

“An Impact Evaluation of the MiDA FBO Training”,  
by the Institute of Statistical, Social and Economic Research, University of Ghana

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Summary of results

This evaluation studies Ghana’s Farmer-Based Organization (FBO) training and starter pack program, using a very detailed survey of about 6,000 individual members of 1,200 FBOs across the three MiDA intervention zones in the north, central and southern parts of the country. The sample was selected ex-ante and surveyed in two batches, one in 2008-2009 and the other in 2009-2010. Each batch included both treatment and control FBOs, with status determined by lottery drawn by an FBO leader indicating whether their FBO would receive program services early (the treatment group) or late (the control group). Surveys in each batch were conducted in two rounds, one before and the other after the intervention.

The intervention consisted primarily of 27 days of business training spread over time, plus a starter pack of inputs costing about US\$230. During the project period, farm income appears to have risen for both treatment and control groups (shown in nominal terms on Table 4-15, page 28), which could be associated with the overall growth in Ghanaian living standards observed during this period. Between groups, the provision of FBO training and starter packs was found to have no effect on crop yields in any region, and to have raised crop revenue and income only in the northern region (page vii).

The evaluation found that the northern region’s increase in crop revenue and income occurred via expansion of cropped area (Table 6-8, page 41), rather than increased yields. Treated households in other regions increased their use of formal loans, which came from MiDA itself in the south and from non-MiDA sources in the central region. In the north, expansion of cultivated area by treated households occurred with proportional increases in chemical use, and a less-than-proportional increase in the value of seeds used, implying no intensification or technical change.

The evaluation found that treated households did use more fertilizer and other chemicals in all regions (and treated households in the north also reported a higher value of seeds used), but the increase was smaller than the cost of the starter pack provided in the program. This suggests some substitution between the starter pack and inputs that farmers obtain through other means, or some leakage of starter pack inputs that are sold or given away. Substitution and/or leakage is to be expected when farmers are already buying or selling these inputs. To the extent that they do so at fixed prices, the starter pack program offers farmers an in-kind income transfer rather than the introduction of new, innovative inputs that could shift productivity. Indeed, the program description hints that it was precisely because farmers already knew the value of the starter pack

inputs that they were given away, insofar as the starter pack's purpose was to induce farmers to attend training which they would otherwise not have chosen to attend.

In summary, the evaluation suggests that the training + starter pack program was not effective in helping farmers to increase production and market activity, except in the north where it helped farmers to expand their cropped area without intensifying production. The training component appears not to have had any general effect on management and productivity, and the starter pack was helpful but not as valuable to farmers as its cost to MiDA.

### Concerns

Some important aspects of the survey and evaluation design are not made clear in the report. Most importantly, we are not told how "crop income" is defined (e.g. on page 25), or given any information on full income or expenditure from which to infer household welfare. This matters because it is possible that training helped farmers undertake nonfarm activities, including crop marketing, without changing or intensifying crop production. In addition, we are not told the timing of the two rounds of surveying relative to cropping calendar, which is important because it determines whether farmers have enough time to respond with new input use choices. We are also not told what the control-group farmers knew, if anything, about the delayed treatment they would eventually receive, which is important because they might have undertaken investments in anticipation of receiving the training + starter pack. We also do not know whether the surveyed households are the only ones receiving the interventions, which could matter due to possible differences between the sample population and the universe of program beneficiaries.

### Implications for future evaluations and program design

This evaluation's finding that the FBO training + starter pack mattered only in the northern region offers a potentially very important lesson regarding causal pathways, with implications for future interventions and future evaluations.

One possible implication is that the starter pack helped in the north but not elsewhere because only the northern farmers were credit constrained in how much of their available land they could cultivate. In contrast, farmers in the other regions were either not as credit constrained, or they have no available uncultivated land, or both. In any case, it may be that starter packs were all that farmers in the north needed to expand cropped area, in a situation where intensification is not profitable so expansion was the most useful thing that farmers can do with the starter pack.

Another possible implication is that *training* helped in the north but not elsewhere because only the northern farmers were knowledge-constrained. A hint that this may be important is provided by the north's lower level of general education (Table 4-2, page 13). The training provided through this project could conceivably impact farm activity through two kinds of education: one involving factual information and skills about how to undertake more profitable activities, and the other involving self-confidence or other subjective attitudes and beliefs about whether to undertake activities that farmers already know would be profitable if they had the self-confidence to undertake them. Both pathways could operate simultaneously, but if neither pathway works then only the starter pack matters, as training itself would have no mechanism by which to raise farmer incomes.

Since training can work only if it provides valuable information or productive attitudes, future program designs in this area should be based on overcoming whatever barriers might prevent farmers from obtaining that information and those attitudes on their own. Program designs and then impact assessments seeking to document impact would therefore rest on cognitive and psychological tests, so as to know whether the intermediate outcome of changing knowledge and attitudes was achieved. Farm incomes might or might not rise when farmers become more knowledgeable or more self-confident, but designs and evaluations that do not focus on how training actually changes peoples' minds is unlikely to change peoples' lives.