BRIDGING PEOPLES

Endline Evaluation of the Vanilla "Beans of Hope" Project

Submitted to:

MARY MACKILLOP today

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TABLE OF CONTENTS

INTRODUCTION

This report provides results for the Endline Evaluation of Mary MacKillop Today's (MMT) *Vanilla "Beans of Hope"* project, a livelihood project which has supported five cooperatives in five *suku* in Posto Railaco, Timor-Leste. The evaluation has a threefold purpose: (i) to assess the overall effectiveness and impact of the project on improving beneficiaries' livelihoods; (ii) to gather necessary data and provide recommendations to support MMT in making an ethical and sustainable exit from the project in these five *suku*; and (iii) to gather lessons and provide future-forward recommendations for improvement if the model is replicated in other Timorese communities in the future. The analysis provided in this report draws on interviews with farmers and cooperative members, community leaders, private sector representatives, and project staff, and is guided by the OECD/DAC criteria for evaluating the merit or worth of an intervention.[1]

The *Vanilla "Beans of Hope"* project was initiated by the Christian Brothers Oceania Province, funded by Edmund Rice Foundation (ERF), in 2015 to support smallholder coffee farmers in Railaco, Ermera, working with 47 coffee farmers to diversify their income generation by including vanilla farming. Alongside coffee, vanilla is an important high-value crop with significant income potential in Timor-Leste. It is a relatively new industry for Timorese farmers: while a small amount was grown during Portuguese colonisation, these crops were abandoned during Indonesian occupation. However, vanilla crops were reintroduced following the restoration of independence and vanilla is now seen as a priority crop for smallholder coffee farmers in some areas.[2] Vanilla is predominantly grown in existing coffee plantations with the intent to create a diversified agroforestry system, with vanilla harvested before the coffee season using integrated farming methods. In addition to spreading income sources, this approach is understood to reduce livelihood risks by leveraging existing coffee farming infrastructure including shade (*samtuku*) trees and climbing frames.[3]

In 2018 the project was transferred to MMT management, and in 2019 the project's goal was redefined to move beyond a vanilla farming focus to a broad livelihood focus of *improving financial stability of rural households through self-managed livelihood activities and cooperative membership*. The project now includes 434 farmers (including 126 women) in 27 farmer groups, spread across 5 suku. These farmer groups have recently been consolidated into five multi-sectoral cooperatives registered with the State Secretariat for Cooperatives (SECoop), which includes 255 non-vanilla farmer cooperative members, bringing the total number of direct beneficiaries to 689 people.

The project is now in the final year of Phase III, with 30 June 2026 as the planned exit date. Initially intended as a five-year effort to end in June 2022, the project was given two 2-year extensions to support a sustainable and ethical exit. MMT's intention is that by mid-2026, they will leave self-sustaining cooperatives that can provide skills training in different income

[1] OECD; Evaluation Criteria; accessible at https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm.
[2] Correia *et. al.* (2009) 'Prospects for Vanilla Agribusiness Development in Ermera and Manufahi Timor-Leste'. *AARES Conference January 2009*, Cairns, Queensland, Australia.
[3] Sendall & Gusmão (2018) *Analysis of Spice Value Chain in Timor-Leste.* Adam Smith International. Dili: Timor-Leste

generation activities so participants can diversify income streams and close the loop on vanilla farming training with post-harvest, curing and refresher trainings. The focus of this final year 2025-26 is to prepare project participants for the future post exit, including securing the commitment of key stakeholders like SECoop, Institute for Business Development Support (IADE), and Ministry of Agriculture Livestock, Fisheries and Forestry (MAPPF) to support the cooperatives and farmer groups into the future.

METHODOLOGY

Methods and Approach

This evaluation uses an entirely qualitative methodology, and is guided by the OECD/DAC criteria to assess the project's relevance, coherence, effectiveness, efficiency, impact, and sustainability. The purpose is to enhance accountability to beneficiaries and the public, and to promote internal learning by generating findings and recommendations that may inform future programming and decision-making. Considering the main objectives of this assignment, and in particular MMT's planned exit over the next few months, this evaluation focuses most closely on relevance, effectiveness, impact, and sustainability.

The evaluation team used qualitative data collection methods, as follows:

- Thorough literature review of project documents provided;
- Two half-day FGDs with cooperative members in *sukus* Railaco Leten and Deleco
- 38 semi-structured interviews (SSIs) in *sukus* Railaco Leten, Deleco and Taraco
- 5 SSIs with MMT staff, including 1 SSI via zoom;
- 8 workplace observations and interviews with business owners;
- Two FGDs with MMT staff (conducted during kick-off and debrief meetings), to gather their reflections on project strengths, current problems and exit strategy risks and to test and triangulate emerging results;
- Analysis Workshop with field team following community-level fieldwork, to analyse and identify patterns in the data, contextualise findings against the project's objectives, and to identify gaps for further exploration.

To ensure transparency and to build trust, the project team also assisted MMT in presenting the evaluation results back to community members and local stakeholders in Railaco and Gleno.

MMT staff supported the evaluation team by providing logistical support in contacting respondents and organising focus group discussions (FGDs). Fieldwork was conducted following ethical guidelines and principles to ensure the well-being and rights of all participants involved, in line with ACFID Code of Conduct and ACFID Guidelines for Research and Evaluation Ethics, as well as MMT's guidelines and policies on Safeguarding and ethical standards. Free, prior and informed consent (FPIC) was obtained from all individuals participating in the evaluation, with participants fully informed about the purpose of the research, their rights as participants, and the potential risks and benefits involved. Throughout the research, a Gender Equality, Disability, and Social Inclusion (GEDSI) lens was applied to assess the impact of the project on different groups, and evaluate the project's effectiveness in promoting gender equity, disability inclusion, and social cohesion. The conceptual framework is provided in Appendix 1 of this report.

Sampling

Fieldwork sites were identified following a purposive sampling methodology, with fieldwork conducted with members of multisectoral cooperatives HAFORSA in *suku* Railaco Leten, HALIDAME in *suku* Deleco, and TOHDALE in *suku* Taraco. These three cooperatives were purposely selected in consultation with MMT to include two high-performing cooperatives (HAFORSA and HALIDAME) and one which was experiencing difficulties (TOHDALE), with the purpose to identify strengths and weaknesses in the project model for MMT to consider before introducing this approach to other communities.

Sampling of respondents took a combined purposive and snowballing approach, with SSIs conducted with a range of stakeholders, including active cooperative members, community members who chose to not join their local cooperative, MMT project staff, community leaders, private sector representatives and various other actors.

RELEVANCE

Alignment with Community Needs and Local Context

The project demonstrates strong relevance to the needs of subsistence, coffee-producing farming families, who face limited market access, poor enabling environment to bring their produce to market, and minimal access to credit. It also strengthens women's economic resilience, with some activities focused on improving women's income. Cooperative members and local leaders generally agreed that the project had helped them to improve their livelihoods, citing examples such as helping them to improve their household income, invest in children's education, invest in their small (primarily kios) businesses, build or renovate their houses, and buy motorbikes.

The project has also shown strong adaptive capacity. When MMT took over the project in 2018, the strategic decision was taken to shift from a focus on vanilla to a broad livelihood focus of *improving financial stability of rural households through self-managed livelihood activities and cooperative membership*. This shift responded directly to participant vulnerability by reducing the economic risk associated with dependence on a single crop with a 3-5 year maturation period, and supporting diverse livelihood options for different sectors of the community. The breadth of livelihood support now means that community members with differing capacities, skills, and economic means can choose activities that best suit their circumstances.

Following a multi-sectoral cooperative model, the project has supported farmers in diversifying their livelihoods and opening new income opportunities through savings and loans, coffee and vanilla processing, food production, fish farming, and integrated horticultural initiatives. MMT has delivered technical training across the vanilla cultivation and processing cycle, water conservation, cooperative management, leadership, basic proposal writing, basic business, savings and loans, and cross-cutting themes (gender, child protection and child rights, and disability rights.) Many respondents were appreciative of the different training options that were available to them, with one respondent describing how it supports a more cohesive vision of development for the community.[4]

While evaluation results indicate that supporting diverse livelihood options is a good path forward, vanilla farming is still highly relevant for a core group of vanilla farmers, and should not be abandoned. Typically, this core group of farmers have a slightly higher financial buffer and can therefore wait for long-term gains.[5] These farmers described the various long-term gains they have received from the crop, with the combination of technical training in vanilla farming and financial literacy support via savings and loans helping them to invest for the future.[6]

Alignment with Socio-Economic and Policy Context

The project design aligns closely with the policy priorities of the Government of Timor-Leste (GoTL) and local authorities. Support for vanilla farming reflects Timor-Leste National Strategic Development Plan, which specifically recommends the intercropping of vanilla with coffee to enhance rural livelihoods and stimulate smallholder engagement in high-value markets. Additionally, the project's support for various other activities including savings and loans, and value-add productive activities aligns with GoTL's focus on strengthening rural economies, addressing rural poverty and promoting and strengthening the private sector at all levels. The project's multi-sectoral cooperative model aligns with SECoop's agenda, which has sought to register and strengthen community cooperatives across the country. However, a key gap is the project's weak alignment with national and international value chains (discussed in 'Effectiveness', below.)

Addressing Power Dynamics and Ensuring Inclusion

The project was grounded in a gender-inclusive approach, initially engaging women as well as men through farmer groups that later evolved into formal cooperatives. While there appears to be good progress on supporting gender inclusion, inclusion of other marginalised groups, and in particular people with disabilities, has been limited. Respondents explained that their cooperative is 'open' to people with disabilities, but were unable to identify any cooperative members with disabilities. No specific mechanisms for disability inclusion were identified. There is opportunity to strengthen disability inclusion by identifying and addressing current barriers faced by people with disabilities, proactively inviting people with disabilities to join cooperatives and carry out work that aligns with their strengths and realities, and supporting people with disabilities in their leadership skills.

COHERENCE

[4] Interview with Respondent 15; Railaco; 5 November 2025
[5] Interview with Respondent 20; Railaco; 5 November 2025; Interview with Respondent 14; Railaco; 5 November 2025
[6] Interview with Respondent 18; Railaco; 5 November 2025

Evaluation results show the project is highly coherent in its vertical (government policy) and horizontal (partner & stakeholder collaboration) integration at national and local levels. Since inheriting the project in 2018, MMT has worked to align project strategies with national structures by organising vanilla farmers to form farmers' groups, and then transforming these into five multi-sectoral cooperatives (one for each *suku* supported under this project). This provides a formal structure through which members can receive ongoing training and support from SECoop and other external stakeholders, as required.

There has also been very good horizontal coherence. MMT has partnered with NGO PERMATIL (Permaculture Timor-Leste) and TILOFE cooperative (Timor Leste Organic Fertilizer) to provide water conservation training, helping farmers source a regular water supply for their crops. MMT has also partnered with International Labour Organization (ILO) to provide training for the "Agroforestry Skills for Employment and Resilience Project." In terms of private sector alignment, results have been uneven. Some farmers described regular sales to Dili Vanilli and Cooperativa Café Timor (CCT) but there are opportunities to improve farmers' capacity to sell at a fair price, as both Dili Vanilli and CCT have a vested interest in keeping prices low, to protect their own profit margins. While Dili Vanilli conducted an initial assessment of the vanilla farmer groups from 2020-21, this has not led to deepened collaboration due to this inherent conflict of interest.[7]

In two of the three fieldwork sites (*sukus* Deleco and Railaco Leten), respondents described good horizontal coordination and collaboration at the community level. The *xefe suku* of Deleco described MMT's coordination with local authorities as excellent, avoiding duplication and building on existing *suku* networks. This coordination has, in turn, allowed *suku* authorities to support the project through mobilising community members and other support. By contrast in *suku* Taraco, respondents described the TOHDALE cooperative President as nepotistic, with non-participating vanilla farmers explaining they were unaware of the cooperative formation meeting which involved SECoop and MMT until *after* the meeting took place. As they explained, while they would like to benefit from the cooperative activities, they feel the President only provides opportunities for those within his immediate circle. There is a clear need to address these governance issues directly with the President, potentially replacing existing office-bearers with a new structure, and ensuring that all involved understand that the cooperative must be open to all in the community. Depending on how aware *suku* council leadership are of these issues, there may also be need to strengthen lines of communication between the *suku* leadership and Field Based Officers (FBOs).

EFFECTIVENESS

Evaluation results show that the project has been effective in improving technical knowledge, expanding access to finance, and increasing household-level economic agency among many participants. MMT's decision to broaden the project objective beyond vanilla farming has significantly strengthened overall effectiveness to a broader group of beneficiaries, with

[7] Focus Group Discussion with MMT staff; Dili; 3 December 2025

cooperative members reporting changes in financial behaviour, livelihood diversification, and increased confidence in managing income-generating activities.

However, project effectiveness has been uneven; while some households have achieved tangible economic gains, others have experienced limited or no transformative change. A key gap to be addressed in the project model is the need to strengthen market linkages—ensuring that farmers are able to respond effectively to market demand and sell their produce.

Cooperative Formation & Governance

MMT successfully supported the formation of five legally registered Multi-Sectoral Cooperatives—HAFORSU, HALIDAME, TOHDALE, MADESA, and HHAC. These cooperatives provide formal mechanisms to manage savings and loans groups, collaborate on value-added food processing, and engage with and receive support from SECoop and other stakeholders. The formation of these cooperatives is an important milestone to support MMT exit from these five *suku* by mid-2026.

However, there are governance weaknesses that need to be addressed. Cooperative members across all fieldwork sites complained about a lack of financial reporting, requesting monthly reports on funds management, including details on how contributions were used, and whether profits were being generated. Some cooperative Treasurers also acknowledged this gap, explaining they do not yet have the technical capacity to prepare financial reports. There is a clear need to strengthen office-bearers' understanding and skills in financial transparency.

Additionally, across all fieldwork *suku*, the evaluation team noted that office-bearers were not only from the same extended family but sometimes from the same household. For example in cooperative HALIDAME in *suku* Deleco, for example, the Treasurer is the daughter of the President. In cooperative TOHDALE in *suku* Taraco, many community members were extremely unhappy because they felt excluded by the cooperative President. It appears this issue with TOHDALE is linked with the process of transitioning farmers groups into a cooperative structure, with MMT working directly with the savings and loans group who failed to invite and include other vanilla farmers in the area. There is also an issue of capacity, as many were unwilling to take on the role of Treasurer in particular. In HALIDAME cooperative in suku Deleco, for example,MMT stakeholders explained that the only person who was open to taking the role of Treasurer was the President's daughter. In *suku* Railaco Leten, the *xefe suku* is the cooperative Treasurer. The President was subsequently hired by MMT as FBO, marking another duplication of roles.

Low capacity and confidence among community members is a common issue across Timorese communities. To avoid this need for duplication of roles, long-term succession planning is needed in MMT's cooperative support model. Emerging leaders should be identified early, and their skills and confidence built, to expose them to cooperative work and mentor them in taking office-bearer positions.

Savings & Loans

Evaluation results clearly show savings and loans are the most consistently popular of the project's livelihood activities. Interviews with community members indicate there has been strong interest in financial literacy training among members. On the savings side, many respondents explained how having a commitment to saving regularly meant members do not spend all of their available cash on cultural activities. On the loans side, the simplicity, proximity, and flexibility of cooperative-based finance were widely valued—especially in comparison to other credit providers such as BNCTL (national bank) and Kaebauk (microfinance provider) which were seen as complex and inaccessible, with high interest rates. It is likely that the popularity of savings and loans compared to other farming and productive activities is due to its low risk.

The easy access to credit has allowed many members to meet their individual and family-based livelihood needs, with respondents across all three fieldwork sites describing how they have used it to pay for school fees, *kios* start-ups, coffee processing, investing in motorcycles to assist with transporting goods for sale, and other business investments. One member described borrowing $500 to process coffee, resulting in $200 profit.[8] Another explained she had previously operated a *kios* business that failed due to poor financial planning and lack of capital, but that after joining the savings group and participating in training she now has successfully re-started her *kios*.[9] There were various other success stories shared.

However, there is a need to address gaps in members' understanding of the regulations. Many members were unclear when and how their investments would be divided back to them, despite clear regulations that investments are to be redivided every 3 or 5 years depending on individual cooperative rules. Others complained that the $50 entry fee is too high, indicating lack of awareness of instalment options that are built into the structure. MMT should liaise with local leaders and SECoop to provide more education to members on savings and loans mechanisms to support a smooth project exit mid-2026.

Vanilla Farming

As noted previously, evaluation results indicate mixed effectiveness in helping farmers improve their income, with some explaining that it is too difficult and did not meet their livelihood needs, but others describing it as a core crop.

Evaluation results indicate that the training and capacity building provided via MMT has been effective in meeting the learning needs of the community, but that the ability of community members to absorb and apply what they learned has been uneven. Training in vanilla cultivation was designed to be hands-on and visual, recognising that many farmers are not literate. Participants were provided with simple manuals covering vanilla (planting, pollination, looping), organic composting, and pesticide application, which can be used between FBO visits and for long-term reference. In *suku* Taraco in particular, a core group of vanilla farmers explained that before receiving technical vanilla training they had experienced a high crop failure rate, but that now following the training they achieve good results. This

[8] Interview with Respondent 31; Railaco; 6 November 2025
[9] Interview with Respondent 29; Railaco; 5 November 2025

indicates the effectiveness of the training. These farmers were able to describe the technical requirements for vanilla planting, pollination and looping in clear detail to the evaluation team, indicating good uptake of the training provided. Some of these farmers are now making a good income selling to vanilla buyers such as Dili Vanilli and CCT, demonstrating vanilla's commercial potential for those who are willing and able to undertake the rigorous technical requirements.

However, many others described vanilla farming as too difficult, with a long maturation time (three to five years) that did not fit their immediate livelihood needs. Many of these respondents also reported that training sessions were not accompanied by written or visual materials, resulting in information being forgotten over time, especially among older or less-educated farmers. In previous training, MMT only distributed materials to farmers who can read and write, or who have household members who can read and write, he can help them to understand the materials. There is opportunity for MMT to improve the effectiveness of their training by creating and distributing training materials with visual diagrams and infographics, appropriate for farmers with low literacy. Many respondents explained they prefer to engage in other activities, including those funded via savings and loans, which is inherently less risky.

While vanilla has been successful for a core group, there is opportunity to improve. MMT has provided vanilla curing training to support farmers to produce cured vanilla, which fetches much higher international prices. This has the twin benefits of strengthening vanilla farmers' resilience through improved profit margins, and providing more work opportunities for women, recognising that it is women who traditionally take on post-harvest work. This initiative will need to be accompanied by a clear plan on how to sell this cured vanilla, as well as risk management to ensure community members have the necessary infrastructure and skills to carry out these activities. While previous discussions with potential vanilla buyer PROVA in France in 2022 was unsuccessful because MMT could not provide cured vanilla samples for testing, there may now be opportunity to revisit these discussions as there are now 15kg of cured vanilla that can be shared.

Value-Add Production

Results for value-add productive activities were mixed. In HAFORSU cooperative in *suku* Railaco Leten, a group *kripik* (fried crisps/chips) business has successfully increased their productive capacity, as has a coffee grinding and small-scale packaging venture. In HALIDAME cooperative in *suku* Deleco, respondents were very positive about the potential of a project-supported fish farm, however it is too early to assess whether this venture will be profitable. By contrast in *suku* Taraco, the tempeh and tofu production equipment provided by MMT approximately 12 months before this evaluation was conducted has not yet been used, with a major risk that the equipment will fall into disrepair. While the TOHDALE President and other stakeholders explained this was due to a lack of soybeans and training, it is more likely that the problem is related to TOHDALE's governance issues, resulting in training being given to the wrong people: individuals who were close to the TOHDALE President, but who were potentially not serious about pursuing tofu and tempeh production as a business venture.

MMT stakeholders confirmed that training was provided to nine TOHDALE members and that soybeans are available in nearby markets.[10]

Market Linkages

The most important gap in meeting beneficiaries' livelihood needs is market access. While production—particularly of vanilla and processed foods—have improved in both quality and quantity, reliable sales channels have not developed at the same pace. Many respondents explained that they were often unable to sell their produce at high enough quantities to turn a profit. The vast majority of vanilla is as low-grade vanilla, sold to the Indonesian market which attracts lower prices Several respondents reported that their processed products—such as *kripik,* coffee and vanilla—were only available for sale at the cooperative centre or in MMT's office in Dili. High transport costs and bad roads are a key barrier, with farmers paying $50 transport fees to carry only 3 sacks of vanilla or coffee to Aileu or Dili, significantly reducing their already-thin profit margins.

There is opportunity for MMT to strengthen cooperatives' capacity to access reliable transport at fair rates through aggregating multiple farmers and building economies of scale. This could take multiple forms: (i) supporting private sector collectors groups such as those that operate in Aileu Municipality, (ii) working with buyers who are prepared to collect themselves, or (iii) other transport methods that are run directly by the cooperative. MMT may also strengthen farmers profit margins by supporting cooperatives' negotiating power with existing buyers, and/or helping to identify and work new buyers who may be prepared to pay better prices for special-grade vanilla.

EFFICIENCY

Results indicate that MMT's activities, including training and other accompaniment activities provided directly or via a partnership approach, have generally been carried out efficiently and on schedule. MMT has worked closely with local leaders and more recently with SECoop to ensure that the project is well-integrated and complementary to other initiatives in the community. Evaluation results indicate that MMT staff have been diligent in their work, with FBOs spending significant time in the community, supporting project participants by conducting monitoring and mentoring, providing training, and engaging with local authorities and external partners. However, there may be opportunity to improve FBO's strategic community engagement skills, as current approaches appeared to be dependent on MMT staff's individual instinct and enthusiasm. For example, community members in suku Deleco complemented one FBO in particular who had worked with them for a significant period of time, but noted that the FBO who replaced him did not have the same level of understanding. This might be addressed through using basic community engagement strategies and tools that would build and aggregate MMT corporate knowledge of the communities where they work, and support staff (in particular FBO) transitions.

[10] Focus Group Discussion with MMT staff; Dili; 3 December 2025

The savings and loans system is a highly efficient use of project and community resources and should continue as a central pillar to the project. MMT's support to transition savings & loans groups into multi-sectoral cooperatives, provision of financial literacy training, and strategically linking SECoop with cooperatives has been a highly efficient use of resources, yielding a functional and valued system that meets people's various needs. In addition, the structured system where members begin with small loans and demonstrate repayment capacity before accessing larger amounts, also represents an efficient use of community members' resources. Evaluation results show only a few complaints of loans not being paid back on time, and no complaints of default on loans.

However as noted in previous sections, farmers' success in vanilla has been uneven, meaning that this technical training has been mis-directed to some community members who have been unwilling or unable to apply the exacting technical steps required. This means that training and seedlings were provided to a substantial number of participants but failed to yield results. Additionally, other barriers such as a lack of reliable water access or unsuitable land in some cases has prevented some members from applying their training, leading to crop failure and wasted resources. Water shortages during the dry season in FY23-24 were a real problem, resulting in farmer attrition from 665 participants down to 434 active farmers. In response, MMT strengthened access to other livelihood options that yield income faster (2-3 months), which evaluation respondents appreciated.

The biggest inefficiency has been the project's focus on supporting cooperative members to increase their production without a clear plan on how to sell the produce. This inefficiency should be addressed before seeking to apply the project model in other communities. Community members involved in value-add activities explained that they try to sell in their local area, however research in other Timorese communities indicates that most products such as vanilla and locally-produced *kripik* or dried banana will not gain a strong customer base locally because local preference is for Indonesian or other snacks. While the local consumer market might over time be shifted to include local produce, selling local produce at scale means selling to urban centres where there is an appetite for these goods among Dili-based elites. This would require MMT to explore and clearly identify consumer preferences among this cohort, who are known to have strong opinions about local food, via small-scale market tests, **before** encouraging cooperatives to scale up production. There may also be opportunity to seek new export markets for high-value crops goods such as specialty coffee and vanilla.

IMPACT

Changes in Financial Literacy and Economic Behaviour

Across all three fieldwork sites, the most consistent area of impact has been in cooperative members' financial literacy and economic decision-making, with clear shifts in attitudes towards saving and income generation. Respondents described using the savings facility to put aside money that otherwise would have been diverted towards cultural obligations or immediate household needs. Others described using the credit facility to grow their small businesses, showing a shift from simple subsistence to forward-thinking investments. Community members in Taraco who felt excluded from the TOHDALE cooperative expressed a clear desire to access the savings & loans facility, reflecting their awareness of the benefits it can bring in helping them to manage their finances.

However, these impacts have not been uniform, with some respondents explaining that the $50 entry fee and monthly payments were inaccessible during hard times such as illness. The project impact could therefore be strengthened through simple measures to increase people's understanding of internal regulations which already provide flexibility in such situations.

Changes in Production and Income

As described in previous sections, the impact of technical support for vanilla farming has been uneven. For the core group of farmers that were able and willing to follow vanilla's stringent technical requirements and wait for the vanilla plants to mature, the provision of technical training has helped them improve the efficiency of their agricultural outputs, using local resources. Respondents across the three fieldwork *suku* described their increased skills with cutting, planting, mulching, looping, pollination, shading, trellising, and soil management techniques, which they linked directly to observable improvements in plant health and measurable increases in output. In Taraco, one farmer reported doubling harvest from less than one sack to two sacks per harvest following MMT's training.[11] Some of these farmers are now generating good income through sales to buyers such as Dili Vanilli and CCT, demonstrating vanilla's commercial potential under the right conditions.

Technical support for value added production such as processing coffee and producing *kripik* in suku Railaco Leten has resulted in increased production, however as noted previously tempeh and tofu has not yet begun in *suku* Taraco. It is too early to assess the effectiveness or impact of the fish farming venture in *suku* Deleco.

Across all farming and value add production, the biggest gap is limited market linkages. This reflects MMT's strategy to date on increasing community members' productive potential. While people's productive capacity has increased due to technical support via the project, the impact on their income levels continues to be uneven. In the longer-term, MMT may consider shifting from individual-level capacity building for farmers and producers to collective solutions via cooperative-level coordination, which would build members' collective ability to find other transport options building on economies of scale, strengthen their collective ability to negotiate with buyers, and potentially help them to find new buyers nationally and internationally.

Environmental Impacts and Water Conservation

Lack of reliable water supply has significantly limited the project's impact at times, with farmers reporting damaged vanilla vines and crop failure during long dry seasons. MMT has partnered with PERMATIL and TILOFE to deliver water conservation training and infrastructure, including deep wells, large water catchments, terraces, and other soil and

[11] Interview with Respondent 38; Railaco; 5 November 2025

water management techniques, however evaluation findings indicate that the uptake and effectiveness of these measures have been uneven. None of the cooperative members interviewed by the evaluation team reported participating in water conservation training.

Inclusion of Women and Persons with Disabilities

The project has made good impact in women's inclusion, however there has been no observable impact for persons with disabilities. The strategic shift from vanilla farming to savings & loans and other productive activities has been very positive in supporting women's livelihoods. In addition, the creation of cooperatives has provided a useful entry point for supporting increased participation and leadership opportunities for women, and potentially in the future for persons with disabilities. The President and the Treasurer of HALIDAME Cooperative, both women, described receiving excellent support from MMT in taking on these roles. Recognising the gendered division of labour in which women are generally responsible for post-harvest activities such as curing vanilla beans,[12] MMT's planned step to close the link on vanilla curing will also likely carry a positive impact on women's livelihoods. These benefits could also potentially be extended to people with disabilities, if MMT are proactive in identifying potential training participants with disabilities.

Going forward, there is a need for MMT FBOs to engage with communities and identify the practical, social, and institutional barriers faced by persons with disabilities in participating in livelihood, cooperative, and leadership activities. This could then be followed up by practical, targeted efforts to support people with disabilities to become involved in activities that are aligned with their individual capacities, skills, and interests, rather than relying on self-selection. Partnerships with specialist organisations, such as RHTO, might also help by providing technical guidance, targeted accompaniment, and leadership development support.

SUSTAINABILITY

Institutional Sustainability: Cooperatives and Local Ownership

The strongest foundation for sustainability lies in the establishment of five Multi-Sectoral Cooperatives, as they provide a formal institutional structure through which members can receive ongoing technical support, training, and regulatory oversight from SECoop, IADE, and other external bodies. Across all three fieldwork sites, cooperative members agreed that the cooperatives would be able to continue following MMT's exit.

However, as noted in previous sections, there is an urgent need to address leadership problems in TOHDALE cooperative, which if allowed to continue will cause the cooperative to at minimum stagnate, or potentially fail. While not as urgent, other cooperatives also need support to strengthen skills in financial transparency, develop and strengthen internal monitoring and complaints mechanisms, address leadership concentration within families, and begin leadership development and succession planning processes. Without these

[12] Sendall & Gusmão (2018) *Analysis of Spice Value Chain in Timor-Leste.* Adam Smith International. Dili: Timor-Leste

elements, the cooperatives risk becoming dependent structures that struggle to reach their potential.

Financial Sustainability: Savings, Loans, and Livelihood Diversification

The savings and loans mechanism represents the most financially sustainable component of the project. It is widely used, valued by members, carries minimal risk, and is capable of continuing without external funding, provided cooperative governance and transparency issues are resolved. The revolving nature of the fund, combined with strong repayment behaviour observed by the evaluation team, indicates that this system can remain viable in the long term.

While there are nascent opportunities in vanilla farming and the project has successfully supported a core group of vanilla farmers, there are also many gaps, and these farmers do not yet appear to be resilient enough to meet various risks posed by climate change and global price fluctuations. The project’s pivot away from reliance on vanilla alone towards a broader mix of savings and loans, kios businesses, coffee processing, horticulture, and other income-generating activities has reduced risk exposure for many households. However, evaluation results indicate that vanilla should not be abandoned, which means market linkages for vanilla farmers needs to be strengthened. This also applies to other value-add production, as people’s income potential are restricted by weak market linkages and high transport costs. Without reliable buyers and affordable transport solutions, increased production will not consistently translate into sustained income. As such, there is a need to build cooperatives’ ability to collectively negotiate market access, aggregate produce, and reduce transaction costs.

Environmental Sustainability and Climate Resilience

A key issue for farmers is water scarcity which has already led to significant participant attrition and continues to limit agricultural productivity. The project’s collaboration with partners such as PERMATIL and TILOFE to support water conservation training and infrastructure represents an important step towards environmental resilience, however there is further support needed in the space. Many farmers continue to experience water shortages, and the uptake of conservation practices has been uneven. Given the increasing risks posed by climate change, long-term sustainability will require continued attention to ongoing water source rehabilitation, soil management, and alignment of livelihood activities with local environmental conditions.

CONCLUSION

This Endline Evaluation finds that Mary MacKillop Today’s Vanilla “Beans of Hope” project has successfully contributed to improving livelihood options, financial practices, and local organisational structures in five *sukus* in Posto Railaco. The project has been most successful in establishing multi-sectoral cooperatives and savings and loans systems that are widely used and valued by community members. These mechanisms have supported changes in saving behaviour, access to credit, and household economic decision-making, enabling many participants to invest in small businesses, education costs, and income-generating activities.

The shift from a primarily vanilla-focused project to a broader livelihood and cooperative-based model was a positive move, improving the project's relevance and reach. This has reduced reliance on a single crop, enabled participation by a wider range of households, and strengthened opportunities for women's economic participation and leadership. For a smaller group of farmers, technical support in vanilla production has led to improved practices and higher yields, confirming that vanilla can be a viable crop where farmers have suitable land, water access, and the economic resilience to wait for longer-term returns. However, results clearly show that vanilla is not an appropriate livelihood option for all households, and technical support should be targeted to farmers with greater economic resilience, and interest in meeting vanilla's high technical requirements.

The most significant limitation to the project is weak market access. While production and processing activities have expanded, cooperatives lack reliable buyers and affordable transport, which limits members' income potential. As a result, increased production has not consistently translated into increased income. Addressing market linkages at the cooperative level is therefore critical to strengthening the project's impact and should be a priority in the final phase of this project. Recognising that the cooperatives have received minimal support in market linkages, there may be opportunity to provide ongoing light-touch support following formal project exit, as MMT begins work in four new *suku* in Posto Railaco.

In terms of sustainability, the registration of cooperatives and formal linkages with SECoop and other government actors provide a basis for continuation after MMT's exit. However, this sustainability is not yet secure. Governance weaknesses, limited financial reporting capacity, leadership concentration, and unresolved conflicts in TOHDALE cooperative present risks. Environmental constraints, particularly water scarcity, further affect the viability of some livelihood activities. Project replication should include stronger emphasis on market access, collective economic strategies, stronger disability inclusion, and ongoing MMT tracking and accompaniment to ensure productive activities are climate-responsive and reflect the needs of different sectors of the communities where MMT works.

RECOMMENDATIONS

Savings & Loans

1. **Continue with savings and loans as the centrepiece of the cooperative model.** Given its popularity, low risk, and strong sustainability potential, savings and loans should remain the primary entry point for members, complemented by other livelihood activities.
2. **Improve member understanding of savings and loans regulations.** MMT, SECoop, and cooperative leaders should jointly:
   - Re-explain entry fees, instalment options, repayment schedules, and profit redistribution;
   - Use practical examples and visual tools to reinforce understanding.

Cooperative Governance

3. **Urgently address governance failures in TOHDALE cooperative (suku Taraco).** MMT should work with SECoop, suku leadership, and cooperative members to:
   - Review the legitimacy of current leadership arrangements;
   - Replace or reconfigure office-bearers where trust has broken down; and
   - Re-open membership transparently to all interested community members.
4. **Strengthen financial transparency across all cooperatives.** This could include:
   - Practical, hands-on coaching for Treasurers on simple monthly financial reporting;
   - Standardised reporting templates in Tetun;
   - Clear and regular communication to members on how savings, loans, and profits are managed and redistributed.
5. **Establish internal complaints and accountability mechanisms.** Each cooperative should have:
   - A clear, documented complaints process;
   - At least one trusted focal point independent of the executive committee; and
   - Clear links to suku leadership or SECoop for escalation if required.
6. **Introduce leadership development and succession planning.** To reduce reliance on family-based leadership:
   - Identify emerging leaders, with a focus on women, youth, and people with disabilities;
   - Rotate responsibilities where feasible;
   - Provide mentoring and shadowing opportunities for future office-bearers, with a focus on women, youth, and people with disabilities.

Vanilla Farming

7. **Support vanilla as a specialised, opt-in livelihood,** targeted to farmers who:
   - Have the economic resilience to wait through the long maturation period;
   - Are willing and able to meet strict technical requirements;
   - Have suitable land and water access.

8. **Complete the vanilla value chain carefully, by ensuring training:**
    - Is accompanied by clear infrastructure, quality control, and storage plans;
    - Builds on and supports women's roles in post-harvest processing;
    - Includes a defined strategy for selling cured vanilla at premium prices.

Value-Add Production and Market Linkages

9. **Consult with community members in Taraco to assess other community members' interest in tofu and tempeh production.**
10. **Invest in market linkage and value-chain development, by**
    - Conducting targeted value-chain analysis for vanilla, coffee, and selected processed products;
    - Identifying national and international buyers willing to engage with cooperatives at fair prices;
    - Identifying and collaborating with partners who have market linkage expertise. This might include PARCIC, or MDF, or other potential partners in Indonesia.
11. **Avoid scaling production without clear market pathways.**
    Before encouraging cooperatives to expand vanilla or value-added production:
    - Conduct small-scale market tests with likely consumers (especially with Dili-based elites where there is high demand for quality local food products);
    - Validate demand, pricing, packaging, and quality requirements.
12. **Explore opportunities to support collective marketing and transport solutions.**
    This may include:
    - Aggregating produce across members to reduce transport costs;
    - Negotiating with transport providers at cooperative level;
    - Exploring buyer collection models or cooperative-managed transport options.

Training materials

13. **When training is conducted, create and distribute training materials that include visual explainers and infographics, appropriate for people with low literacy.**

Community Engagement of MMT Staff and FBOs

14. **Consider formalising MMT's community engagement strategies, documentation, and consistent use of community engagement tools.** This might include specific community engagement training.

Disability Inclusion

15. **Proactively support disability inclusion:**
    - Identify practical barriers faced by persons with disabilities;
    - Proactively invite participation in roles aligned with individual capacities;
    - Partner with specialist organisations (e.g. RHTO) to support disability inclusion and leadership development.

Environmental and Climate Resilience

16. **Deepen water conservation and land suitability strategies.**
    MMT should continue working with partners such as PERMATIL and TILOFE to:

    - Reassess water constraints at suku level;
    - Align livelihood activities with environmental realities;
    - Avoid promoting water-intensive activities in unsuitable locations.

17. **Integrate climate risk more explicitly into livelihood planning.**
    Future programming should:
    - Factor climate variability into crop selection and diversification;
    - Promote low-risk, faster-return activities alongside longer-term crops.

Exit Strategy and Project Replication Potential

18. **MMT should exit as planned, with the following caveats:**
    MMT should not exit cooperatives where:
    - Governance failures remain unresolved, as in TOHDALE cooperative;
    - Financial reporting systems are not yet functioning;
    - Trust between members and leadership is visibly weak.
19. **Formalise post-exit roles of government partners.**
    Clear handover arrangements with SECoop, IADE, and relevant ministries should specify:
    - Ongoing technical support responsibilities;
    - Monitoring and oversight expectations;
    - Channels for cooperatives to request assistance.
20. **Consider limited, strategic post-exit support for market linkages.**
    While avoiding dependency, MMT may provide:
    - Light-touch facilitation of buyer relationships;
    - Periodic check-ins focused on governance and market access;
    - Learning feedback to inform replication in new *suku*.
21. **Refine the model prior to scaling to new *suku*.**
    Key adjustments should include:
    - Shifting early focus from production to markets;
    - Embedding cooperative governance strengthening from the outset;
    - Designing explicit inclusion strategies for people with disabilities.
22. **Document lessons learned for future programming.**
    MMT should consolidate learning on:
    - What works for different *suku* livelihood profiles;
    - Anticipating and managing risks of cooperative capture and elite control;
    - Conditions required for ethical and sustainable exit.

APPENDIX 1: CONCEPTUAL FRAMEWORK

The team developed the following table, using OECD/DAC criteria as the guiding framework for development of the various fieldwork SSI questionnaires. These criteria are widely recognized and used in the development sector, providing a robust framework for assessing the project's relevance, coherence, effectiveness, efficiency, impact, and sustainability.

Criteria	Evaluation Questions	Sub-questions	Respondents
Relevance	- To what extent do the current project model and intended objectives suit the socio-economic and political context? - To what extent do they align with the needs of the target groups, partners, and MMT's country strategy?	- How well does the project address the specific needs of farmers and cooperative members and the broader Railaco community? - To what extent does the project align with the priorities of government representatives and other key stakeholders in Timor-Leste? - To what extent do project livelihood activities align with the broader economic environment, including value chains? - How has the project adapted to changes in the operating context (economic, environmental, social, and political)? - How did the project address gendered power dynamics and ensure the inclusion of marginalized groups?	Local leaders Participants Private sector/trainers MMT
Coherence	How well does the intervention fit with broader objectives and existing initiatives in this sector at both a national and local level?	- How well do project livelihood activities reflect government (national/subnational) investment and development priorities? - How effectively has the project coordinated with government agencies, NGOs and other groups to ensure coherence in program implementation and avoid duplication of efforts? - How well does the project reflect government (MAPFF/SECoop/IADE) technical approaches to specific livelihood activities?	Local leaders Government representatives Private sector MMT

Effectiveness	- To what extent were the intended project objectives achieved (citing concrete evidence and case studies)? - How effective were the strategies, implementation, and interventions? - How effective are the partnerships with key stakeholders? - What gaps exist in the project model? - Recommendations for improvement if implemented across other locations in Timor?	- To what extent has the project achieved its intended objectives at different levels of the results chain (outputs, outcomes, impacts), as they relate to: - vanilla? - other livelihood activities? - savings and loans? - What partnerships have been developed, and how effective have they been in reaching intended project objectives? - Have there been any changes in the project's objectives during implementation? How have these changes affected the project's effectiveness? - What internal and external factors have influenced the project's outcomes? - How effective are the project's strategies and activities for promoting gender equity, disability inclusion, and safeguarding? - To what extent are these lessons transferable to other locations in Timor?	Local leaders Participants Government MMT
Efficiency	- To what extent have project activity level inputs met outputs, objectives, and impact as outlined in the project design in a timely manner and within budget? - What gaps exist in the project model regarding efficiency? - Recommendations for improvement if implemented across other locations in Timor?	- To what extent were results achieved within the intended timeframe, and was this timeframe realistic and appropriate? - How well did the project manage obstacles and mitigate delays to ensure timely delivery of results? - To what extent did the project stay within the allocated budget? What were the main factors contributing to budget deviations, if any? - What mechanisms were in place to monitor and evaluate the efficiency of project activities?	MMT

Impact	- What evidence of positive changes in Knowledge, Attitudes, and Practices among the relevant stakeholders, especially direct participants? - What difference is the project making or what are the transformative effects of the intervention?	- What was the overall significance of the intervention's results, considering the needs and priorities of different stakeholders? - How do participants perceive the importance of project activities in improving their livelihoods? - What evidence is there of improved understanding among participants regarding: - vanilla farming & curing? - other livelihood activities? - savings and investment? - What positive/negative changes have there been in participants' lives, as a result of: - vanilla farming & curing? - other livelihood activities? - savings and investment? - What challenges do participants face in implementing new practices promoted by the project, and how have they adapted to these changes? - How did the intervention address inequalities and ensure inclusive development? - What unintended positive or negative effects (if any) have resulted from the project's implementation?	Local leaders Participants Government representatives Private sector
Sustainability	- To what extent can project outcomes be sustained based on capacity building of target groups, stakeholders, and government partners at various levels after MMT's exit? This will take into consideration the financial, individual, and organizational capacities, with specific recommendations on MMT exit. - What gaps exist in terms of long-term sustainability? - What gaps/relevant lessons to potentially implementing across other locations in Timor?	- Are there adequate financial resources and mechanisms in place to sustain the project's activities after external funding ends? - Has the project contributed to creating sustainable livelihoods for participants? - Has the project built strong partnerships and community support that will continue after the project ends? - How has the project minimized negative environmental impacts and promoted sustainable environmental practices? - To what extent does the exit strategy ensure the continuation of the project post MMT exit? - What are recommended measures for different stakeholders to take, prior to MMT's planned exit? - Is the exit strategy flexible enough to adapt to changing circumstances and mitigate risks to sustainability?	Local leaders Participants Government Private sector MMT