



May 15, 2013

Ramon Borjas  
UTSAN Honduras  
Honduran FS Coordination  
Tegucigalpa, Honduras [raborjas01@yahoo.com](mailto:raborjas01@yahoo.com)

Dear Mr. Borjas:

Attached is the final version of the document “**Independent Peer Review of Honduras Agriculture Sector Country Investment Plan: 2011-2014.**” Developed by a team of researchers and administrators from the College of Human Sciences and the College of Agriculture at Auburn, Dr. Paula Gray Hunker led the most recent round of revisions.

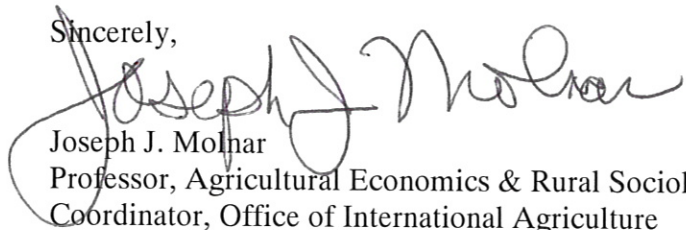
As you may know, Auburn University is home to The Hunger Solutions Institute. Established in 2012 by the College of Human Sciences and the Alabama Agricultural Experiment Station, this office leads student and faculty efforts to end hunger at home and abroad. June Henton is dean of the College of Human Sciences and executive director of the Hunger Solutions Institute. The College of Agriculture has worked internationally in most developing countries throughout the world, and has had an ongoing set of research projects, student exchanges, and service activities with UNA, Zamorano, GOH, as well as a number of different private firms and institutions across Honduras. In particular, Auburn has played an important role in developing the aquaculture industry in Honduras.

The main finding of the review is that the CIP is a strong and comprehensive approach that is congruent with both internal strategic documents, including the National Strategy for Food Security and Nutrition (ENSAN) and the Agriculture Sector Strategy (ESA). It is also consistent with other donor country strategies for Honduras, most notably the U.S. Feed the Future plan, the EU strategy, and the CIDA strategy.

We trust that the review will prove useful in the deliberations for the new phase of activity.

Thank you.

Sincerely,



Joseph J. Molnar  
Professor, Agricultural Economics & Rural Sociology  
Coordinator, Office of International Agriculture

CC: Terence Miller [tmiller@usaid.gov](mailto:tmiller@usaid.gov)

107 Comer Hall, Auburn, AL 36849-5401; Telephone: 334-844-2345; Fax: 334-844-2937

## Independent Peer Review of Honduras Agriculture Sector Country Investment Plan: 2011-2014

### Introduction

This review has been prepared by a multi-disciplinary team of senior faculty and administrators<sup>1</sup> from Auburn University, a United States land-grant institution located in Auburn, Alabama, at the request of the Government of Honduras (GOH). The review is based on both in-person and telephone conferences with GOH official representatives from the President's Office and the Ministry of Agriculture. It is also based on a thorough review of the following document:

*“Honduras Agriculture Sector Country Investment Plan: 2011-2014”* prepared by the Gobierno de Unidad Nacional and SAG.

The review was further informed by the documents listed below:

- *Feed the Future Honduras FY 2010 Implementation Plan.*
- *Role of Honduras: Results-based country strategic opportunities program*, IFAD Executive Board – 107<sup>th</sup> Session, December 2012 ([www.un-foodsecurity.org/countries/honduras](http://www.un-foodsecurity.org/countries/honduras)).
- *Honduras- Full Country Visit, 15-17 March 2010*, Coordination Team of the UN System High-Level Task Force on the Global Food Security Crisis (HLTF).
- *Mid-term Review of the Country Strategy for 2007-2013: HONDURAS*, European Commission.
- *Canada's Aid Effectiveness Agenda: Focusing on Results*, CIDA, ACIDI, September 2010, ([www.acdi-cida.gc.ca](http://www.acdi-cida.gc.ca)).
- *Connected Agriculture, The Role of Mobile in Driving Efficiency and Sustainability in the Food and Agriculture Value Chain*, authors from Oxfam, Vodafone and Accenture.
- *Global Food Security Index*, Economist Intelligence Unit, Honduras Country Report, ([www.foodsecurityindex.eiu.com](http://www.foodsecurityindex.eiu.com)).
- *World Bank Doing Business Index*, ([www.doingbusiness.org](http://www.doingbusiness.org)).
- *USAID Country Assistance Plan 2009-2013.*
- *Millennium Challenge Account – Honduras, Monitoring and Evaluation Plan*, Final Version, 14 December 2010.
- *Doing Business in Honduras: 2012 Country Commercial Guide for U.S. Companies*, U.S. Department of State.
- *Climate Risk Management for Smallholder Agriculture in Honduras*, United Nations Development Program Bureau for Crisis Prevention and Recovery, 2013.

### Context - Honduras: Burdened by Poverty, Positioned for Sustainable Growth

Honduras is a land of great potential, yet it retains a stubbornly high percentage of people living in poverty – the second highest in Central America – with 72 percent of the rural population living below the poverty line and 60 percent in extreme poverty. Even though the country has made a commitment to education and has an extensive government funded school meals program and other safety nets, malnutrition in children remains unacceptably high – especially in rural areas. High unemployment,

---

<sup>1</sup> William Batchelor, Dean, College of Agriculture and Director, Alabama Agricultural Experimental Station; William Daniels, Associate Professor, Department of Fisheries & Allied Aquacultures; Harriet Giles, Managing Director, Hunger Solutions Institute; June Henton, Dean, College of Human Sciences; Paula Gray Hunker, Director, Strategy & Policy, Hunger Solutions Institute; Joseph J. Molnar, Professor & Coordinator, Office of International Agriculture.

particularly of the young, has driven migration to impoverished urban areas resulting in greater crime and damaging what could be an improving business climate under President Lobo, who has made economic growth and food security his highest national priorities.

Honduras, a nation with a heavy dependency on remittances from its diaspora population, was hit hard by the ongoing global financial slow-down. Therefore, its intended reforms in areas like tax collection and agricultural infrastructure are lagging. However, the GOH's intentions, as evidenced by its National Strategy for Food Security and Nutrition (ENSAN) and Agriculture Sector Strategy (ESA), as well as the document under this review (CIP), outline a credible strategy to achieve the country's food security and nutrition goals.

Honduras, with rich natural resources, good agricultural potential, and a very favorable location for international trade, with access to the Pacific on the south and a long Caribbean coast on the north<sup>2</sup>, has great potential for economic growth. It is, therefore, not an accident that Honduras was selected to be the second Millennium Challenge Corporation compact nation and the first in the Western Hemisphere. To be so selected, a nation had to be judged as a sound investment opportunity, a place where significant financial infusion in needed infrastructure and economic stimulus would pay-off, and internal growth could replace external aid. Many nations have made similar calculated decisions in determining that Honduras's potential outweighed its problems. In fact, the G-16 Donor Coordination Group<sup>3</sup> has been attempting to bring strategic direction and leveraged collaboration by uniting behind a coherent national plan. These nations have expressed their belief, through development funding, that Honduras possesses the raw components of a successful food security strategy, but it needs both financial support and a coherent national plan to maximize results.

The CIP has an extensive array of programs, spreading investment throughout the food supply chain – from farmers to manufacturers to transporters and from those building roads to those training farmers. While it may seem counter-intuitive at first read, each of these components is an important building block for the success of the whole. The CIP is, therefore, outlining a blueprint for reaching its two goals of economic growth and poverty reduction (which are complementary and not mutually exclusive), and it does a credible job of identifying all of the necessary issues as well as obstacles. This includes everything from improving governmental policy to attract direct foreign investment – which includes optimizing participation in the Dominican Republic–Central America–United States Free Trade Agreement (CAFTA-DR) – to providing subsidies for seeds and inputs so the poorest subsistence farmers can take that first step up the economic ladder.

The plan could be strengthened by articulating additional details such as (1) outlining the programs to assist smallholder farmers, (2) clarifying the process to benchmark and monitor progress (M &E), and (3) perhaps “reality checking” the very ambitious goals and timeline. Overall, however, it is a well-researched, tightly constructed, and consultatively supported investment plan.

---

<sup>2</sup> United Nations Development Programme (UNDP), Bureau for Crisis Prevention and Recovery (BCPR), 2013, *Climate Risk Management for Smallholder Agriculture in Honduras*. New York, NY: UNDP BCPR.

<sup>3</sup> G-16 Donor Coordination Group comprised of 16 members including multilateral (IDB, IBRD, UNDP, EU, BCIE, IMF) and bilateral donors (US, Sweden, Canada, Spain, Germany, Switzerland, Japan, Italy, France, the Netherlands).

## CIP Evaluation Criteria

### 1. Likelihood for the investment programs to realize growth and poverty reduction

The CIP is an important component in the overarching national food security strategy as outlined in the National Plan and Country Vision. In addition, it is consistent with national policies related to economic growth – focused especially on the agricultural sector. It is also important to note that the plan is very much aligned with the most foundational internationally-agreed Millennium Development Goal (MDG-1), i.e., halving extreme hunger and poverty by 2015. While Honduras’s trajectory for achieving this goal has been seriously slowed by both the fuel and food crises of 2007-2008, and the subsequent global financial crisis which is still impacting the poorest Hondurans, this plan provides a way to accelerate a course correction toward reaching that goal.

In determining the likelihood for this plan to realize growth and reduce poverty levels, it is also important to look at it from two perspectives. The first is the soundness of the plan itself. The second is whether the outlined goals, within the specified timelines, can be realistically achieved.

#### *Investment Programs*

The plan outlines five main strategies to achieve its goals (p. 2):

- Competitiveness and growth of the agricultural sector;
- Expanded market access;
- Sector-wide support (infrastructure and services);
- Agribusiness enabling environment; and
- Multi-sectorial/cross-cutting areas (food security, gender, youth and employment generation).

In targeting the regions where these programs and investments will be made to ensure “maximum benefit and long-term impact”, the CIP (p.10) outlines two major criteria: (1) high poverty levels and population densities and (2) sufficient agricultural and logistical requirements. The CIP acknowledges that targeting anyone other than the poorest Hondurans may be questioned. This is a defensible strategy, however, since donors are demanding evidence-based value for money, and it is important to have early successes. Therefore, selecting areas with at least a basic level of infrastructure and population, rather than those most remote and disconnected from transportation, communication, and agricultural infrastructure, lowers risk and increases the likelihood of success. **The CIP may want to specifically note that early proof of concept programs will be replicated in more difficult – and more impoverished – areas as lessons are learned and additional funding is secured.**

Following this “management by results” system (p. 8), the GOH will be able to more effectively assist the poorest people, as it works in concert with development partners such as WFP, UNICEF, USAID, and CIDA among others, to expand ongoing safety net programs, such as Bono Solidario Productiva and Bono 10,000 (p. 8). Agricultural education is a critical component of lifting the poorest out of poverty, and the plan would be further strengthened by including nutrition training and education, as well as providing access to best practices, especially in support of poor smallholders.

#### *Reality Check*

Although the CIP seems to be a strong strategic document and in line with other national overarching strategies, the feasibility of achieving these very ambitious goals (increasing agricultural GDP by 4 percent per year and reducing rural families in poverty by 10 percent and those in extreme poverty 10 percent) by 2014 could be a stretch (p. 2). It is a bit unclear in the

document if the 4 percent is an annual increase or a total increase over the 4-year duration of the plan. If it is the latter, this is a reasonable goal. It is, therefore, recommended to clarify the plan with an accompanying timeline. While these are admirable goals, it may be more practical to revise either the goal or the timeframe to make actualization of the plan more realistic. These issues are further addressed in the next section about technical realism.

## **2. Technical realism (alignment of resources with results) and adequacy of institutional arrangements to implement**

It is clear that the viability of implementing the CIP, which totals \$790.30 million (Table 1, p. 3), is dependent upon funding far beyond the commitments of the GOH at \$105.54 million and donors at \$37.82 million. The success of the plan, therefore, is dependent upon filling the funding gap of \$647.04 million. The CIP notes that the gap may be lower than projected by as much as \$190-210 million (p. 3) based on potential development partners' additional commitments that are in discussion, but not included in the report as confirmed. However, that still leaves a significant void. Slight improvements in the general business climate as evidenced in the 2013 World Bank Doing Business Index<sup>4</sup> - significantly raising Honduras 18 points in the trade category - could also bring in direct foreign investment in some of the targeted areas for improvement.

The likelihood of a significant investment gap makes it critically important, in this underfunded reality, that the GOH emphasize those issues and programs that would be most likely to attract additional funding. For instance, it is essential to show progress against stated goals, yet there is no funding – from either GOH or donors – allocated to a badly needed agricultural census which has not been carried out since 1993 (p. 36). Such an initiative is vital for benchmarking and, therefore, for effective M&E. In Table 7 (p. 47), outlining how to prioritize programs if full funding were not available, the census is listed at a priority “3” – the lowest priority. Land Tenure and Equal Access is another example of a program which is also given the lowest priority. Yet this is a critical issue – especially for women – in their ability to access credit.

Given the importance of actualizing the CIP, the GOH should consider reviewing its national budget and perhaps transferring funds to implement some of the high priority projects listed in this plan. Previous external reviews from selected donors have been critical of high government spending on civil salaries, which have totaled as high as 40 percent of the budget.<sup>5</sup> While the reviewers of this document have no way of judging funding against the full national budget, it is recommended that the GOH come closer to the Comprehensive Africa Agriculture Development Programme's<sup>6</sup> standard of dedicating 10 percent of the budget to agricultural development, given other priorities, such as improving security and reducing crime.

The GOH is to be commended for giving knowledge dissemination, technological innovation, food security, gender equality, and youth employment the highest priority (Table 9, p. 47). An ability to share best practices and technology is critical to transform agriculture and improve sustainable food security. The GOH is also to be commended for committing funds to these areas.

---

<sup>4</sup> World Bank, 2013. *Doing Business Index 2013*, ([www.doingbusiness.org](http://www.doingbusiness.org)).

<sup>5</sup> “*Role of Honduras: Results-based country strategic opportunities program*,” IFAD, Executive Board – 107<sup>th</sup> Session, December 2012.

<sup>6</sup> Comprehensive Africa Agriculture Development Programme, ([www.nepad-caadp.net/about-caadp.php](http://www.nepad-caadp.net/about-caadp.php)).

In terms of coherence, the CIP has done a good job in aligning goals and programs nationwide with the ENSAN and ESA as well as globally by connecting the plan to fulfilling the first Millennium Development Goal (MDG-1), cutting poverty and hunger in half (p. 6). Actualization of this plan, especially with needed measurement of target goals, can build donor confidence in helping to bridge the funding gap.

### **3. An inclusive review and consultation process**

The CIP outlines in Section 11 (pp. 44-45) an extensive multi-sector consultative process, which is critical since its implementation involves multiple ministries internally and many actors externally. The plan was built on the ENSAN and other national strategies that followed a similar iterative process in collaboration with numerous GOH ministries and departments, as well as extensive coordination with donors, the private sector, and others in civil society. Initially, a series of meetings was held within individual GOH agencies and UTSAN, the technical unit for food security and nutrition, to conceptualize the vision and design of the plan. In addition, the plan was presented at two May 2011 events, one with civil society and the other to a working group of the G-16.

It is important to note that feedback was not only broad across ministries, but bottom-up rather than top-down, including farmers' organizations and local NGOs, confirming that the development of the CIP was consultative, decentralized, and interactive. Monitoring and evaluation of the CIP is occurring via (1) interagency coordination through UTSAN and (2) GOH collaboration with external groups, including private sector value chain committees.

Honduras enjoys the support of a broad donor group involved in multilateral as well as bilateral efforts supporting the CIP goals of poverty reduction and economic growth. The G-16 Coordination Group has been very active in the area of food security. When presented with the CIP, the G-16 gave it full support, not only as a document to guide national policies and programs, but as an important tool to guide their own governments in ensuring that donor aid and assistance was in line with GOH targets and strategies (p. 45). Honduras is also pioneering a new type of trilateral food security partnership with the United States and the government of Brazil, which was announced at the start of this year. This new model of south-south knowledge transfer on issues such as improving agriculture and decreasing malnutrition, coupled with donor support in line with the trilateral partnerships, was heralded as a best practice in the Busan Partnership for Aid Effectiveness.

### **4. Consistency of country budgetary and development assistance commitments with the country investment plan**

The Government of Honduras is just starting to recover from a series of economic blows. In the wake of the dual impact of the fuel and food crisis of 2007-2008, followed by the global economic crisis, the impressive 6.3 percent GDP growth rate in 2006 reversed to a -2.2 percent real growth rate in 2009. The rate has since stabilized, reaching 3.75 percent in 2011 and 3.25 percent in 2012 and is expected to remain at that level for 2013, according to the IMF.<sup>7</sup>

---

<sup>7</sup> IMF Public Information Notice (PIN) No. 13/19. February 15, 2013.

Since the CIP is based on an annual growth rate of 4 percent in the agriculture sector alone, this calls into question the GOH's ability to actualize the plan. Additionally, Honduras is very vulnerable to both climate and financial shocks. While UNDP has credited the country for improving its climate change risk mitigation<sup>8</sup>, it was ranked in 2012 by the Intergovernmental Panel on Climate Change (IPCC)<sup>9</sup> as the third most vulnerable country in the world with respect to climate change impacts. A combination of ongoing illegal logging, which has added to deforestation, a lack of education and training in climate sensitive agricultural techniques, and a lack of budget for resiliency preparation leave Honduras extremely vulnerable to weather shocks.

While the GOH has factored donor support into the CIP, it is not clear whether areas that are unfunded or underfunded by either government or donors are the result of differing priorities or just a paucity of resources. For instance, although there is a significant gap between the \$183.71 million total in the Competitiveness and Sector Growth program area, the GOH is committing \$15.26 million and donors are investing \$6.89 million (p. 15). That 60/40 percent split seems like a good partnership, as does the Market Access program area where there is an inverse ratio with the GOH funding \$12.70 million to donors' \$30.92 million, but still sharing the financial burden.

Another significant concern is that the Agribusiness Enabling Environment is totally unfunded. This is a critical omission, especially since this area is instrumental in attracting direct foreign investment and creating sustainable partnerships with the private sector.

It is good to see such a substantial investment by the GOH in the cross-cutting areas of food security and gender and youth with \$43.82 million out of the \$116.21 million total. Additionally, many of the safety net programs, such as WFP's school feeding and UNICEF's maternal and child health, are not counted in donor totals since these funds do not pass through the government. Therefore, the fact that there is nothing reflected in the donor column may be misleading.

A final question, which applies to all of the CIP Evaluation Criteria, involves the timeline. Specifically, were the projects and the dollars committed to these projects actually spent according to schedule in years past? If not, this reinforces the recommendation to extend the timeline and/or reframe the project goals going forward.

## **5. Adequacy of institutional arrangements for effective and efficient delivery, including M&E**

The CIP functions as a template for assessing impact of the overall effort to reduce rural poverty by increasing incomes through inclusive economic growth, employment generation, and sustainable food and nutrition security. The GOH has made a solid commitment to the plan and is to be commended for establishing a dedicated M&E unit within the Ministry of Agriculture (p. 48). To strengthen the CIP's M&E system, the proposal should ensure transparency in implementation of new efforts, accountability in the expenditure of funds, agreement about measurements and indices among implementing partners, and accurate reporting of measurable results independently verified by third party evaluators. In addition, a national system for capacity development and integrated technical assistance is an excellent development strategy.

---

<sup>8</sup> United Nations Development Programme (UNDP), Bureau for Crisis Prevention and Recovery (BCPR). 2013. *Climate Risk Management for Smallholder Agriculture in Honduras*. New York, NY: UNDP BCPR.

<sup>9</sup> Harmeling, Sven. "Global Climate Risk Index 2012." *Germanwatch*. N.p., 2012. Web. 5 Mar 2012. (<http://www.germanwatch.org/klima/crri.pdf>).



Although top-line indicators have been included in the plan, further elaboration of more specific objectives is still needed to specifically clarify roles and responsibilities – from ministry level to local implementation. Further details on how this would be developed, managed, and funded would be appropriate. While a number of indicators are noted in Table 11 (pp. 49-52), it is not clear how these targets were determined and whether they are realistically based, not only on past performance (which is not indicated), but also on their respective programs and the availability of funding. Again, there needs to be a reality check of timeline against goals.

Strengthening the M&E system is an area where leveraging existing relationships with internationally respected organizations, such as WFP, UNICEF, UNDP, and FAO, as well as the G-16 Donor Coordination Group, is important. The CIP rightly calls it “imperative that there is agreement amongst implementing partners on relevant results, outcomes, and deliverable indicators for each component and subcomponent.” This is critical not only to have a shared understanding of goals and milestones, but also to have a common methodology of measurement. In addition, it would be helpful to have interim measurable goals which, when met, can trigger additional outside funding.

It was noted in the 2010 Honduras Full Country Visit Report by the High Level Task Force (HLTF) on the Global Food Security Crisis<sup>10</sup> ([www.un.foodsecurity.org](http://www.un.foodsecurity.org)) that there needs to be “significant support to strengthen weak institutional structures and capacities in nutrition.” In order to do this, in concurrence with the report’s findings, “one or more higher education professional training programs for nutritionists should be developed.” Likewise, the GOH should mount a comprehensive public service campaign, as well as offer developmentally appropriate school curricula, that will educate all age groups about best food and nutrition practices. The national university system can also be a resource in providing independent evaluation and measurement criteria, checklists, worksheets, and even resources such as graduate students who can help with field monitoring.

## **6. Coherence and or consistency between policies, implementation arrangements and delivery mechanisms, and investments areas, priorities or program objectives**

The CIP outlines two clear goals: (1) economic growth and (2) reduction of poverty. The five areas of prioritized programs covered under the CIP are: (a) competitiveness and growth of the agricultural sector; (b) expanded market access; (c) sector-wide support (infrastructure and services); (d) agribusiness enabling environment; and (e) multi-sectorial crossing-cutting issues (food security, youth and employment generation). These are all consistent with the CIP’s two goals, the national food and security plan (ENSAN), and the agriculture sector strategy (ESA).

In prioritizing the dual track goals of growing the economy (especially focusing on the agricultural sector) while lifting the poorest out of poverty, the GOH is following a path to food security that has already been successfully implemented by a number of emerging economies. The most dramatic example is China. Since putting market reforms in place in 1978, China’s GDP has grown at a rate of 10 percent per year, lifting 600 million people out of poverty, according to the World Bank.<sup>11</sup> More recently, and in the same hemisphere as Honduras, Brazil has taken millions out of poverty since 2011 with its successful Bolsa Familia safety net program.

---

<sup>10</sup> *Honduras- Full Country Visit, 15-17 March 2010*, Coordination team of the UN System High-Level Task Force on the Global Food Security Crisis (HLTF).

<sup>11</sup> World Bank -China Page. [www.worldbank.org/en/china/overview](http://www.worldbank.org/en/china/overview) .



With the cohesive and comprehensive support of donors and international organizations that have been involved in the consultative design of the CIP, and with the continued focused implementation and transparent reporting of results, the GOH has the opportunity to have a similarly successful outcome with its CIP as China and Brazil. The plan for Honduras is sound, and the dual goals can be achieved. However, it must be reiterated that the funding gaps are significant, and further delay in bridging them will surely impede reaching the CIP goals.

## **7. Appropriateness and feasibility of the indicators for impact and system for capacity improvement and accountability**

As stated in the CIP, its purpose is to “reduce rural poverty levels by increasing incomes through inclusive economic growth, employment generation, and sustainable food and nutrition security.” The indicators for impact are appropriate but in some cases aggressive (e.g., 10% reduction in rural families in poverty as well as those in extreme poverty by 2014) and must be carefully tracked for accountability. There are a number of indicators outlined in Table 10 (p. 48) for Top-Level Indicators, as well as Table 11 (pp. 49-52) which outlines Likely Common Component and Activity-Level Indicators. These indicators range from a monthly measurement of the number of women and youth receiving technical assistance and training to a monthly measurement of producers benefiting directly from irrigation system investments. There are a total of 35 such indicators, any one of which could require significant field work, surveys, and monitoring just for the measurement component, let alone the actual implementation.

Also, as mentioned previously, some of the target goals are very ambitious. For instance, reaching 100,000 producers with technical assistance (p. 49) seems highly unlikely, unless the project timeline were to be extended significantly beyond the 2014 anticipated completion date. Other indicators have no target at all. It would strengthen the plan’s credibility to put some context behind the projected numbers. For instance, what has been the growth in these areas in the past years, and how will the CIP accelerate that progress?

One important missing element of the CIP is a project plan that is benchmarked against a timeline, with dependencies and contingencies clearly established. This may help to articulate smaller proof-of-concept pilots with achievable interim milestone targets. Moreover, this would aid in building momentum and credibility, and, hopefully, incremental funding support.

The CIP did not specifically discuss the use of technology<sup>12</sup> as a way to expedite monitoring, reporting, and evaluation. Important technologies to factor into planning include, for example: (1) satellites, which can monitor compliance of new agricultural methods; (2) mobile technology to gather information from smallholder farmers; and (3) a virtual extension support system functioning via cell phones. This use of technology rightly belongs in the Agribusiness Enabling Environment (pp. 35-40), and it is critical that this particular unfunded area be provided with sufficient resources. This area might be an excellent investment target for public/private partnerships.

---

<sup>12</sup> “Connected Agriculture, The Role of Mobile in Driving Efficiency and Sustainability in the Food and Agriculture Value Chain,” authors from Oxfam, Vodafone, and Accenture. 2012.

## 8. Extent and quality of dialogue, (peer) review and mutual accountability system

Considering the comments made on the consultative process in #3 above, the advisory and monitoring systems appear to be in place. However, given the extent of these new projects, these systems clearly would need to be strengthened. A sound M&E system is critical, not only to measure performance of policies, programs, and institutions, but also for the government and development partners to be able to access those areas where the return on investment will be the greatest. The GOH has an M&E system through the Unidad de Apoyo Technico (UNAT) to track progress on the President's agency and the Unidades de Planeacion y Evaluacion del a Gestion (UPEG) for sector-level indicator tracking. These systems need to be improved to ensure better coordination among agencies, however, and to enhance data collection and dissemination. This may be a good project for the private sector to provide pro bono support.

It is important to continue the consultative and iterative process that helped transition the CIP into the implementation phase, creating cross-disciplinary monitoring teams to adjust to the inevitable bottlenecks and places where unanticipated problems or unexpected opportunities arise. It is important that the G-16 Donor Coordination Group assist in streamlining its reporting needs and M&E tools to create a comprehensive understanding of what constitutes success and how to measure it incrementally, while not creating an unnecessary burden of multiple reports.

Regarding the peer review process, a multi-disciplinary team of faculty and administrators from Auburn University met on several occasions to discuss and assess the content of the CIP. All reviewers carefully studied the plan and offered specific feedback to the team, based on their backgrounds and areas of expertise. Comments were incorporated into a single document, which was reviewed and then revised. The review process was deemed to be thorough and transparent.

### Conclusion

This is a strong and comprehensive plan that is congruent with both internal strategic documents, including the National Strategy for Food Security and Nutrition (ENSAN) and the Agriculture Sector Strategy (ESA). It is also consistent with other donor country strategies for Honduras, most notably the U.S. Feed the Future plan, the EU strategy, and the CIDA strategy. The goals of substantially lowering the number of those in extreme poverty and those smallholder farmers in poverty, as well as growing the agricultural sector is sound, and the programs support that goal. In conclusion, the following are a few additional recommendations to consider as a means of further strengthening the plan.

- **Establish a strong M & E system.** Establishing a system to monitor, measure, and share results – successes, setbacks, and failures – is critical for this plan to succeed. This is especially true because it not only involves a number of internal ministries and agencies within the GOH, but its success is also highly dependent upon a number of external actors – development partners, potential private sector partners, international agencies, and NGOs. Being able to monitor progress – and share that information - will help to pinpoint bottlenecks and problems so they can be addressed. Just as importantly, it can also identify best practices and successes, which when coupled with additional donor funding based on the ROI, can accelerate attaining the plan's goals. It is also important that critical metrics are universally agreed upon and shared so the GOH is not burdened with multiple – and even conflicting – M&E standards and reports.

- **Highlight nutrition as a core feature of the plan.** The CIP could include a separate category for nutrition instead of including it as part of a “cross-cutting themes” section to give it more visibility. This is in keeping with the GOH’s public commitments to this issue. Further, the CIP needs to focus more heavily on growing nutritious crops for alleviating hunger and malnutrition. With the exception of fish and maybe a few of the minor crops proposed under the plan, the emphasis is on exports, such as coffee and high value export fruits, rather than producing food that can feed the country’s citizens.
- **Create a virtual extension network.** In keeping with the Knowledge Dissemination, Production and Productivity (p. 20) mandate, it is recommended that a “virtual” extension system be instituted where smallholder farmers could take advantage of best practices and have access to a “Help Line” – perhaps staffed by graduate agriculture students. Given negative past experience with a traditional extension system, and also the potential of new mobile and other communications technology, this may be a good time to gain private sector support to foster the adoption of new technologies that can maximize impact with a minimal investment. Partnering with other academic and research institutions – both within and outside Honduras (for instance the U.S. land-grant university system) can also provide a wealth of knowledge and experience, as can south-south partnerships, such as with the Government of Brazil.
- **Expand university collaborations.** Since the rapidly growing National Agricultural University of Honduras (UNA) has a special mission to educate students from indigenous populations who live in some of the most rural and impoverished areas of the country, the plan should reward UNA’s effort, in addition to research centers and universities like FHIA and Zamorano, when funding agricultural research through existing institutions. Targeted recruitment of these youth is addressing the CIP’s recognition that formal education, leading to jobs and other economic opportunities in rural areas, is essential for the long-term benefit of the country (p. 42).