achieve results.

Aspects of capacity can include resources, administration, policy, etc. while systems and processes can be considered from a functional perspective, e.g., how well are these evolving relative to intended benefits. The review also considers key contextual factors, in particular the effects of the COVID pandemic.

## Scope

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The review focusses on the **sustainability of ITC supported activities** in Tanzania, especially during the Exit Phase as part of the UN Trade Cluster Project *Market Value Chains Relating to Horticultural Products for Responsible Tourism Market Access*.

The review does not assess the performance per se of the activities nor of the project overall. More specifically, the review does not focus directly on other intended results as part of the overall project, nor on prior phases however these are taken into account, where relevant and applicable to sustainability related questions. The review does not assess the performance of partners, individuals or the policies of the government of Tanzania.

## Data collection

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A total of 12 interviews with project beneficiaries (small farmers, youth, business support organizations [BSOs] and training institutions<sup>1</sup>), both remotely and on-site, was conducted for the purpose of this review. The interviews and site visits took place between 5 July 2021 and 31 August 2021.

More specifically, the findings of this review are based on: a) a systematic **review of relevant documentation**; b) a selection of eight remote **in-depth semi-structured interviews** with key informants; i.e., those most able to contribute additional information; c) four **site visits** for observation and interviews, conducted by the Trade Officer for the Ministry of Trade in Tanzania and Focal Point for the EIF NIU of Tanzania.

## Limitations

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The main limitation faced by the review was the absence of accessible, reliable and sufficient post-project monitoring data to establish findings of fact appropriate to some of the review questions. The review lacked also precise and sufficient data at project completion, and hence was not provided with a clear baseline on the project results to facilitate tracking of their sustainability.

## PROJECT SUSTAINABILITY

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### 1. VALUE ADDITION: What did the project activities contribute to capacity for trade? How has that contribution been sustained up to now?

#### Conclusions

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- The review concludes that the project made a positive difference in the horticultural sector in Tanzania. The intervention contributed to improving the technical capacities of producers and BSOs and their horticultural practices as well as their capacity for trade, which translated into an improvement of production in the horticultural sector and facilitated access to market.
- There is evidence of systemic changes produced by the intervention at two levels: at national level, the project implementers, e.g., Sokoine University Graduate Entrepreneurs Cooperative (SUGECO), have used the knowledge gained from the project on greenhouses to start training other stakeholders; while at local level the project helped establish links between horticulture producers and businesses in the tourism sector that have been sustained through the Covid19 pandemic.
- The project design helped to build synergies between different UN agencies and created opportunities for further work in partnerships along the course of the project implementation e.g., ITC leveraged additional funding for six further greenhouses through the One UN system.
- Anchoring the project in the Government's EIF framework improved inter-ministerial linkages e.g., between the Ministry of Trade and the Ministry of Tourism and enhanced Government ownership increasing opportunities of continuity with other initiatives.

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<sup>1</sup> Sokoine University Graduate Entrepreneurs Cooperative (SUGECO), Tanzania Horticultural Association (TAHA) and HortiTengeru

## Key findings

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### 1.1 Technical capacity

The project contributed to building the capabilities of individuals but also the capacity of organizations involved in the project as implementers (SUGECO, TAHA, Horti Tengeru). At the start:

- When producers received the greenhouses, they didn't know how to use and maintain them properly.
- Organizations involved were not able to build them either and had to request the help of foreign companies. Now, SUGECO, TAHA and Horti Tengeru have developed their internal capacity to build greenhouses and have started their own initiative to train other organizations and producers to do so.

### 1.2 Horticultural practices

Producers who were visited on their land for the review, consider that the project was useful to improve their practices in horticulture production. Findings from interviews, document review and site visits, show that the greenhouses and trainings received for their use, generally helped small producers to increase their production, e.g., producers in Dodoma gave the following numbers as before/after project comparisons: production grew from 7kg/stem up to 30kg/stem, while drastically reducing the need for pesticides and industrial fertilizers (estimated 85-90% decrease).

### 1.3 Trade capacity and access to markets

The project helped producers to develop their access to markets, e.g., by identifying new opportunities to sell their production locally, and by informing producers about the local buyer requirements for fresh food and vegetables.

Additionally, building on the improvement of technical capacities to use greenhouses and on the betterment of horticultural practices, the market linkages activities of the project such as business-to-business meetings effectively helped to set up links between producers in the horticultural sector and businesses in the tourism sectors. This is demonstrated by the connections established, e.g., at the Selous Game Reserve, between local producers and touristic facilities in the reserve (restaurants, campsites and hotels).

### 1.4 Adaptation to changes in context

Although Covid19 negatively affected activity in the tourism sector and reduced opportunities for producers to sell their production to hotels and restaurants, they were able to manage potential issues of post-harvest loss and to identify other opportunities in local markets, e.g., with supermarkets.

### 1.5 Project coordination and implementation

Regular consultations specific to this project occurred during the design of the 2016-2021 United Nations Development Assistance Plan (UNDAP) for Tanzania, to inform the project design and align the work of the SECO funded Trade Cluster project with wider UNDAP intervention outputs. At the stage of project implementation, further synergies took place within the network of UN agencies e.g., ITC leveraged additional funding for six greenhouses through the One UN system. ITC greenhouse work also led to synergies with FAO borehole water support initiatives to address sustainable access to water supplies for entrepreneurs.

Linkages between the Ministry of Trade, ITC and SUGECO helped to synergise public private dialogue on the issues of Responsible Tourism in Tanzania through the Ministry of Tourism and Responsible Tourism Tanzania (RTTZ). Moreover, the coordination mechanisms are still functioning: the NIU continues to be housed in the Ministry's Department of Planning and Planning and managed to leverage USD \$2.1 million from EIF and UNDP for a project focussing on improving productivity, value addition and competitiveness of Tanzanian MSMEs, particularly women and youth entrepreneurs. There is a significant Government in-kind contribution of USD \$240,000. The National Steering Committee also still exists and has been expanded to include a more active participation from the Zanzibar devolved ministry counterparts.

## 2. OUTCOMES: How did improved capacity (as a result of the project) translate into changes in intended outcomes? What is the state of those intended outcomes today and why?

### Conclusions

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- The review concludes that ITC's contribution helped support producers to deliver higher quantities of safe high-quality Tanzanian horticulture and agro-processed products to the tourism sector, especially to hotels and restaurants.
- The lack of precise and sufficient data at project completion together with the absence of systematic post-project monitoring data did not allow the review to assess fully the state of intended outcomes today.

## Key findings

### 2.1 Increase in quantity and quality of horticultural production

Overall, participants in the project consider that the greenhouses provided, as well as training sessions and technical support, had a positive effect for a wide range of stakeholders in the horticulture value chain in Tanzania. This result is best exemplified by the increase in the quantity and quality of horticultural production for tomatoes, capsicums, cucumbers etc. (see 1.2 and 3.2), and by the fact that producers who, at the start of the project mostly had agricultural practices for their own consumption were at the end able to trade part of their production.

### 2.2 Links between tourism and horticulture sectors

Producers appreciate the market exposure they got through their participation in the International Horticulture Conference held by TAHA in Arusha and estimate that it contributed to increased requests in terms of volumes and contracts, including from the tourism sector with hotels and restaurants. Project documentation states that 15 farmers had joined the SUGECO market linkage operations between 2016 and 2018, supplying high-value products to the restaurants and hotels in Dodoma.

### 2.3 Post-project monitoring

The review found that there was no post-project monitoring by EIF, ITC and the ministries, of the project outcomes achieved and of their sustainability over time. Review respondents indicated that some data on production gains, harvest losses, etc., had been collected by TAHA and SUGECO during ad-hoc visits to producers, and reported to the Ministry of Trade.

## 3. IMPACT: What impact did the project have on the revenues of intended beneficiaries, particularly women and youth? What other effects did the project have on stakeholders and beneficiaries? How did these evolve up to now?

### Conclusions

- The review concludes that the project had a positive impact on the revenues of producers' households and youth. However, the review was not able to gather sufficient data to identify and assess project effects on women specifically.
- There is evidence that these results have been sustained up to now, and that additionally, the project had catalytic effects for SUGECO, which was able to capitalise on the knowledge gained from the ITC project to attract interest and funding from the Government to expand SUGECO's work.
- The review also concludes that the project had positive effects at different scales, on broader publics beyond producers through activities with parliamentary delegates, schools, etc.

## Key findings

### 3.1 Source of income

During site visits, producers made clear that what they most valued from the project was learning how to run well their agriculture business to make a good living.

- *"Now I am able to support my family of two wives, living in two different homes and my children are going to school".* (Producer 1 in Rufiji)
- *"Earning money from agriculture has led to economic freedom and made it possible for me to live my life freely while doing what I like (agriculture) while supporting my family and other youths. It all started with the two greenhouses provided by ITC."* (Producer 2 in Rufiji)
- *"The main difference the project made for me was the opportunity to change my life by having a stable job and become a trained farmer."* (Producer in Morogoro)

It also allowed youth enrolled in the greenhouse project to develop their capacities in horticulture farming, providing them with a relatively reliable source of income. Project documentation states that at the end of Phase 1, 65 jobs had been created in the horticultural sector, many for university graduates who may otherwise be unemployed.

### 3.2 Small horticultural businesses development

Producers say they had an overall gain in production of 30%-50% compared to open field farming, and that they also refined their horticultural techniques over cycles to adapt to the local conditions on each specific site, allowing them to increase their production over time. For example, in the case of one youth taking care of two greenhouses in Rufiji, at the beginning of the project he produced 500 kg green capsicums and 1,200 kg of



colored capsicums (yellow and red) which he sold at 1,500 and 3,500 (Tanzanian Shilling, TZS) per kg respectively. With the money earned, he invested in tomato open field farming and produced 11,400 kg which he then sold for a total of TZS 7,500,000, enabling the expansion of the farming business, e.g., the increased revenue from greenhouse use has allowed producers to obtain bank loans and to buy their own material.

### **3.3 Catalytic effect: pilot initiative**

The review finds that producers who were trained to use greenhouses have increased their production and their revenues and are better able to sustain themselves and their families. They have also increased their abilities to use and maintain greenhouses, and some of them have trained other producers: 11 agricultural institutions have been trained by the project at Horti-Tengeru.

While greenhouse technology was rather new in Tanzania at the start of the project in 2013, organizations involved in it, such as HortiTengeru and SUGECO, now provide training on the technology and facilitate site visits for broader audiences (governmental and parliamentary delegates, schools, etc.) to sensitize them to horticultural issues and greenhouse technology. Hence the project, although not intended as such, acted as a pilot initiative: an unintended positive effect of the project for SUGECO is that the cooperative is now working with the government, as greenhouses have been installed in all councils in 6 other regions. According to SUGECO, each greenhouse can train 100 youth in operation & 10 in construction, and in the first year of the project about 4000 youth have been trained.

## **4. CONTEXT: What key contextual factors affected intended results (outcomes and impacts) and their evolution up to now?**

### **Conclusions**

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- The review concludes that the Covid19 pandemic reduced business opportunities for producers with the tourism sector, although they were able to identify other markets to successfully sell their production, testimony to the sustainability of the capabilities acquired through the project.
- The review also concludes however, that the greenhouse project did not consider sufficiently local geoclimatic conditions and water supply during site selection.

### **Key findings**

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The review identified three main contextual factors that affected the project's intended results and their evolution up to now.

#### **4.1 Covid-19**

Market opportunities for producers who used to work with activities linked to tourism were reduced with Covid-19. As tourists stopped coming in 2020, opportunities for producers to sell their production to hotels and restaurants decreased. This said, the review found examples in the central part of Dodoma where producers were still selling their products to restaurants and hotels as they produce high quality vegetables, while local tourism is slowly starting to pick up. As well, some greenhouses started prioritizing volume, to have more options in terms of business opportunities.

#### **4.2 Water availability on sites**




In Dodoma and on one site in Rufiji, water supply dried up which made the technology not viable, i.e., greenhouses had to be moved elsewhere. This provided a lesson based on which TAHA advised the government to include a check on reliability of water supply in its preliminary environmental assessments.

This issue of water availability on sites also affected the sustainability of the revolving fund managed by SUGECO to support the acquisition of greenhouses by small producers; some producers whose production could not take off had to be relocated and could not repay, which compromised this financial mechanism.

#### **4.3 Local climatic conditions**

Most producers stressed the importance of designing greenhouses for suitability to different climatic conditions. For example, the design of greenhouses provided for by ITC was not considered fully suitable for the hot temperatures of some sites in Dodoma and Rufiji, particularly because of their height and width.

## LESSONS

-  The essence of the project, which was built-in to its design from the start, was to develop the capacity of key actors in the horticultural value chain so that they could be self-sustaining. This focus was maintained throughout the project which successfully laid the groundwork for the sustainability of its impact after it was completed. This confirms yet again what we already know: **the more there is a real focus on sustainability from the design stage, which is maintained through implementation, the greater the likelihood of sustainability of the value generated by the project.**
-  Post project monitoring was not systematically planned and carried out, making it more difficult to keep track of and consequently forego opportunities to learn about sustainability issues, provide support if useful, use it in programme design and to share, with other partners, as well as scale up & across. The lesson here, and the challenge, is that **a project mindset, i.e., once it's over it's over, misses out on the opportunity to generate more value from the intervention on different fronts after its completion.**
-  Central to sustainability is the autonomy of key actors, i.e., the system of individual capabilities, organizational capacity and institutional enablers, such that context, including the effects of unanticipated and sudden change, can be successfully navigated and practices adapted without necessary external support. The lesson here is that **navigation and adaptation are skills that must be developed during the project, however this requires a level of flexibility in project management that should be reflected in the performance monitoring and reporting expectations of donors. In other words, accountability expectations should focus on adaptive management for impact and value, rather than be limited and constrained to pre-set indicators and targets.**

## RECOMMENDATIONS

- **Intended beneficiaries** of the project, as well as **project implementers and key stakeholders**, should be **systematically involved at the intervention design stage**, including on project management and performance monitoring aspects.
- **Project monitoring should go beyond the measurement and reporting of intended results** using predetermined indicators and targets, to support and inform adaptive management, management autonomy, value creation and post project sustainability.
- **A data-supported systems view**, in this case the overall horticultural value chain in Tanzania and its actors, **is a critical frame of reference**, e.g., a diagnostic tool among others, for understanding, assessing, and enabling sustainability. Being able to monitor, assess and support sustainability should be a key function of the EIF National implementation Unit in Tanzania.

*Note: Specific contributions by specific donors constitute but one among other contributions that together support broader projects, programmes and policies. For reasons of accountability mostly, donors attempt to gauge the impact of their own contribution, usually identified as a project, and shape their reporting requirements accordingly. As a result, it is possible to see some trees but difficult to see the forest, assess its health and create the collective enabling environment that best allows it to grow and thrive.*

The [International Trade Centre \(ITC\)](#) is the joint agency of the World Trade Organization and the United Nations. ITC is the only international agency dedicated to expanding trade opportunities for micro, small and medium-sized enterprises (MSMEs) with the aim of achieving sustainable development.

The [Enhanced Integrated Framework \(EIF\)](#) is a multilateral partnership dedicated exclusively to assisting the least developed countries (LDCs) in their use of trade as an engine for growth, sustainable development and poverty reduction.

Reviews are key instruments to support organizational learning and accountability. The results of this review inform ITC's and the EIF's decision-making in project and programme management, with the purpose of improving performance and enhancing their contributions towards achieving the UN Sustainable Development Goals (SDGs).

This review was commissioned jointly by ITC's Independent Evaluation Unit and the Monitoring and Evaluation section at the EIF Secretariat. It was carried out by Ian Davis and Albine Guitard (independent consultants) in collaboration with Natasha Ngowi (EIF secondee of the NIU in Tanzania). The review was managed by Simon Bettighofer (ITC Evaluation Officer) and Fanan Biem (EIF Programme Officer). Oversight and quality assurance was provided by Miguel Jiménez Pont (Head of the ITC Independent Evaluation Unit) and Simon Hess (Head of EIF Monitoring and Evaluation).

The project assessed by this review indicated contributions to the following SDG targets:

