

2SCALE

*Incubating and accelerating
inclusive agribusiness in Africa*

2SCALE External Evaluation

Reflections on the Evaluation Final Report

January 31, 2025



Implemented by:

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Abbreviations and Acronyms

BC	Business Champion
BoP	Base of the pyramid
BSS	Business support service
COMEHA	Community Micro Enterprises for Hope Africa
DGIS	Directorate-General for International Cooperation
ET	Evaluation Team
GIS	Geographic Information System
IFAD	International Fund for Agricultural Development
LIS	Light-Intensity Support
M&E	Monitoring and Evaluation
PPP	Public-private partnership
PSD	Private Sector Development
SHF	Small holder farmers
ToC	Theory of Change
ToR	Terms of reference
UIIs	Universal impact indicators

1. Introduction

This document provides a comprehensive reflection on the 2SCALE External Evaluation second draft final report. As the program nears its conclusion, the evaluation offers a critical opportunity to assess achievements, lessons learned, and areas for improvement to inform future program designs. The review process, conducted with input from the program management, the 2SCALE Supervisory Board focused on key aspects such as acknowledged program achievements, recommendations for sustainable impacts, and critical feedback on methodologies and findings.

The overarching goal of this feedback is to highlight the strengths of the 2SCALE approach while addressing gaps and aligning with its vision of fostering inclusive agribusiness solutions. By scrutinizing the evaluation outcomes and engaging constructively with its findings, the program team aims to identify actionable insights that enhance both the final year's activities and the design of future programs inspired by 2SCALE.

On behalf of the consortium members, the program requests that this management response be annexed to the evaluation report before its official publication. Given the significant differences in understanding regarding the program's fundamental concepts, publishing the Evaluation Team's report without this response would be a missed opportunity for both the program and DGIS. We believe that including this response will provide readers with a more balanced overview.

2. Areas of focus in the review of the final evaluation report.

2.1 Program achievements acknowledged by the evaluation

The following key strategic achievements were identified from the report of the ET.

- The approach has been proven to be relevant with positive outcomes for various value chain actors, including:
 - **Improving small-holder farmers'** adoption of better farming practices and climate-smart practices can strengthen their capacities and levels of agricultural commercialization (improved levels of commercialization).
 - **Private sector entities/SMEs** – Business relationships between businesses and smallholder farmers are important. 2SCALE has contributed to the establishment of thousands of MSMEs as value chain actors, in coaching, input supply, transport, distribution, processing.
 - **Base-of-Pyramid consumers** -2SCALE has made significant contributions to viable marketing strategies, including new product development, market development, and market penetration, with a focus on reaching BoP consumers with nutritious and affordable food products. Recognizing 2SCALE's emphasis on appropriate packaging and distribution is essential for effectively reaching BoP consumers.
- The PPP approach is appreciated for food security (though the combination of food security and PSD objective is questioned)
- Inclusive PPP development process: During the partnership preparation phase, a thorough joint problem analysis was conducted, covering the characteristics of SHFs and the roles of women and youth in the value chain. The detailed partnership approach—including the

definition of impact pathways, targets, planned activities, and role distributions—was agreed upon.

- Good additionality,
 - Non-financial input additionality: the assessment on non-financial input additionality is positive for most of the case studies. 2SCALE offers technical support especially focused on inclusive agribusiness and also with the organisation of SHFs.
 - The assessment of financial input additionality is also acknowledged, although it is slightly less favourable compared to the non-financial input additionality for larger Business Champions.
- Leveraging/output additionality; the evaluation indicated that for eight out of the ten case studies, it was observed that without 2SCALE support the private sector would not have invested in the activities. This means that 2SCALE has triggered private sector investments that would not have happened without the program.
- The program's adaptive management approach, designed to respond to changing contexts and partnership dynamics, has yielded positive adjustments when used effectively.
- Partners appreciate the 2SCALE staff and approach. The case studies provided good insight into the appreciation of key partners, such as BCs and BSSs, in the 2SCALE approach. They especially appreciated the partnership approach, the focus on inclusive agribusiness and the adaptive management. This is also demonstrated in the Mid-Term Review.

2.2 Lessons Learned and Considerations for the Final Year of 2SCALE (2025)

The impact evaluation report also highlights lessons learnt that can be integrated in the final year of 2SCALE implementation. The following points are suggested for consideration as the program phases out:

Focus and priorities

- Reduce the program scope by focusing on fewer partnerships to deepen impact in selected areas.
- Prioritize partnerships with strong potential for sustainability and clear progress towards goals.

Sustainability and exit strategies

- Focus on building local capacities and institutionalizing practices within national partner organizations.
- Develop clear exit strategies to enhance sustainability after the program concludes

Improve Monitoring and Evaluation (M&E)

- Build on the self-evaluation (contribution analysis) initiated to analyze the contributions of 2SCALE in the selected cases to show case the stories and the lessons learnt.
- Deep dive on the Reflect and Adapt, Reflect and Consolidate data and qualitative information already collected to analyze the 2SCALE impacts.
- Monitor the activities of both the knowledge exchange and consolidation interventions

Adaptive Management and Learning

- Establish processes to document and learn from both successes and failures, enabling continuous improvement.
- Conduct regular reviews to assess progress, reflect on challenges, and adjust implementation where possible.

2.3 Critical recommendations for future program designs

The evaluation report also identifies critical recommendations to address when designing a future program on food security. The following recommendations can be considered:

- Reduce a program's complexity in terms of thematic and geographic coverage
- MEAL framework-
 - The use more direct measurement systems (avoid the proxies) combined with GIS, remote sensing methodologies and systematic survey methods in critical junctures
 - Consistent level of outcome indicators
 - Striking a balance between the quantitative and qualitative measurements
 - Keep the number of appropriate targets limited at the output, outcome and impact level.
 - Give attention to documentation of challenging experiences for the purpose of drawing lessons.
 - Good review process but lacks detailed analysis: While the program has documented an extensive list of reports, there is a critical gap at the partnership level in terms of synthesized and analyzed action research documents that demonstrate the overall progress and lessons learned at the thematic level.
- Trade-offs to reduce complexity while ensuring sustainable impacts
 - To ensure the sustainability of gains for farmers, a more focused approach is needed on building resilience at the farming system level. The Phase-1 analysis of the performance of farmers in the treatment groups who intensively practiced intercropping demonstrated greater resilience compared to those in the control groups.
 - Very challenging to achieve 50% women and 40% youth targets at the farming level when the program is not fully focusing on women and youth empowerment. For such targets, a dedicated resource intensive intervention is required.
- Price is an important issue related to the necessary affordability of nutritious BoP products but has received limited attention in terms of how affordable the BC's product are as compared to the competitors.
- 2SCALE's experience demonstrated that the private sector can initiate and drive changes in sub-sector systems, but parties outside the business cases, including public institutions, are essential to scaling up results.
- In line with the midterm evaluation which advised that PPPs should not stop abruptly, some PPPs could still benefit from some support from 2SCALE. Following this recommendation 2SCALE came up with a phase out strategy of PPPs. This strategy has been implemented since 2022. Despite these efforts, the evaluation team still recommends that **a clear and responsible exit strategy at the partnership level is essential for those selected for final support. Can the evaluators suggest an approach based on the information they have?**

2.4 Lessons Learned and Areas for Future Improvement

For learning purposes; as a program we have identified areas that the program can benefit from as reported in the 2SCALE Evaluation Final Report;

- In setting up the reference group, more attention should have been given to clearly defining the roles and responsibilities of all members for accountability purposes. Including an external independent member in the reference group would also be valuable.
- The review process of the report by the reference group should have accommodated more sessions of reports reviews before the development of the first final draft report. The reference group would have benefited from a review session to discuss feedback shared after the first presentation of the preliminary findings of July 4th, 2024
- The program would have benefited from an institutional level support mechanism throughout the external evaluation process; from the ToR development to the final report validation process.
- The IFAD proposed methodology on the use/collection of data at household level did not align with the M&E framework in-use by the program that defines the use of proxy measurements and not data/measurements made at the household level.
- A comparison of 2SCALE with results and impacts of (more or less) similar incubation projects should have been done to compare the effectiveness of the program.
- The 2SCALE financial overviews of the private sector contributions and the 2SCALE contributions include cash and in-kind contributions; however, the inclusion of in-kind contributions is contested in literature; how best can a program like 2SCALE evaluate input additionality? (*Reference; IOB evaluation 2021, May 2021, Funding commitments in transition. Dutch climate finance for development 2016-2019, pg 80-103, incl, six 2SCALE partnerships*).
- Key staff changes during the evaluation period could also have had an impact on the process at the critical stage that the process was at.
- Avoid the internal delays in completing the internal self-evaluation process that was an input into the assessment by the ET

2.5 Strategic points with which the program does not agree with the Evaluation team

Given that the primary goal of this impact evaluation is to provide the program team with insights to learn and adjust implementation in its final year, it is equally important for the evaluation team to gain a deeper understanding of the program.

To facilitate this, we invite the evaluation team to participate in a working session aimed at fostering constructive engagement. This session will provide an opportunity to explore the 2SCALE approach, its implementation dynamics, and key learnings from the program.

With this shared understanding, the program team, DGIS and the evaluation team can collaboratively identify realistic aspects of the implementation that can still be addressed as we conclude 2SCALE activities. Additionally, this session will serve to highlight critical points to consider when designing future programs inspired by 2SCALE.

The following strategic points will be addressed during the workshop:

- The ET used a different measurement for the UIIs that does not align with the agreed framework measurement with DGIS; therefore, conclusions drawn based on this alternative interpretation of the UIIs are not realistic.
- The reconstruction of the Theory of Change.
 - The ET indicates that the reconstruction was needed due to a design fault in the program's ToC. It is important to note that the ET proposed the reconstruction of the ToC in their proposal (before starting the evaluation process where they didn't look into the ToC at Program and at the partnership level in detail). In their proposal, they requested to co-construct a ToC that can be used for the contribution analysis part of the evaluation and not to make conclusions about the program-level ToC.
 - One can argue whether this reconstructed ToC captures the *modus operandi* of 2SCALE properly. Nevertheless, it is the tool used by the ET for the selected partnerships central to the contribution analysis in the second phase of the program. However, the systematic use of this application is insufficiently visible in the text of these sections. Moreover, the depth of the in-country field studies is not visible and distinguished from the desk studies.
- In understanding complex PPPs working dynamic business environment, it is critical to distinguish between a business model and a partnership model. From the early inception of the program, 2SCALE made a clear distinction between a business model and a partnership model since this has a clear implication on what needs to be sustained. But the ET decided not to dissect the issues of sustainability from these two angles.
- The ET report highlights challenges in investigating the complexities of partnering processes, making it difficult to assess 2SCALE's claim that partnerships are an instrument to an end. Additionally, it complicates the evaluation of whether the program engaged the right and capable target audiences—such as change-makers for reshaping the inclusion of smallholder farmers, micro-entrepreneurs, or improving access for low-income consumers, who are the ultimate target groups.
 - To determine whether and how 2SCALE contributes to effective partnering processes, evidence is needed on what the program actually did.
 - *For example, did it move beyond merely providing training during the brokering phase to enable partnerships to mature, re-strategize, or refocus on the mechanisms underlying inclusive agribusiness?*
 - *Or, as a counterfactual, was the program limited in its capacity to evolve with the dynamics and capacities of the partners?*
- The brokering of partnerships and bringing together actors who would not typically collaborate to address food security is a critical outcome of the program, yet this is scarcely mentioned as a key achievement.
- The ET questions the low profile 2SCALE maintains at the grassroots level-especially with farmers. The program acknowledges this low profile at the grassroots and BoP consumer

levels but considers this as a fundamental principle of the program and not a weakness. This is intentional and it contributes to ownership and sustainability of the interventions.

- The ET struggles to identify the actual interventions carried out by 2SCALE and could only identify what the BSSs' were undertaking. The program with the support of the BSSs carries out the interventions at the grassroots level and in some cases with the BCs; as clearly reported on the role of the two BSSs linked to the GHA02- soybean partnership in Ghana.
- The report on limited impact on resilience to shocks may be correct but was not an explicit objective of this program at the start.
- Impact can only be measured at least two years after program closure. The exclusion of LIS PPPs from consideration may lead to premature conclusions regarding the sustainability of the 2SCALE approach's impact on those PPPs that received additional support in line with the Midterm Review recommendations.

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