



**Productive Partnerships in Agriculture Project
Coffee Component
COFFEE INDUSTRY CORPORATION**



Evaluation of the Structure and Performance of the CIC Extension Service.

1. BACKGROUND OF THE PROJECT

Introduction

The Productive Partnerships in Agriculture Project (PPAP) is an agriculture sector development project designed to improve the livelihoods of smallholder cocoa and coffee producers through the improvement of the performance and the sustainability of value chains in cocoa- and coffee-producing areas.

The Coffee Industry Corporation (CIC) was established in 1991 to regulate, promote and service the coffee industry. With its' headquarters and administration center in Goroka, Eastern Highlands, CIC has research stations at Aiyura and Kagamuga in Eastern and Western Highlands respectively. CIC also has an export monitoring office in Lae, adjacent to the main port for export of PNG coffee. The project consists of the following components.

Component 1: Institutional Strengthening and Industry Coordination. The specific objective of this component are to improve the performance of sector institutions and to enhance industry coordination in the coffee and cocoa sectors. Existing stakeholder platforms for industry coordination would be consolidated to address short- and long-term issues such as sector governance, skills development in the industry, improvement in extension services, industry strategy on threats to quality and quality promotion, information within the industry, market development and crop diversification. This component has four subcomponents as follows:

Subcomponent A: Industry coordination & policy development: This subcomponent would improve the performance of cocoa and coffee subsector institutions and enhance industry coordination by building the capacity of industry coordination committees (ICC) to support sector dialogue and policy development in those subsectors.

Subcomponent B: Communication and information management systems: The project would improve transparency in the cocoa and coffee subsectors and support policy development through communications campaigns and strengthening the information management systems necessary to inform stakeholders' decisions.

Subcomponent C: Quality and sustainability management: This subcomponent would strengthen quality promotion in the coffee and the cocoa industries and promote, where

appropriate, the adoption of certified sustainability practices (such as Organic, Fair Trade, Rainforest Alliance, Utz, and quality certification schemes).

Subcomponent D: Project management and monitoring and evaluation (M&E). This subcomponent would support all project management and M&E functions in the Project Management Units (PMUs) respectively located in the Cocoa Board and the CIC, as well as a small Project Coordinating Unit (PCU) in DAL. It would also finance the related Technical Assistance (TA) and the operations of the Technical Appraisal Committee (TAC) under Component 2.

Component 2: Productive Partnerships. The specific objective of this component is to increase the integration of smallholder producers in performing and remunerative value chains, by developing and implementing productive alliances between smallholders and the private sector aiming at improving market linkages in the project areas.

Those partnerships would be demand-driven and consistent with the specific priorities identified in each subsector. During project preparation, these strategic priorities have been identified as follows:

- (a) In the cocoa sector, activities which support CPB management such as training on good farming practices; the production of improved planting material (nurseries and budwood gardens) to increase their availability for replanting; the promotion of and support for rotational replanting and cocoa garden rejuvenation; market-driven diversification of cocoa-farming system; and management of quality through the adoption of more efficient and environmentally-friendly post-harvest and processing technology;
- (b) In the coffee sector, activities which support the adoption of sustainability practices and the expansion of the production of differentiated coffees; training on good farming practices; the production of improved planting material to increase their availability for replanting; replanting and coffee garden rejuvenation programs; market-driven diversification of coffee-farming systems; and management of quality through the adoption of more efficient and environmentally-friendly post-harvest and processing technology.

Project funding would be channeled through partnerships with legal entities in the private sector and civil society, which have already been successfully engaged with smallholders to increase output, productivity, quality and sustainability and which are interested in scaling up those activities. Those partnerships would be result-oriented, and expected results and cost-sharing arrangements would be specified in the partnership agreements. The project would provide assistance for the development of those partnership proposals, as needed, through contracted local service providers.

This component would have two subcomponents:

Subcomponent A: Productive partnerships in the cocoa growing areas. This subcomponent would finance result-oriented partnerships in cocoa-growing areas to increase smallholder cocoa productivity, quality and sustainability and improve cocoa-farming systems. Support would be provided through grants to those partnerships, as well as technical assistance for the preparation of those partnerships when required. The implementation of this

subcomponent would be under the responsibility of the PMU within the Cocoa Board with support from a Technical Appraisal Committee (TAC).

Subcomponent B: Productive partnerships in coffee growing areas. This subcomponent would finance result-oriented partnerships in coffee-growing areas to increase smallholder coffee productivity, quality and sustainability and improve coffee-farming systems. Support would be provided through grants to those partnerships, as well as technical assistance for the preparation of those partnerships when required. The implementation of this subcomponent would be under the responsibility of the PMU within the CIC with support from the TAC.

Component 3: Market Access Infrastructure. The specific objective of this component would be to improve market access for smallholder cocoa and coffee growers in the areas targeted under Component 2 of the project. This component would have two subcomponents as follows:

Subcomponent A: Preparation of market access infrastructure investments. This subcomponent would finance the identification and selection of priority investments to rehabilitate and maintain feeder roads, access tracks and other transport infrastructure in support of Component 2 partnerships.

Subcomponent B: Market access infrastructure development. This subcomponent would finance the related investments in infrastructure rehabilitation and maintenance, including the training of communities on the maintenance of that infrastructure.

Geographical coverage. The project is initially being implemented in East New Britain Province, the Autonomous Region of Bougainville, Eastern Highlands Province, Jiwaka Province, Western Highlands Province and Simbu Province. Most producers and the major stakeholders in the public and the private sectors are all located in those Provinces. Rural household dependency on coffee and cocoa income for their livelihoods is also high in those Provinces. A first review of possible expansion to new Provinces would be conducted during Project Year 2 (PY2), and a second during PY4. Component 1 activities would, by nature, provide benefits at the national level.

Terms of Reference.

1. Background to the Study

In 2002 CIC changed from a traditional, top down, “Visit and Train” farmer extension service to a “bottom-Up” Farmer Demand Driven Extension (FDDE) service. CIC adopted this FDDE extension model in an effort to improve the efficiency of its extension program and also due to the growing international trend toward farmer-driven extension. Since commencing this program in 2002, more than 300 farmer groups have been screened for acceptance into the program, over 80 groups have undergone the Participatory Rural Appraisal and Planning (PRAP) process, over 30 groups have received some form of training identified from PRAP and 14 groups have completed their identified training and

graduated. However there has been no evaluation of this extension program or the FDDE approach since its introduction by CIC.

Currently CIS's extension services are managed by the Research and Growers Services Division (R&GSD), with one Provincial Farmers Training and Extension Coordinator (PFTEC) in each province. For the main coffee producing provinces the PFTECs are supported by one or more Mobile Extension Officers (MEO) who work at district level. Both the PFTEC and the MEO work in close cooperation with District Extension Officers (DEO).

Extension activities are prioritized by the farmers themselves through a process termed FDDE. Awareness of the extension services available is made via extension officers visits to areas identified as having problems and/or potential, press releases and through broadcasts on local radio stations. Farmers or groups of farmers submit an Expression of Interest (EOI) after which a PRAP exercise is conducted to identify constraints, prepare a plan of action and mobilize the necessary resources to implement a programme.

R&GSD operates with a limited recurrent budget and through a government funded Public Investment Programme called the District x District Coffee Rehabilitation Programme (DXD). Disbursement of funds and accounting for expenditure is controlled by the Accounts Section of CIC at Goroka. Monthly activity reports and acquittal of expenditure is a key requirement.

CIC's strategic plan 2008-2018 encourages and facilitates public-private partnerships and networking, which aligns well with the PPAP projects goals. This strategic plan also continues to support demand-driven extension through out-sourcing to contracted service providers and aims to facilitate better partnerships in the coffee industry through supply-chain linkages between producers, processors and exporters. CIC extension program appears to have the possibility to align well with the PPAP initiatives and could provide specific support in the area of farmer extension to the partnerships developed under the project.

It is planned to have a second consultancy to assist CIC with operationalizing the extension plan proposed by this study. This would require drafting Duty Statements for each position agreed to by CIC and establishing reporting and monitoring procedures.

2. Objectives.

- Evaluate the structure and performance of the CIC Research & Growers Services Division in providing extension services to smallholder coffee farmers in PNG. including the performance and effectiveness of the FDDE (Farmer Demand Driven Extension) methodology operated by CIC Extension service
- Assess the role the CIC's extension service could play in assisting the farmer extension needs of the Productive Partnerships created under the PPAP and make recommendations for the CIC Extension Services role in relation to the PPAP Initiative.

3. Tasks.

- Review background literature on the CIC extension service, FDDE methodology and research reports relating to Coffee extension in PNG.

- Evaluate the structure and performance of the CIC extension service in providing extension services to smallholder coffee farmers and specifically review the structure and operation of CIC extension at provincial level and district level. Performance should be assessed in terms of relevance, efficiency, effectiveness, impact and sustainability.
 - Relevance: The study should assess whether CIC's extension services achieve what they set out to do; whether the current priorities are appropriate from the perspectives of clients (both men and women farmers, private sector); and whether the current structure enables CIC to effectively respond to changing market and climatic conditions.
 - Efficiency: The study should assess whether CIC's extension services provide value for money and assess how costs of service provision compare to alternatives.
 - Effectiveness: The study should include an assessment of whether the shift to demand driven extension increased farmer access to services and inputs and to markets; assess the gender impacts and the sustainability of the farmer groups that have been formed.
 - Impact and Sustainability. The study should assess the impacts of CIC's extension services on productivity, profitability and on adoption of sustainable practices and improving livelihoods. Positive and negative impacts and intended and unintended impacts should be considered.
- The assessment will include reviewing and documenting the staffing structure, the cost structure and the operational structures of the CIC extension program.
- Provide a report with conclusions and clear recommendations on how to improve the effectiveness of CIC's Extension services and on how the linkage between CIC's extension services and PPAP partnerships might be developed.

4. Methodology

- The consultant will be responsible for defining a robust methodology for undertaking this study. It is anticipated that the consultant will need to interview a broad range of stakeholders involved with the CIC FDDE extension program and conduct a range of structured interviews (focus group discussions/key informant interviews) to determine the effectiveness of the CIC extension program.
- Baseline data on access to agricultural information and training, agricultural practices, productivity, etc., collected through the PPAP Baseline Survey will be made available to the consultancy.
- Liaise closely with the ongoing ACIAR coffee farm systems research project conducting research on the CIC extension program effectiveness. Access

information and survey data gathered under the research project and review the data and finding of the research activity

- Work closely with CIC Extension staff and CIC senior management and provide ample opportunity for their input in the report. Ensure the draft report is reviewed by Senior CIC staff before final submission.
- Facilitate 2 seminars to present preliminary findings and recommendations on the structure and performance of the CIC extension service and the possible role of CIC extension service to work with PPAP partnership initiatives.
- Meet with CIC Executive Management to present the final assessment and recommendations prior to preparing the final Report.

5. Outputs and Deliverables.

- Inception report elaborating on the methodology for the evaluation. The inception report should include questionnaires for the key informant/focus group interviews. This should be shared with the PMU at least 2 weeks prior to the in-country mission.
- A draft report addressing the objectives of this TOR and detailing a clear set of recommendations on the structure and performance of the CIC Extension service. The draft report will be submitted prior to the second stakeholder seminar.
- Two seminars as described above.
- A final report incorporating comments from CIC Executive Management, the stakeholder workshops, the World Bank and IFAD.

6. Implementation

- 20 day in-country mission to conduct interviews, gather data, write draft findings and recommendations for circulating to stake holders and conduct meetings to present initial findings and recommendations.
- A further 5 days home based writing to prepare the inception report and prepare the final report.

7. Qualifications

The consultancy will require the services of 2 experts: an experienced extension expert who would also perform the role of Team Leader (25 working days) and a gender expert to assess the role and requirements of women (15 working days).

The Key Expert / Team Leader should have:

- 1) A proven track record in undertaking similar assignments as evidenced by international assignments, reports and/or refereed papers. S/he would be responsible for submitting the final report.
- 2) At least 10 years of practical experience in coffee development and a good working knowledge of research and extension systems in developing countries

- 3) An appropriate university degree
- 4) Cultural sensitivity and strong people skills with and good understanding of PNG culture.
- 5) Excellent spoken and written English.
- 6) A working knowledge of PNG Tok Pisin highly desirable

The Gender Expert would be recruited locally and have:

- i) Experience in undertaking similar assignments as evidenced by reports and/or refereed papers.
- ii) S/he should have at least 5 years of practical experience and a good working knowledge of rural development in PNG.
- iii) An appropriate university degree.
- iv) A good understanding of PNG culture and the role of women in the agriculture sector in the highland provinces.
- v) Excellent spoken and written English.
- vi) A working knowledge of PNG Tok Pisin (highly desirable).