

Thematic evaluation

**UNIDO Post-crisis projects**



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



UNIDO EVALUATION GROUP

Thematic evaluation  
**UNIDO Post-crisis projects**



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION  
Vienna, 2010

Distr. GENERAL

OSL/EVA/10/R.30

September 2010

Original: English

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## Acknowledgements

The evaluation team acknowledges with appreciation the many contributions made by UNIDO staff members during the evaluation process and their valuable comments on the report as well as the support provided by the UNIDO Evaluation Group.

## Abbreviations and acronyms

BDS	Business Development Services
CBT	Competency Based Training
CDD	Community Driven Development
CLARIS	Community Livelihood and Rural Industry Support Program
CSF	Country Service Framework
CTA	Chief Technical Advisor
DCED	Donor Committee for Enterprise Development
DDR	Demobilisation, Disarmament and Reintegration
DNH	Do No Harm
DFID	Department for International Development Africa
EDP	Entrepreneurship Development Programme
FAO	Food and Agriculture Organization
GTZ	German Technical Cooperation
HQ	Headquarter
ICT	Information and Communication Technology
IDP	Internally Displaced People
ILO	International Labour Organisation
IP	Integrated Programme
LAISER	Lebanese Agro-Industry Support and Economic Recovery
LED	Local Economic Development
LFA	Logical Framework Analysis
LRED	Local and Regional Economic Development
MDG	Millennium Development Goal
MFIs	Micro Finance Institutions
MoU	Memorandum of Understanding
MRU	Mano River Union
MSE	Micro and Small Enterprise
MSMEs	Micro, Small and Medium Enterprises
MTPF	Mid Term Programme Framework
NGO	Non Governmental Organization

NPC	National Programme Coordinator
RRR	Reconstruction, Rehabilitation, Reintegration
PA/ PG	Producer Association / Producer Group
PCA	Peace and Conflict Assessment
PSD	Private Sector Development
QMS	Quality Management System
SKIPI	Skills for Peace and Income
SHG	Self-help groups
SOP	Standard Operating Procedures
ToR	Terms of Reference
TOT	Training of Trainers
TVET	Technical, Vocational Education and Training
UN	United Nations
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNTFHS	UN Trust Fund for Human Security
VC	Value Chain (Promotion)
VET	Vocational Education and Training
VTC	Vocational Training Centre
WB	The World Bank
WFP	World Food Programme
YED	Youth Employment Development

## Glossary of evaluation-related terms

Term	Definition
Conclusions	Conclusions point out the factors of success and failure of the evaluated intervention, with special attention paid to the intended and unintended results and impacts, and more generally to any other strength or weakness. A conclusion draws on data collection and analyses undertaken, through a transparent chain of arguments.
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.
Impacts	Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended.
Indicator	Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor.
Institutional development impact	The extent to which an intervention improves or weakens the ability of a country or region to make more efficient, equitable, and sustainable use of its human, financial, and natural resources, for example through: (a) better definition, stability, transparency, enforceability and predictability of institutional arrangements and/or (b) better alignment of the mission and capacity of an organization with its mandate, which derives from these institutional arrangements. Such impacts can include intended and unintended effects of an action.
Lessons learned	Generalizations based on evaluation experiences with projects, programs, or policies that abstract from the specific circumstances to broader situations. Frequently, lessons highlight strengths or weaknesses in preparation, design, and implementation that affect performance, outcome, and impact.

Logframe	Management tool used to improve the design of interventions, most often at the project level. It involves identifying strategic elements (inputs, outputs, outcomes, impact) and their causal relationships, indicators, and the assumptions or risks that may influence success and failure. It thus facilitates planning, execution and evaluation of a development intervention. Related term: results based management.
Outcome	The likely or achieved short-term and medium-term effects of an intervention's outputs. Related terms: result, outputs, impacts, effect.
Outputs	The products, capital goods and services which result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.
Recommendations	Proposals aimed at enhancing the effectiveness, quality, or efficiency of a development intervention; at redesigning the objectives; and/or at the reallocation of resources. Recommendations should be linked to conclusions.
Relevance	The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies.  Note: Retrospectively, the question of relevance often becomes a question as to whether the objectives of an intervention or its design are still appropriate given changed circumstances.
Results	The output, outcome or impact (intended or unintended, positive and/or negative) of a development intervention. Related terms: outcome, effect, impacts.
Sustainability	The continuation of benefits from a development intervention after major development assistance has been completed. The probability of continued long-term benefits. The resilience to risk of the net benefit flows over time.

## Executive summary

In 2003 the UNIDO General Conference asked for a specific UNIDO initiative in post-crisis industrial rehabilitation and reconstruction. Since then, UNIDO's portfolio of post-crisis projects has been constantly growing. By 2008, UNIDO was implementing 40 post-crisis programmes and projects in 17 countries. The total volume of these project budgets was approximately US\$ 40 million.

The present thematic evaluation was conducted in 2010 by the international experts Ralf Lange and Andreas Tarnutzer on the basis of independent evaluation reports, self-evaluation reports and progress reports from a sample of 10 post-crisis projects in Côte d'Ivoire, Guinea, Indonesia, Iraq, Lebanon, Liberia, Sierra Leone, Sri Lanka, Sudan and Uganda. The evaluators conducted interviews and a feed back workshop with UNIDO project managers.

### *UN and UNIDO policy documents*

In 2009, a UN working group issued the “*UN Policy for Post-conflict Employment Creation, Income Generation and Reintegration*”. The UN Policy was prepared under the leadership of UNDP and ILO. Surprisingly, UNIDO is not mentioned in this policy.

In 2009, UNIDO drafted two relevant strategic documents, discussing the UNIDO approach to human security and providing an overview of on-going post-crisis programmes and lessons learnt. However, an official UNIDO Strategy for post-crisis projects does not yet exist.

### *The project sample*

The thematic evaluation builds on a sample of ten projects, nine of which aim to restore and improve livelihoods of crisis affected individuals, groups or communities, including skills training activities. Five of the ten projects rehabilitate and modernise Vocational Training Centres (VTCs) and/or community growth centres.

Only one project focussed on rehabilitation of existing MSMEs, i.e. addressed existing private sector entities directly. None of the projects had a macro-level component for building an enabling environment for private sector revitalisation and investment; development of sector or sub-sector strategies was usually not addressed and, with the exception of rehabilitation of agro-industries, the value chain approach was not applied.

### *Relevance*

Six of seven evaluations concluded that the projects were relevant or very relevant. UNIDO post crisis projects generally reflect the priorities of partners and are in line with rehabilitation strategies of other international actors. However, there is no evidence that UNIDO's project design process warrants a systematic screening of alternative intervention strategies with potentially higher relevance.

Most projects in the sample had a strong orientation towards mid-term livelihood recovery. Only a few of occurred during the early recovery period, immediately after cessation of hostilities. The potential for interventions with a strong medium-term development perspective seems to be untapped.

### *Effectiveness*

Three projects (out of seven independently evaluated) were found to be highly effective. Effectiveness of two projects was assessed medium or low. Effectiveness of institutional rehabilitation and capacity development was mixed. Reconstruction in all projects took longer than planned and in several cases institutions were not fully operational at the end of the project.

### *Impact*

The emphasis of the projects was mostly on assistance to individuals and MSMEs and less on developing sustainable and institutionalised systems. Wider impact on local economic revitalisation was either not considered in the evaluations, too early to assess or, where mentioned, it was assessed as limited. The only evaluation that focused on impact found a positive impact on the immediate beneficiaries of the project. Potential unintended negative impacts, such as market distortions due to direct assistance to enterprises, or unintended influencing the conflict context and local power structures, were neither considered in monitoring, nor in evaluations.

### *Sustainability and ownership*

A clear sustainability strategy and sound business plans were often missing and issues arose with the ownership of assets. The sustainability of VTC rehabilitation and establishment of growth centres depends on firm institutional anchoring and securing of sustainable income and/or support and has not yet been clearly demonstrated.

While the evaluations mention good cooperation with the main national political stakeholder(s) during the planning phase, critique is voiced on the quality of cooperation during the implementation phase. Project documents did not

always clearly assign roles and obligations to major stakeholders. Harmonization and alignment do not feature prominently in the evaluation reports and little mentioning is made of UNIDO participation in donor coordination groups. In several projects government partners dominated, while the private sector was considered of secondary importance only (apart from the direct beneficiaries).

### *Efficiency*

Some projects were implemented under war-like conditions leading to considerable security and communication challenges. A dominant topic in the evaluations is the centralised management style of UNIDO. Unnecessary delays were reported due to the need to sanction minor expenses through HQ. The current system was not found to favour fast reactions or flexibility required in fast changing post-crisis contexts. However, it appears that most projects managed to flexibly adapt to changing environments and most evaluations give good marks to the motivated and committed managers at HQs as well as the field level staff, for doing their best to overcome and speed up these procedural complications. The critique in the evaluation reports is thus not directed towards project managers but towards inefficiencies of the UNIDO management system.

### *Analysis by type of intervention*

**Restoring livelihood capacities of individuals and community groups** is a prominent feature in 9 out of 10 projects. Skills development is the most common activity, which is relevant and effective under the condition that it responds to training needs and income generation opportunities. Only very little emphasis is given to mentoring and facilitation of business start ups.

**Restoring productive capacities of MSMEs:** Only one project focused on MSMEs, two projects contributed to rehabilitation of micro and small service deliverers. This low importance given to industrial actors (as compared to individuals and community groups) is surprising, given UNIDO's mandate as specialized Agency for Industrial Development.

**Promoting investment climate and enabling environment:** Although a key competitive advantage of UNIDO is its ability to foster policy dialogue, none of the ten sample projects focused on improving the investment climate.

**Rehabilitation and strengthening of institutions and structures supporting economic revitalisation and development:** 5 out of 10 projects focused on rehabilitation of VET institutions or "growth centres". Several projects were successful in building community structures supporting livelihood recovery.

Insufficient attention was given to building sustainable private sector based Business Development Services.

### *Main recommendations*

- UNIDO's mandate, role and comparative advantages in human security, post-crisis and post-conflict interventions should be clarified. A comprehensive UNIDO strategy document should be prepared and UNIDO should increase its presence in the respective UN-led policy and conceptual efforts.
- Conflict sensitivity should be mainstreamed into all UNIDO post-crisis interventions. As a minimum standard projects should be build on a risk analysis and apply "Do no harm" principles. In case of conflict affected environments, systematic planning tools such as Peace and Conflict Assessment (PCA) should be applied. The introduction of post-crisis specific monitoring and evaluation methods is essential
- Multi-stakeholder and integrated approaches require a relatively long time horizon and should not be applied in early recovery phases but only in projects with a longer-term perspective.
- Post-crisis projects should involve, wherever possible, existing private sector entities. In post-crisis environments, the guiding principle of not distorting the market through direct interventions should be balanced against the need to revitalize those economic entities that have the potential to create jobs and vital goods almost immediately.
- It is recommended to include, where appropriate and possible, investment climate or enabling environment components in project packages, aiming at reducing red tape and developing BDS as part and parcel of project design (and exit strategy).
- Training of trainers (TOT) should remain a focus in capacity development. Trainers from private sector entities should be involved as far as possible, for instance by training 'master trainers' from MSMEs as trainers instead of VTC teachers As a rule training should be followed up by mentoring and, preferably, trainers should be the ones providing mentoring services. Where this is not be possible, projects should use other providers of mentoring services, preferably from the private sector.
- Community production centres and growth centres pose particular sustainability challenges. Before expanding this strand of action, UNIDO should conduct independent ex-post evaluations of its related projects.

- It is recommended to allocate more resources for sound project planning and pre-project fact finding and UNIDO management should reinforce the proper application of the logframe (LFA) planning and management technique and of adequate monitoring systems.
- To improve project flexibility, efficiency and effectiveness UNIDO management should decentralize decision making processes and budget authority to the field and simplify the current MOD system.
- UNIDO management should consider fast track procedures for post-crisis projects to ensure timely project design, approval and faster implementation. Special funds should be reserved under UNIDO programmable funds for fast approval to ensure participation in post-crisis assessments and project formulation.



# Introduction

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## 1. Background

Crises affecting geographic areas, entire countries or even regions, whether they are caused by political or military conflicts or natural disasters, impinge on productive capacities in the formal and informal sectors of the economy and have a profound impact on people's livelihoods. The resulting poverty and disintegration of the social fabric is in direct conflict with the Millennium Development and Human Security Goals.

Recovery efforts in post-crisis situations are determined by the degree of success in making the transition from the emergency and relief stage to rehabilitation and reconstruction and ultimately to development.

UNIDO assists in restoring livelihoods of communities and in rebuilding and strengthening the productive capacities of countries emerging from crises at national and local level. Post-crisis interventions constitute a significant proportion of UNIDO's portfolio. A portfolio analysis conducted in 2009 found that UNIDO was implementing 43 programmes or projects in 19 countries suffering from complex crisis or conflict related effects and impacts. The total financial volume of these projects was about USD 40 Million.<sup>1</sup>

## 2. Objectives and scope of the thematic evaluation

Thematic evaluations are meta-evaluations that build on existing project and programme evaluations spanning across a number of countries. The overall objective of the thematic evaluation is to guide the future direction of UNIDO post-crisis interventions, taking into account

- Experience from past and ongoing UNIDO interventions;
- Programmatic and policy guidance documents from UNIDO;
- Experience and good practice from other development agencies and NGOs.

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<sup>1</sup> UNIDO Programmes and Projects in Post-Crisis Situations and Fragile States; Towards sustainable peace: Strengthened economic resilience and human security; Overview of on-going programmes and lessons learned, September 2009.

The present thematic evaluation of UNIDO post-crisis programmes and projects is part of the bi-annual work programme 2008-2009 of the UNIDO Evaluation Group. The Evaluation Group contracted a team of international consultants, Ralf Lange (team leader) and Andreas Tarnutzer, to conduct the evaluation.

### 3. Evidence base and evaluation methodology

A sample of 10 programmes and projects was selected from the current portfolio of UNIDO post-crisis programmes and projects. A key criterion was the availability of evaluation reports. However, the number of existing evaluations for UNIDO post-crisis interventions is still limited. Therefore, three projects, for which evaluations are not yet available but which are rather well documented, were also included in the analysis.

The following illustration shows the main steps of the evaluation process:

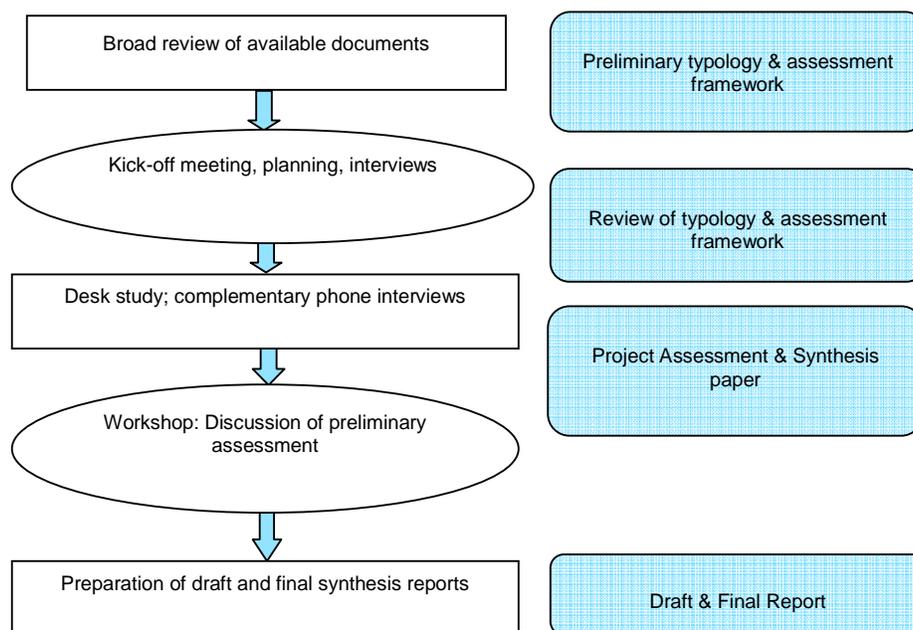


Figure 1

To ensure ownership by UNIDO staff, a step-wise approach was applied starting with a broad review of available documents, formulation of a generic theory of change, design of frameworks for project assessment and formulation of an evaluation hypothesis. The assessment frameworks and the hypothesis were discussed with UNIDO in a kick-off meeting in December 2009. From this juncture the evaluators conducted desk studies on each of the 10 projects (for results see Annex 2) and shared preliminary results with UNIDO in February 2010. On the basis of the feedback received, the evaluators prepared the present synthesis report.



## Policy and strategy framework for the evaluation

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This chapter discusses the UNIDO post crisis mandate, elaborates on definitions and concepts, analyses the current debate on economic development in crisis affected environments and refers to UN and UNIDO policy papers which provide a reference framework for this evaluation.

### 1. UNIDO Post-crisis mandate<sup>2</sup>

The UNIDO initiative for post-crisis industrial rehabilitation and reconstruction was launched in 2003, when a UNIDO issue paper on the role of the Organization in post-crisis situations was submitted to the tenth session of the General Conference in December 2003. The General Conference recommended the continuation of UNIDO involvement in industrial development projects in countries emerging from crisis situations.

In 2005, the General Conference adopted UNIDO's strategic long-term vision statement, which referred particularly to assistance with rehabilitation and reconstruction of industrial infrastructure in countries emerging from crisis situations, in cooperation and coordination with other international organizations and within the UNIDO mandate. It also requested UNIDO to mobilise adequate financial resources from new and additional multilateral funds, including for human security, to finance its activities in post-crises situations.

Subsequently, security and post-crisis rehabilitation were included as a specific and dedicated component into the Medium-term Programme Framework (MTPF) 2008 to 2013. In December 2009 the General Conference approved the UNIDO programme and budgets for this component, for the biennium 2010 to 2011.

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<sup>2</sup> Summarized from: UNIDO Programmes and Projects in Post-Crisis Situations and Fragile States (2009); op. cit.

## 2. Post-crisis approaches – the current debate

The definition of crisis used in this report encompasses man-made and natural disasters which cause widespread destruction of human life, livelihoods and infrastructure.

“Post-conflict” is a subset of “post crisis” that refers to a situation of a country, state or population recovering from the consequences of a war, or other form of violent political and military conflict between or within a state or region.

The term “post” implies a situation characterised by relief and recovery and may indeed be misleading considering that at least one-third of so called “post-conflict” countries or states are in a situation of continuous conflict or may fall back into the status of renewed conflict after some time. Hence the term “**conflict affected**” is now seen as more appropriate in the international debate.

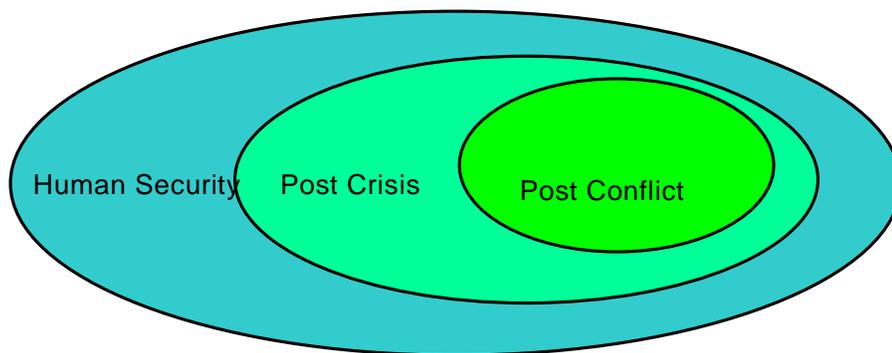


Figure 2

Human security, the wider concept encompassing post-crisis as well as crisis prevention, refers to the ability of people to be confident that opportunities of today will “not be taken away”. Human security is also described as “Freedom from Want” and “Freedom from Fear”, identifying six key components: economic, food, health, environment, personal and political security. Human security aims to reduce vulnerability to abrupt and chronic socio-economic, health, and environmental risks and threats. In the context of “post-crisis”, human security in particular refers to the capacities of people to cope with the consequences of crisis, to mitigate its effects and, last but not least, to take preventive measures.

Taking into account the above mentioned caveats, the present thematic evaluation does not cover the very wide field of Human Security but focuses more specifically on “post-crisis” interventions.

### *Private Sector Development in Post-Conflict Countries*<sup>3</sup>

The Donor Committee for Enterprise Development (DCED) has recently reviewed the current debate on private sector development (PSD) support in post-conflict situations. A key aspect of these situations is seen in the predominantly informal structures and processes, as formal structures have disintegrated during the crisis. While the flexibility and adaptability aspects of informality may be positive, the expanding informal sector will eventually pose major problems for government revenue collection and regulation. Also, some actors of the private sector can exploit crisis environments in general and “war economies” in particular for their own benefit and, in doing so, become predatory rather than beneficial stakeholders.

The DCED review categorizes the wide range of projects and programmes currently implemented into two broad categories or approaches. The first is the so-called *interventionist* approach, which either targets specific groups and individuals for direct assistance, or focuses on reforming market structures and making broader systemic changes in a given sector. The second, so called *investment climate* approach, focuses on the wider sphere of financial institutions and macroeconomics.

#### *The ‘Interventionist’ Approach*

In this approach, a distinction is made between (i) direct interventions that more narrowly aim at benefiting a smaller target group with subsidised support; while (ii) others aim to enhance whole market or sector systems. Possible interventions include:

Access to employment and vocational training

Promoting business associations and community groups

Promoting market linkages and value chains

Microfinance

Targeted support

Included under this approach are programmes such as Local Economic Development (LED), Community Driven Development (CDD), Livelihoods, and Value Chains that combine different elements of the intervention lines above.

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<sup>3</sup> Based on: Mac Sweeney, Naoise (2009): *Private Sector Development in Post-Conflict Countries, a Review of Current Literature and Practice*; Donor Committee for Enterprise Development (DCED), Cambridge, UK.

The review argues that there are good reasons for adopting a direct intervention approach in a post-conflict situation:

“Their results are more immediate, tangible, and have clear beneficiaries. This is vitally important in a post-conflict setting, where there will only be widespread support for peace if there are obvious peace dividends. With direct interventions, such peace dividends can be rapid and highly visible, thereby decreasing the risk of a return to conflict. In addition, direct interventions may allow donors to target the most vulnerable groups in society, working directly with the dispossessed, returnees, and women. Finally, the fact that central administration and state structures are often weak has no negative effect for direct interventions, as they do not rely on government or official institutions to function effectively. Indeed, on a practical level, it may be easier to carry out direct interventions in a post-conflict environment because they lend themselves to a fragmented social and political landscape. It is also argued that they are flexible tools for economic improvement, and can be adapted to suit specific situations and donor capabilities.”<sup>4</sup>

#### *The ‘Investment Climate’ Approach*

Within the scope of the ‘investment climate’ approach, programming aims to create a suitable investment climate in a post-conflict country. A national framework is to be formed which permits, and actually positively encourages, individuals to engage in economic activity. The challenge is, under the difficult post-crisis conditions, to prepare the ground for increased foreign and local investment, which is seen as essential for any economic development. It thus generally takes a longer-term view than the interventionist approach. The main difference to the interventionist approach is that programming is directed towards improving the economy as a whole, rather than directly helping specific individuals or businesses. Common lines of action under this approach are:

- Legal reform and business regulations
- Strengthening financial institutions and macroeconomic frameworks
- Rebuilding infrastructure
- Reforming trade policy
- Encouraging foreign direct investment
- Donor country policy reform

The investment climate approach is justified by the need to change a dysfunctional economic system in a post-conflict situation; it is further argued that the time factor is important also when working on improving the investment climate: *“if this is not done immediately there is a danger of*

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<sup>4</sup> Mac Sweeney, Opt. cit, p. 52.

*returning to conflict. Only by laying the foundations for broad-based economic growth can donors ensure future peace and stability.”<sup>5</sup>*

#### *Policies of other multilateral and bilateral agencies*

*Multi- and bilateral implementing organisations apply different strategies for sustainable economic development in conflict-affected environments, which can be summarised as follows:*

For short-term interventions:

- Demobilisation, Disarmament and Reintegration (DDR) that aim at reintegrating ex-combatants. Key activities of DDR are skills development, business start up support and psycho-social counselling.
- Reconstruction, Rehabilitation and Reintegration (RRR) programmes target a wider crisis affected population including refugees, IDPs and returnees. Good practice models link skills development with cash for work and infrastructure rehabilitation. This model targets whole communities, not individuals. Instead of using standard packages, participatory approaches are applied that build on coping mechanisms and needs identified by the target communities.

For medium and long term economic recovery, PSD approaches adapted to specific post crisis contexts and needs include:

- Integrated, “area based” approaches for local and regional economic revitalisation and development (LRED), enabling stakeholders in a defined location (e.g. district) to develop and jointly undertake activities for economic recovery. LRED approaches are suitable for conflict affected environments as they apply a transparent, action-oriented approach that involves all relevant stakeholders. The essence of the approach is facilitation, participation and process orientation (medium term-orientation).
- Value chain promotion (VC) in post crisis focuses on essential economic sub-sectors and value chains that contribute to stabilisation of basic needs such as food security. The VC approach can identify critical gaps in the value chain. Support measures are geared to immediate recovery needs but, on the other hand, must realise existing and potential conflicts among value chain actors (medium term-orientation).
- Measures to promote a business enabling environment, addressing structural causes such as dysfunctional state regulation, poor economic infrastructure, malfunctioning markets or pervasive corruption<sup>6</sup>. Interventions include public-private sector dialogue, policy advice and

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<sup>5</sup> Mac Sweeney, Opt. cit, p. 60.

<sup>6</sup> Sustainable development in conflict affected environments, GTZ, 2009

capacity development for line ministries, government and private sector structures (long-term orientation).

### *Conflict sensitivity*

It is widely acknowledged amongst development agencies that, first, economic development measures can not be planned and implemented in conflict-affected environments in the same way as in peaceful development contexts, as economic actors may still be part of a “war economy”. Secondly, interventions often involve “resource transfers” that can potentially disturb markets and thus contribute to conflict. On the other hand, business communities often have an interest in peace that can be utilised by “business initiatives for peace”. In the past decade, supported by the “do-no-harm” (DNH) debate<sup>7</sup>, it became international good practice to apply conflict sensitive strategies in economic development, which partly derive from the fields of crisis prevention and conflict transformation. DNH is considered the international minimum standard for all interventions by international organisations operating in regions for (potential) conflict<sup>8</sup>. The basic message of DNH is: the use and distribution of project resources as well as the implicit ethical messages sent through the behaviour of project personnel and their partners have an impact on the peace and conflict situation. The project management must be aware of any unintended harmful impact that might be caused by doing the right thing in the wrong way. Other principles of conflict sensitive project management include:

- Safety first, pay special attention to personnel issues;
- Be flexible, apply a project cycle management that gives greater emphasis on monitoring, evaluation, reflection and re-planning;
- Choose the right partners and cooperate, coordinate and communicate regularly with stakeholders, emphasise a transparent external communication on critical issues.

A similar methodological framework for conflict sensitivity is PCA (Peace and Conflict Assessment). The objectives of applying PCA are to assess the risk that interventions might exacerbate conflicts and to assess opportunities to improve the effectiveness of interventions in contributing to crisis prevention and conflict reduction. PCA consists of four individual elements, which include a number of tools and instruments:

- Peace and Conflict Analysis
- Peace-building Relevance Assessment
- Risk Management
- Peace and Conflict-Related Impact Monitoring

PCA is being included in the planning procedures of several multilateral and bilateral development agencies working in conflict affected environments.

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<sup>7</sup> Anderson, Mary B. Do-No-Harm: How aid can support peace – or war, 1999

<sup>8</sup> Text based on Sustainable Economic Development in Conflict Affected Environments, chapter 4.1.

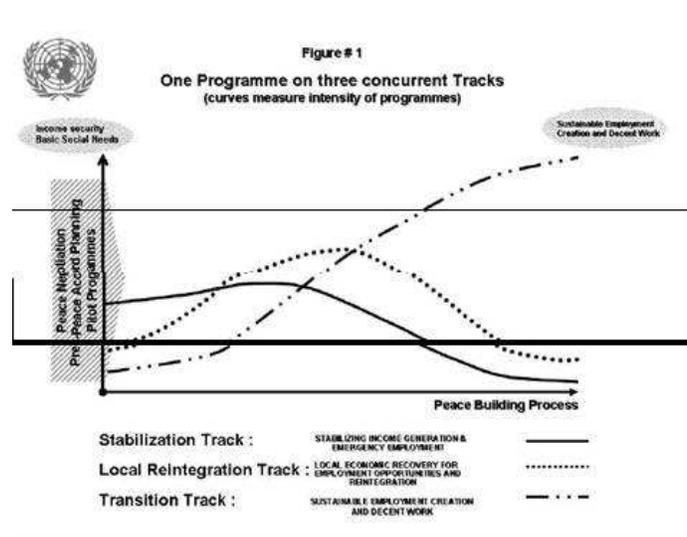
### 3. Relevant UN and UNIDO policy and strategy papers

The evaluators analyzed three strategic documents of the UN System and UNIDO in order to build a frame of reference for the current analysis. These documents are briefly summarised below.

#### UN Policy for Post-conflict Employment Creation, Income Generation and Reintegration<sup>9</sup>

The United Nations Policy for Post-conflict Employment Creation, Income Generation and Reintegration has been formally approved in June 2009. The lead in developing the policy was with ILO and UNDP. UNIDO formed part of the advisory group but, for unknown reasons, does not appear as author in the published UN policy paper. The case indicates a weakness of UNIDO in participating as an equal partner in UN strategy design. But UNIDO is participating in developing the operational guidelines for the policy.

The policy distinguishes three tracks along the path to rebuild peace. The start is made immediately after peace negotiations and the pre-peace accord planning. **Track A** activities are to stabilise the situation by ensuring income security and provision of basic social needs; **Track B** focuses on the early economic recovery phase by fostering reintegration and creating employment opportunities; **Track C** activities, finally focus on longer term development by creating sustainable employment and decent work opportunities. It is important to note that the three tracks can be observed at any phase of the recovery but their intensity generally peaks at different stages, as illustrated below in Figure 3.



<sup>9</sup> United Nations Policy for Post-Conflict Employment Creation, Income Generation and Reintegration, Geneva, June 2009.

## **UNIDO draft strategic papers**

Two strategic documents are in the process of being drafted by UNIDO that relate to post-crisis situations, fragile states and human security in general. It is expected that conclusions and recommendations of the current meta-evaluation will also be incorporated in the final version of the strategy papers. The first paper discusses UNIDO's approach to human security<sup>10</sup>; the second paper provides an overview of on-going post-crisis programmes and lessons learnt<sup>11</sup>.

The first paper, on **UNIDO's approach to human security**, outlines a comprehensive concept, based on securing, restoring and developing productive capacities through mitigating risks, threats and vulnerabilities in livelihoods and productive activities. It promotes three principles, (1) people-centeredness, (2) multi-dimensional and interlinked interventions, and (3) preventive interventions and empowerment that mitigate risks and vulnerabilities for people and communities. In line with UNIDO's Medium-Term Programme Framework 2010 to 2013, three thematic priority areas are stipulated:

1. Poverty reduction through productive activities (with special focus on crisis environments);
2. Trade capacity building;
3. Environment and energy.

The paper finally emphasises the importance of strategic partnerships, foremost with other UN organisations.

The second draft paper, on **UNIDO activities in post-crisis situations and fragile states**, provides information on UNIDO's post-crisis related portfolio of 40 operational programmes and projects in 17 countries, for the year 2008. This paper has been used as a basis for chapter III.1 of this report.

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<sup>10</sup> UNIDO Approach to Human Security (Special Programmes Group, DRAFT ONLY), July 2009

<sup>11</sup> UNIDO Programmes and Projects in Post-Crisis Situations and Fragile States; Op. cit.

# III

## UNIDO Post-crisis portfolio and evaluation sample

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### 1. Post-crisis portfolio

The UNIDO post-crisis related portfolio is substantial in volume and number of projects. As mentioned above<sup>12</sup>, the Organisation was implementing, in 2008, 40 programmes and projects in 17 countries, which were classified as post-crisis or post-conflict projects. The total value of these project budgets was approximately US\$ 40 million, of which US\$ 6.5 million was funded by the UN Human Security Trust Fund (UNTFHS).

Out of the 17 countries, 13 had been or were being affected by ethnic or religious conflicts or outright wars; three countries were hit by serious natural disasters. Figure 1 depicts the geographical distribution of UNIDO's post-crisis portfolio in 2008.<sup>13</sup>

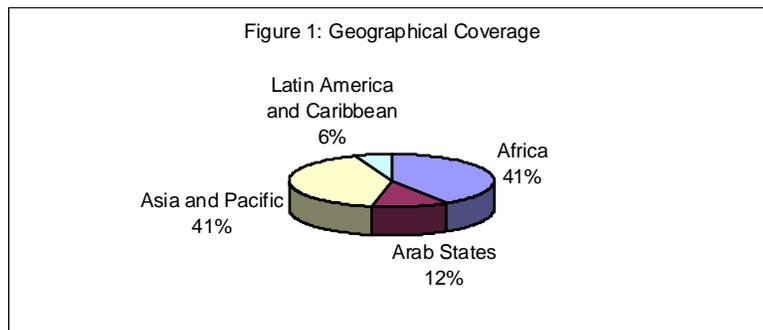


Figure 4

It has been indicated that the actual post-crisis portfolio in 2010 may well exceed US\$ 40 million. For example, the total allotment of ongoing UNIDO projects in Iraq amounts to US\$ 51 million and to US\$ 23 million for Sudan.

<sup>12</sup> UNIDO Programmes and Projects in Post-Crisis Situations and Fragile States; Opt. cit.

<sup>13</sup> UNIDO Programmes and Projects in Post-Crisis Situations and Fragile States; Opt. cit., p4.

## 2. Evaluation project sample

The following sample of 10 programmes and projects was selected for the present thematic evaluation.

**Table 1: Evaluation project sample**

	Country	Project number	Project Short Title	Thematic Evaluation Basis
1a	Iraq	FB/IRQ/04/001	Cottage Industries in Thi Qar Region	Independent Evaluation
1b		FB/IRQ/06/002	Cottage Industries in Northern Region	Independent Evaluation
2	Lebanon	FB/LEb/07/001	LAISER	Independent Evaluation
3	Uganda	TF/UGA/05/003	SKIPI	Independent Evaluation
4	Guinea	TF/GUI/05/001	Quick Impact Programme for Refugee Zones	Progress reports, no evaluation
5	Sudan	TF/SUD/03/001 TE/SUD/07/005 FB/SUD/07/006 FB/SUD/07/008 FB/SUD/08/001	CLARIS I and II	Independent Evaluation
6	Sudan	EE/SUD/07/004 TE/SUD/05/002 FB/SUD/08/002 FB/SUD/08/006	YED	Independent Evaluation
7	Liberia; Sierra Leone; Guinea; Côte d'Ivoire	TF/RUF/08/B25 TF/RUF/08/D25	MRU; Productive and Decent Work for Youth	Progress reports, independent evaluation has been conducted but could not be used for this report
8	Sierra Leone	US/SIL/04/102 XP/SIL/04/027 YA/SIL/04/424	IP Sierra Leone - Poverty Reduction Component	Independent Evaluation
9	Sri Lanka	TF/SRL/06/005	Livelihood Recovery	Progress reports, no evaluation
10	Indonesia	FB/INS/05/004 XP/INS/06/003	CSF II Component 3: Recovery and rehabilitation of communities in tsunami affected areas and post-conflict areas	Independent Evaluation (of entire CSF II)

Analytical summary matrices on the 10 programmes and projects are provided in annex 2. Below, a brief narrative summary is given for each of the 10 programmes and projects. The information and analysis is either based on the independent evaluation reports or, in case no or insufficient

independent information was available, on the desk study of project documents and progress reports and interviews with project managers.

#### 1) Promotion of cottage industries in rural and urban areas, Iraq

The two projects “Promotion of Cottage Industries in Rural and Urban Iraq” (“Iraq 1”) and the “Community Livelihoods and Micro Industry Support Project (MISP II or “Iraq 2”) implemented in collaboration with FAO in Southern Iraq (Iraq 1) and Northern Iraq (Iraq 2), aimed at restoring livelihoods or conflict affected households and contributing to poverty alleviation and improvement of food security in the targeted communities. The analysis is based on two independent evaluation reports.

Iraq 1 was implemented under “war like” conditions. The project started in 2004 and ended in 2007. The initial project duration of 24 months was extended to a period of 35 months. The project budget was US\$ 5 Mio. Iraq 1 paved the way for a number of similar UNIDO/FAO projects with a total value of approx. US\$ 25 Mio. Iraq 2 followed the same intervention logic. This project, implemented in the less volatile North, had a budget of US\$ 6.3 Mio and a life span of 18 months.

The strategy of the two projects was to rehabilitate vocational training centres (VTCs), to offer a range of short term courses for vulnerable individuals and producer groups or associations and to promote start ups of “cottage industry businesses”. The impact hypothesis was that the combination of short term training in marketable skills, distribution of tool kits and business mentoring would allow vulnerable groups to engage in business activities and to generate income. Rehabilitation of VTCs included physical construction, purchase of equipment and tools and Training of Trainers (TOT). The implementation strategy initially applied was a “sequenced approach”, i.e. VTCs rehabilitation took place first, and delivery of short term trainings came second. Considering the many delays resulting from instability (Iraq 1) and at the level of project partners, adjustments became necessary. The project duration was extended several times. In “Iraq 2” a decentralised approach was applied to conduct short term trainings in various small training venues instead of a central VTC facility. Collaboration with Government in the planning phase was appreciated. Relations with FAO were partly unclear as mandates were overlapping.

Both projects have achieved a fairly high level of effectiveness, considering the difficult circumstances. Approx. 65% of the beneficiaries covered by the Iraq 1 evaluation were either self- or wage employed (compared to a base value of approx. 30%), a substantial number of those found self-employed were employing 2 people on average. A core lesson deriving from the two evaluations: if the primary goal is to rehabilitate livelihoods (Track B) a project must imply a parallel approach where VTC rehabilitation is implemented alongside a decentralised short term vocational skills training programme.

## 2) LAISER, Lebanon

LAISER, or Lebanese Agro-Industry Support and Economic Recovery, was part of the early economic recovery and rehabilitation efforts that were initiated in the aftermath of the 2006 Lebanon war. The project lasted from 2007 to 2010 and was funded by the Lebanese Recovery Fund with a total budget of US\$ 4.5m. An external evaluation was conducted in 2009, on which this analysis bases on.

LAISER concentrated its activities on 92 severely war-damaged MSMEs in five agro-industrial sectors (food, olive oil, textiles, woodwork and leather), in the three regions, which had suffered most in terms of infrastructure damage (Southern suburbs of Beirut, Southern Lebanon, and the Bekaa valley). The enterprises received grant assistance for replacing essential equipment and rehabilitation of damaged civil works; owners were trained in general and market-specific skills.

Due to LAISER, employee numbers strongly increased again and it can safely be assumed that this figure will further rise substantially, once all clients become fully operational. The evaluation found an investment multiplication factor of 4, i.e. for every dollar of equipment or civil works provided by the project, owners invested an average of four dollars from their own funds.

## 3) SKIPI Uganda

SKIPI, or “Skills for Peace and Income”, was to support the social and economic re-integration of veterans, former rebels and their families in the Yumbe district in northern Uganda, from 2006 to 2009, with a budget of US\$ 1.4m, financed by the Japanese Government through the UNTFHS. An external impact evaluation was conducted in 2009.

The district of Yumbe in the West Nile region is extremely poor and has experienced more than two decades of serious armed conflict between the government and rebel groups. The immediate project objective was to provide veterans, former rebels, their dependents and the wider communities in Yumbe with marketable skills for increased self-employment and income generation opportunities and sustainable livelihoods.

The external evaluation confirmed that SKIPI had a direct and tangible impact on the people trained, their families but also the wider communities, both economically as well as socially. More than 90% of the core trainees today practice their new skills as main profession and main source of income. The former trainees are able to earn a comparatively good income and have improved the livelihood situation of their families substantially. 34% of the SKIPI graduates were women, who are now financially independent and contribute towards family needs by paying for fees, medical expenses, clothing and other requirements. Veteran and ex-combatant trainees have been re-integrated in their villages, but also in the

wider society. Other people in the target villages have indirectly benefitted as the graduates contribute to a better functioning of the communities.

#### 4) Quick Impact Programme for Refugee Zones – Guinea

The “Quick Impact Programme for Refugee Zones” aims to contribute to reducing social tensions between the host communities and refugees by rehabilitating social infrastructure and developing productive capacities in off-farm sectors. The project region, three prefectures in Forest Guinea, has suffered from a high concentration of refugees and repeated waves of conflict. The project started in 2005 and ended (after extensions) in 2009, with an additional extension planned until 2010. The budget according to progress reports was about one million US\$. Findings were extracted from project progress reports.

The project provided skills upgrading, entrepreneurship skills and functional literacy to host communities, refugees and IDPs. Areas for skills training were chosen through a thorough needs assessment. Entrepreneurial self-help groups received training in group organization and development of self-help initiatives. Three community production centres were established by local workers (mainly youth trained by the project) to improve and sustain skills upgrading opportunities and service functions beyond project duration. Two youth centres and a school damaged during conflict were rehabilitated with the participation of community members.

The project has not been subject to any independent evaluation. Project progress reports provide first information on outcomes: beneficiaries were able to diversify income generation activities. There are signs for improved understanding of market mechanisms and development of an entrepreneurial culture. Positive experiences were made with the strengthening of collective, income generation oriented self help groups. Effects include bulk purchase of raw materials, collective storage of produce and marketing. The project had an intensive collaboration with other UN actors in the area including sharing of costs and exchange of methods and approaches. No specific information is as yet available on wider impacts (i.e. overall improvement of livelihood situation of host communities and refugees).

#### 5) Community Livelihoods and Rural Industry Support (CLARIS), Sudan

The “Community Livelihoods and Rural Industry Support Project” (Sudan CLARIS) has been implemented under the UNIDO Integrated Programme (IP) in Sudan, to revitalise agricultural productive capacities and to reduce the proportion of chronic food insecure households in the “transitional” conflict affected areas between Northern and Southern Sudan. The project areas have suffered from long lasting conflicts with a high level of displacement and reintegration problems. Independent evaluations were conducted of CLARIS 1 (2004 to 2007; US\$ 1.5 Mio) and CLARIS 2 (2008 to 2009; US\$ 1.2 Mio). Information and findings below were extracted from the evaluation reports.

Key project activities included the introduction of animal draught cultivation technology and hand powered food processing machines, skills upgrading of local blacksmiths for manufacturing and maintenance of the “nuba hoe” and other agro equipment tools, and, on the structural level, the formation and capacity building of community development committees (CDC).

The project corresponds to the recovery situation of local communities. It is highly relevant for the needs of target groups but not for an emergency situation, as spelled out in project documents. The project design and objectives reflect government policies. The project has been implemented fairly efficiently, despite the fragmented and remote project area. Conflict sensitive approaches were applied. Collaboration with Government was appreciated but relations with FAO were partly unclear as mandates were overlapping.

As for effectiveness, CDCs established under the project were found to be functioning and applying democratic principles. Farm work has been alleviated and yields of better-off farmers have been increased. Farmers of different backgrounds gained better access to improved agricultural tools. Blacksmith societies are operational but their functioning depends on the availability of rare and expensive quality steel. Benefits of the project have not equally reached the poorer sections of vulnerable communities and the medium to long term benefits may not spread to poor farmers.

#### 6) Youth Entrepreneurship Development Programmes (YED) in Sudan

As part of the UNIDO Integrated Programme (IP) in Sudan, three YED projects were implemented in three locations (Khartoum, Wau and Malakal) with the primary objective of creating productive employment for youth. While Khartoum is not directly affected by crisis, the two other locations have experienced long lasting conflicts with severe consequences on human resource development. All three projects included rehabilitation and modernisation of formal, government owned VTCs, Training of Trainers and VTC management and introduction of the Youth Entrepreneurship Development (YED) approach, consisting of competency based skills training (CBT), entrepreneurship development and business start up services. The Khartoum project has been the largest of the three with a total budget of approximately €10 Mio. Component one of this project focused on strengthening five VTCs (equipment; capacity development of management and staff; introduction of new CBT based curricula; policy dialogue and governance structures). The second component supported 28 NGOs and CBOs that are active in refugee camps around the capital with short term skills development for IDPs residing in these camps. All three projects were externally evaluated in 2010. The findings below were derived from the external evaluation; additional observations from the desk study are marked with an asterisk (\*).

The overall relevance of the programmes and of the YED approach is considered high, the planning documents are of good quality (\*), although time planning was not realistic and the challenge of introducing the YED

approach alongside VTC rehabilitation was underestimated. Considering the low utilisation of training facilities by target communities in Wau and Malakal and the poor access of most IDPs to “formal” VTCs courses, the social relevance of formal VET for employment creation remains to be demonstrated(\*). All three projects experienced delays. In Khartoum achievements were made in establishing governing structures for the new VTCs, but the complexity of establishing new institutions (including recruitment of new staff) was underestimated in the project design and planning. In Southern Sudan long distances, remoteness and lacking community support are hindering factors. At the end of the project, which had been extended several times, the VTCs are nearly (re)-constructed, equipped and staffed but in none of the three locations the YED approach has yet been put into full practice. Competency-based (CBT) curricula are developed abroad, utilisation is not yet tested. For the evaluation it was too early to properly assess effectiveness and impacts of the YED programmes on beneficiaries or, in case of YED Khartoum component 2, the draft evaluation report available did not provide sufficient information on employment status of beneficiaries.

7) Multi-Stakeholder Programme for Productive and Decent Work for Youth, MRU Countries: Guinea, Liberia, Sierra Leone and Côte d'Ivoire

The “Multi-stakeholder Programme for Productive and Decent Work for Youth” started in 2008 and has been jointly implemented by UNIDO, ILO and Youth Employment Network. The total budget allotted to UNIDO was US\$ 5m, of which US\$ 1m were subcontracted to ILO and US\$ 418,000 to YEN. Because the funding originated from special emergency funds from the Government of Japan, the initial lifespan of the project was limited to 12 months only. The information and analysis below are based on self-evaluation reports and interviews with UNIDO staff. The results of an independent evaluation conducted in June 2010 were not available for this thematic evaluation.

The programme aims at promoting youth employment in a region severely affected by poor governance, violent conflicts and instability over the past decades. Three of the four countries are LCD countries that rank, as a direct result of conflict, very low on the UNDP human development index. The development objective of the programme is to contribute to peace consolidation and development by creating opportunities for decent and productive work for under- and unemployed youth. Among the 10 projects selected for the present thematic evaluation, this programme is unique as it follows a multi-stakeholder approach, includes elements of lobbying and advocacy for underemployed and unemployed youth and applies a grant scheme for promoting youth led business start ups. The programme created one so-called “information hub” per country and an internet platform for youth to interact with government and private sector. Skills development, with focus on entrepreneurial skills, is a key activity of the programme.

The initial project duration of 12 months was far too short for such an ambitious multi-stakeholder programme with multiple inputs. Although

extended by six months, the project was still under implementation at the time of this evaluation. According to interviews and a UNIDO self-evaluation conducted in March 2010, UNIDO project outputs have been achieved according to plans, except for the grant scheme implemented by YEN, but stakeholder coordination and harmonisation of concepts and approaches was a challenge, especially with regard to the grant scheme. However, the self-evaluation reports do not provide information on the overall results (e.g. improvement of employment opportunities, signs of change at policy levels), and there is no programme-wide monitoring system.

8) Post-conflict SME Support Programme for Industrial Development and Poverty Alleviation, Sierra Leone

The “Post Conflict SME Support Programme” was planned as an IP consisting of four components: (1) policy environment for SMEs, (2) entrepreneurship promotion, (3) promotion of post-harvest technologies and (4) capacity building of university education in food science and technology. The project period was 48 months (2004 to 2008). Only US\$ 0.7 Mio or 14% of the planned budget of US\$ 5.1 Mio were funded. Components 1 and 4, dealing with the enabling environment, did not attract funding and have not been implemented. Components 2 and 3 were partially implemented. Key activities were the rehabilitation of three “growth centres”, and training in use and maintenance of agricultural machinery. The project has been independently evaluated. The findings below are based on the evaluation report.

The project design reflected government priorities and most planned components were considered relevant for economic revitalisation. The programme focussed on the supply side. Creating a PSD enabling environment was apparently not a donor priority. The construction of growth centres experienced delays and the repeated change of team leaders during the first half of the IP affected internal efficiency. The growth centre concept in post-conflict contexts is subject to internal debate at UNIDO and for the evaluators it was too early to assess to what extent farming communities actually benefited from the growth centres. More demand oriented interventions, e.g. measures to alleviate development constraints of small scale industries, could not be implemented because of limited funding.

9) Sustainable Livelihood Recovery among Conflict Affected Populations, Sri Lanka

The initial duration of this project was 2 years (2007 to 2008) with a planned total budget of US\$ 1.7 Mio. Due to the changing context (from post-conflict and post-tsunami to a re-emerging conflict), project extensions were granted and the project has been implemented only in the East, not in the North. The analysis below is based on the project document, project reports and interviews.

The project follows a comprehensive approach of restoring productive capacities in the agricultural sector. It focuses on agriculture and food processing sectors and applies an integrated approach of livelihood recovery. Key activities include mobilisation of community-based initiatives, entrepreneurial and technical skills training and training in management of entrepreneurial self help groups. Technology transfer and provision of equipment grants were provided to family-based MSMEs providing critical services to villages such as repair of boats and agricultural machinery. Activities for building institutional capacities (TOT, establishment of a revolving fund, capacity building of BDS service providers and technical colleges) were delayed and/or only partly implemented.

The project document, based on needs assessments conducted in 2006, was formulated after a peace agreement had been signed and before the Tsunami disaster struck the region. When implementation started, the project operated in a highly conflict sensitive environment. According to project managers, time and resources for pre-planning and needs assessments were limited and, instead of conducting time and resource intensive studies like a PCA (Peace and Conflict Assessment), it was seen as more effective to monitor the conflict situation after the start of the project and to take necessary action. Project efficiency was affected by re-emerging conflicts. The desk study found that the initial time frame, determined by the conditions of the UNTFHS, was too short, considering the complexity of the project design and the external conditions. No information is available on effectiveness of project outputs.

#### 10) CSF Indonesia, Component 3

Phase II (2005 to 2007) of the UNIDO Country Service Framework (CSF) in Indonesia included a component 3, "Recovery and Rehabilitation of Communities in Tsunami Affected Areas and Post-conflict Areas", which consisted of 3 sub-projects:

1. Nias Small Hydro Power Plant (SHP) and Community Development Centre (CDC) Project: Alleviation and restoring sustainable livelihoods in Nias Island through micro hydropower based Community Development Centre (CDC) for Common Facilities and IT Centres;
2. Aceh Skills Development Project: Establishment of industrial skill development centre for smaller communities in tsunami/earthquake affected area in Aceh and Nias, North Sumatra;
3. Maluku Development Project: Rural development in post conflict situation (Phase I and II).

Component 3 was assessed as part of an independent evaluation of the CSF II in 2009. The evaluation findings were mixed; deficits were identified in the initial needs assessment, but also in planning and implementation.

The best results were achieved in the Maluku Development Project, where the livelihoods of the targeted beneficiaries have improved and become more stable. The awareness of Maluku local government officials of the importance of agro-commodities, SME development and value chain concepts has also increased. Tangible impact was achieved in promotion of sago and eucalyptus oil production and marketing. Based on these positive experiences, UNIDO was able to secure funding for a follow-up project in the Moluccas.

The targeted households on Nias Island were not able to make productive use of the small hydro plant, although the installation was technically sound. Two Community Development Centres (basically ITC centres) were built but not utilised. The external evaluation also stated that the longer-term objectives of facilitating growth of micro-industries, sustainable agriculture, health care, education, etc., were not achieved. The main reason for the limited results was found to be a lack of cooperation with and involvement of the local community.

The effectiveness of the Aceh Skills Development Project was assessed as relatively low. At project completion, only part of the expected outputs and some outcomes had been achieved.

# IV

## Mapping of the project sample

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This chapter maps the project sample along different dimensions:

- context in terms of the crisis (or post-) crisis situation under which the projects operate and the track;
- main types of intervention and main target groups.

### 1. Mapping by project context and crisis phase

The circumstances, under which the 10 selected projects are implemented, can be broadly grouped in three context types:

Two projects operated in an on-going or re-emerging crisis, characterised by high levels of instability:

- Iraq (Cottage Industries 1+2)
- Sri Lanka (Livelihood Recovery)

Eight projects operated in a post-crisis context:

- Sudan (CLARIS I+II; YED Wau + Malakal)
- Uganda (SKIPI)
- Lebanon (LAISER)
- Sierra Leone (IP - Poverty Reduction)
- Manu River Union (Work for Youth)
- Guinea (Quick Impact Programme)
- Indonesia (CSF II/Component 3 Community Rehabilitation)

In two cases, the effects of natural disasters (tsunami) posed an additional challenge. In both cases, UNIDO acted in an environment characterised by massive influx of foreign aid.

- Indonesia
- Sri Lanka

Figure 5 allocates the 10 projects of the sample to the three phases of crisis during the project life: (1) conflict and early recovery, (2) recovery, and (3) development.

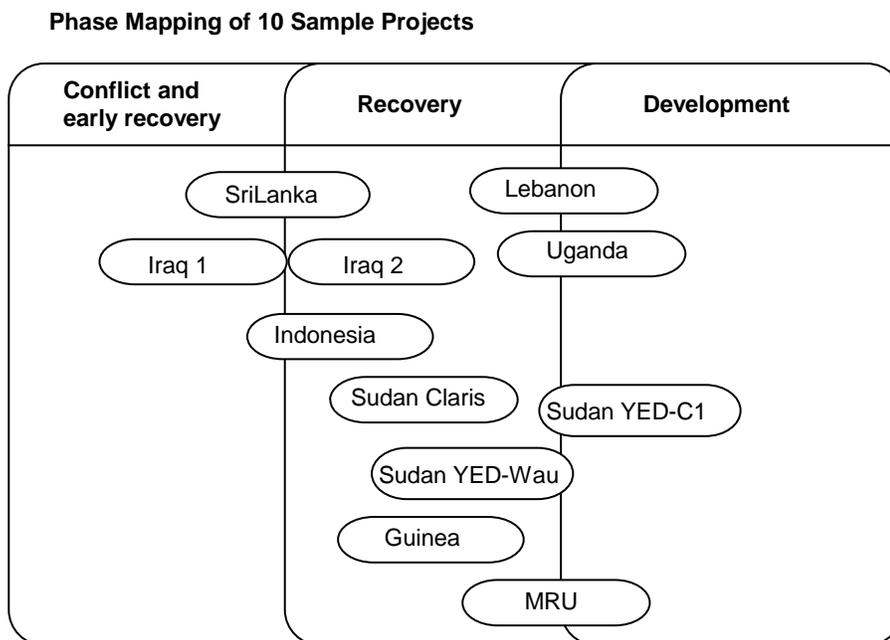


Figure 5

However, when categorizing projects by phases, it should be borne in mind that post conflict recovery is not a linear process. Dynamics can be unpredictable and recovery may take reverse turns, due to renewed outbreaks of conflict. In the case of Sri Lanka, the project was formulated in a post crisis situation. With the re-emergence of conflict in the wider area, the project was confronted with a highly volatile situation. Guinea was not directly affected by armed conflict, but faced a highly instable situation due to the refugee crisis and the spilling over of conflict from Liberia. The Sudan YED project - Khartoum, operates in a “normal” development situation, but addresses, in one of its components, conflict affected groups.

In terms of crisis-related phases, the categorization is thus as follows:

- The majority of projects in the sample (seven out of 10) fall into the recovery phase;
- Three projects operated in the transition between recovery and development, one project in a “normal” development situation, but addressing conflict affected groups;
- Two projects operated in the emergency or early recovery phase.

## 2. Mapping by intervention type and beneficiary

The mapping of project activities followed a two-dimensional logic:

- Categorization by themes or types of intervention:
  - Skills development and mentoring for business start up or business growth,
  - Rehabilitation of productive capacities including modernisation of equipment, provision of tools,
  - Rehabilitation and capacity development of enabling structures.
- Categorization by target groups and beneficiaries:
  - Individuals and community groups,
  - Producer groups and associations,
  - Existing MSMEs,
  - Institutions and structures (line ministries, chambers).

Table 2 shows a typology of generic project activities along the lines of the above mentioned two-dimensional logic. 20 generic activities emerge from this analysis.

In a second analytical step, this categorization has been applied to categorize the projects in the sample (see Annex 2) leading to the following key evaluation findings:

- Nine out of ten projects aim at restoring and improving livelihoods of crisis affected individuals, groups or communities;
- Vocational skills development and rehabilitation of VTCs are the two most prominent activities in the sample of the 10 selected projects, 9 out of 10 projects implement skills training activities, 5 out of 10 projects rehabilitate and modernise VTCs and/or community growth centres;
- None of the implemented projects have a macro-level component (i.e. follow an investment climate approach) for building an enabling environment for private sector revitalisation and investment;
- Only one out of 10 projects focussed on the rehabilitation of existing but conflict-affected MSMEs, i.e. directly addresses core actors of the private sector;

Development of sector or sub-sector strategies is usually not addressed; with the exception of rehabilitation of agro-industries, the value chain approach is not applied.

**Table 2: Project activities by target groups and types of intervention**

	<b>Individuals</b>	<b>Producer groups &amp; Associations</b>	<b>Existing MSMEs</b>	<b>Meso and macro-level institutions and structures</b>
<b>Skills development and mentoring</b>	<ul style="list-style-type: none"> <li>• Non-formal, short term vocational skills training for quick impact (initial training and skills upgrading)</li> <li>• Formal, long term vocational training</li> <li>• Entrepreneurship development programmes</li> <li>• Mentoring for business start ups</li> </ul>	<ul style="list-style-type: none"> <li>• Skills training (initial/upgrading) and technology transfer</li> <li>• Business and technological mentoring for groups</li> </ul>	<ul style="list-style-type: none"> <li>• Skills upgrading (technical and management) and technology transfer</li> <li>• Mentoring for business growth</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>Rehabilitation of productive capacities (infrastructure, tools, equipment)</b>	<ul style="list-style-type: none"> <li>• Provision of tool kits</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of tool kits and equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of equipment</li> <li>• Rehabilitation of infrastructure</li> <li>• Rehabilitation of enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• Rehabilitation and modernisation of vocational training institutions</li> <li>• Establishment of “community production centres” (CPC) or growth centres</li> </ul>
<b>Capacity development of structures and enabling environment</b>	<ul style="list-style-type: none"> <li>• Training of “master trainers” in communities</li> <li>• Training of trainers in entrepreneurship</li> <li>• Working w. communities for reintegration of individuals (ex-combatants, IDPs)</li> </ul>	<ul style="list-style-type: none"> <li>• Group formation/ registration/ SHG organisation</li> <li>• Establishment of grant or revolving fund schemes</li> </ul>	<ul style="list-style-type: none"> <li>• Self organisation, strengthening of PS associations, chambers</li> <li>• Private sector oriented strategies</li> <li>• Improving access to MFIs</li> </ul>	<ul style="list-style-type: none"> <li>• Training of trainers in TVET institutions in technical skills/ technologies</li> <li>• Training of VTC managers</li> <li>• Introduction of new methods (CBT + YED) in TVET institutions</li> </ul>

# V

## Evaluation findings by types of intervention

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This chapter applies the typology of interventions developed in Chapter IV and presents findings for each mode of intervention. All findings are derived from the project sample and references are made to documented experiences from other organizations. However, the patchy evidence base of the analysis should be reminded here (see Chapter 1 above). Therefore, open questions for further clarification are extracted and highlighted in this Chapter, where appropriate.

### **1. Restoring and building livelihood capacities of individuals and community groups**

Restoring and building livelihood capacities of communities came out as the dominant intervention mode from the mapping in Chapter IV. Nine out of ten UNIDO post-crisis projects fall into this category. Vocational skills training and Entrepreneurship Development Programmes (EDP) are the two most prominent activities in the sample, followed by creation and/or strengthening of producer groups and business start up assistance to individuals.

#### Vocational skills development and entrepreneurship development programmes

The relevance of vocational skills and entrepreneurship development for reconstruction and economic development of crisis affected regions is widely recognized in the evaluation reports and in the literature. Skills development aims at addressing critical human resource gaps for reconstruction (track A)<sup>14</sup>, contributes to reintegration of conflict affected individuals and, in the medium term, to revitalisation and development of local and regional economies.

Most projects in the sample combine rehabilitation and modernisation of vocational training centres with skills training for individuals and groups (examples: Sudan YED, Iraq 1+2, Guinea, Sierra Leone IP). Two approaches can be distinguished. The sequential approach where training

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<sup>14</sup> ILO, Guidelines for employment and skills development in conflict affected countries, 1998

facilities are rehabilitated and trainers trained and – on this basis – training programs delivered (Iraq 1; YED South Sudan). And the parallel approach where facilities are rehabilitated and short term training programmes conducted in parallel (Iraq 2; Uganda; Guinea; YED Khartoum).

According to project evaluations, the sequential approach requires a minimum of 3 to 5 years to achieve measurable outcomes on employment generation, which disqualifies this approach quite clearly for immediate post-conflict interventions.

Thorough training needs assessments are necessary to avoid training too many beneficiaries in the same basic skills, which seems to be a typical flaw in post-crisis skills development<sup>15</sup>. Skills development interventions of the UNIDO projects under evaluation were - in most cases - rather diversified and needs oriented. In principle, UNIDO has a comparative advantage vis-à-vis other international actors because of its expertise in industrial development and specific fields such as value addition to agro products. In most but not all cases, needs assessments including market surveys and training needs assessments were conducted during project formulation.

Evaluations indicate that the trades identified for skills development were in most cases relevant, at least in the initial phases. Skills development programmes tend to be more responsive to local needs if planned with participation of local stakeholders, like communities or MSMEs (examples SKIPI Uganda, Guinea). However, local partners alone would rarely have the necessary knowhow for assessing markets and designing curricula.

Many projects used centralized facilities for skills training. The evaluation of the project in southern Iraq found that dependence on one central training facility tended to exclude female trainees, who faced difficulties in accessing the centre because of long distances and timing of the training sessions. Based on this experience, the follow-up project in northern Iraq sub-contracted 18 extension centres throughout the project area to conduct the training. The YED Khartoum project applied a similar approach by sub-contracting 28 NGOs and community based organizations as providers of short-term skills training.

The MRU project applied “Enterprise based training”, e.g. apprenticeships organised by the project in cooperation with local SMEs, in remote rural border regions of Liberia and Sierra Leone. This case seems to confirm experience made by other agencies<sup>16</sup> that enterprise based training can be a cost-effective method of imparting marketable skills. Furthermore, this approach contributes also directly to revitalising local businesses.<sup>17</sup>

Mobile training units are another instrument for vocational skills training, which is used by ILO and others but not by UNIDO. Mobile training units can

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<sup>15</sup> EED, Promoting Livelihood and Employment in Post-Conflict Situations, 2008

<sup>16</sup> ILO, Manual on Training Options for Ex-Combatants, 1997, p. 67

<sup>17</sup> GTZ, Sustainable Economic Development in Conflict Affected Environments, 2009 chapter 4.3.2, p. 66

be useful in the early recovery phase (track A), where training facilities are often destroyed<sup>18</sup>. However, according to UNIDO experience, rehabilitation and capacity development of existing training facilities is a more sustainable option for medium and long term economic development (track B+C).

Non-formal short-term skills development tends to be more relevant in post conflict environments than formal vocational training, especially in cases of long lasting conflicts, where the majority of young people had no access to decent basic education, and hence to formal VET institutions. A priori, long term training programmes are less attractive for beneficiaries who depend on immediate improvements of their income situation.

In case of high illiteracy levels, skills training may be combined with elements of non-formal basic education (applied literacy/numeracy) as practiced in SKIPI Uganda and Guinea. The evaluation of SKIPI Uganda shows that teaching of social skills reinforces prospects for social and economic integration of conflict affected groups<sup>19</sup>. The criteria that UNIDO applies for including (or not including) applied literacy and social skills components in a given project are not clear from the evaluations.

UNIDO has long term experience in entrepreneurship development programmes (EDP). Guinea, Uganda, MRU and Sudan YED are project examples where EDP and technical training have been applied jointly. It is good practice to integrate entrepreneurship training in technical skills training, especially when targeting “starters” (young people with no prior skills). The Sudan YED evaluation and international experience show that VTCs often lack expertise and adequate training materials in this field. It has also been shown that, if training material exists, it often does not match the needs and background of beneficiaries in rural communities. The intensity and role of the EDP component in the various projects is not always clear and the evaluations do not provide specific information on the effectiveness of these components.

#### Business start up support

In most skills development projects of the sample, individual ‘graduates’ received tool kits and in some cases also equipment for business start-ups and all producer groups received tools and equipment. All these assets were given as grants. In the case of the MRU project a grants programme for youth NGOs was implemented in cooperation with the Youth Employment Network (YEN).<sup>20</sup>

Tool kits can be crucial for business starters who have no resources to start economic activity. This is why **distributing tool kits free-of-charge** during

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<sup>18</sup> Ibid. p. 67

<sup>19</sup> See also ILO, Guidelines for Employment and Skills Training in Conflict-Affected Countries, 1998, chapter 3.4

<sup>20</sup> 15 grants of up to 50,000 USD were distributed under this component; an evaluation should become available in 2011.

the immediate recovery phase is common practice in many post crisis recovery projects. However, this practice also provides incentives for beneficiaries to enrol in skills training, whether there is a market for these skills or not. Giving away tool-kits and other assets for free can counter the drive towards developing a self-help and entrepreneurial culture. The more a project moves from Track A to B, insisting on some kind of “self-contribution” becomes important to avoid potential distortions.

Although no “self-contributions” are documented for the UNIDO projects under evaluation, most UNIDO project managers seem to be sensitive to the issue of market distortions. A heated debate on market distortions arose among project managers under the MRU project.

Facilitating the access of business starters to **Micro Finance Institutions** (MFI), the alternative to distributing grants for business start-ups, has been a challenge in most sample projects. In most target regions MFI services are not existing or young business starters are considered a high-risk group for MFIs. Under the MRU project a study on access to micro finance by young entrepreneurs was conducted but no practical use was made of the results because the duration of the project was too short. It is not clear whether UNIDO has a mandate to strengthen MFIs although guarantee and revolving funds have been experimented reportedly in projects outside the sample. This which? dilemma remains largely unresolved.

Business and technical **mentoring** are crucial services for business start-ups, especially in post crisis situations where community self help mechanisms are also affected. In general, there is only weak evidence for successful business mentoring in the project sample. Often structures are not existing or not sustainable to provide this service. In two cases (Sudan YED, Iraq 2) institutionalising mentoring services in VETs turned out to be challenging (see below, rehabilitation and capacity building of VET institutions). In Sri Lanka and in Sudan CLARIS, technical mentoring was addressed by extension services but it is not clear whether this solution is sustainable. The “growth centres” in Sierra Leone and Guinea are supposed to provide technical assistance to communities, but information on the functionality of these centres is not available. Despite the critical importance of mentoring services for business start up projects, none of the evaluations and progress reports provides specific information about the effectiveness of such services in the projects under evaluation.

#### Formation and strengthening self-help groups of entrepreneurs or producers

International experience shows that self-help groups (SHG, which come in many forms and under different names) have the potential to provide a number of benefits to individuals, enterprises and communities in post-crisis environments including:

- Groups gain access to essential services through cooperation;

- Cooperation in groups contributes to restoring community fabrics by bringing together members of different backgrounds;
- Learning democratic principles of group management can be an important contribution to overcoming tensions.

In five out of ten projects under evaluation (Sudan CLARIS, Guinea, Sri Lanka, Iraq 1+2) UNIDO promotes various types of SHGs or associations. This section discusses the economic dimension of producer groups and SHGs. The establishment and strengthening of Community Development Committees (CDC's) is discussed below under section 'rebuilding of community structures'.

Four projects established producer associations or groups (PA's/PG's) e.g. to provide skills training, create jobs and provide access to production facilities and equipment. Strengthening community based self-help groups to give individuals in rural areas access to production equipment were part of the Sudan CLARIS, Sri Lanka and Guinea projects, where community committees could access production equipment for agriculture and food processing and related training. According to progress reports (Guinea) achievements include collective use of workshop facilities by otherwise independent producers or collective purchase of raw materials and establishment of common storage facilities.

The evaluations are critical about the viability of producer groups established under the different projects. In Iraq, important lessons were learnt and implemented between the first and second project. Iraq 1 granted production space and equipment to newly established producer associations but, for various reasons, more than 50% of the associations turned out to be unsustainable. Under Iraq 2, the idea of creating producer groups from scratch was abandoned. Instead, existing MSMEs were selected. In exchange to having their enterprises upgraded, the owners of the supported MSMEs committed themselves to preferably employ project trainees, a clear improvement on the approach under Iraq 1. The Sudan CLARIS evaluation found that some of the established producer groups were mostly dependent on UNIDO orders and UNIDO assistance to purchase raw materials.

International experience shows that creating and supporting self-help groups is a difficult undertaking. External support should not lower the motivation of group members for self-help activities. Special training for group leaders and members is crucial, especially in group organisation and management.

Also, the distribution of assets (tools, equipment, infrastructure, etc.) to self-help groups remains a sensitive point, as such assets are of course very attractive to people with limited means. In the sample projects, assets were distributed in two ways: Three projects (Sri Lanka, Iraq 1+2) provided production equipment and/or upgraded workspace to groups on a grant basis. In two projects, revolving funds were established for financing the

equipment, (Sudan CLARIS, Guinea). Evaluations do not provide an independent assessment of the advantages and disadvantages of grants versus loans for essential equipment. International experience suggests that group members should bring in at least some personal funds, if groups are to thrive and survive.

Experiences also show that homogeneous community groups that share common interests tend to be more viable. Four years after project completion, blacksmith associations supported under the Sudan CLARIS project still provide vital services to communities. Vice versa, in unstable environments with high levels of displacement and movement, group formation may be less viable.

Establishing entrepreneurial self-help groups in a sustainable manner needs time and is therefore not an appropriate type of intervention in emergency and early recovery situations. This refers in particular to the period immediately after natural disasters or when armed conflicts are still ongoing. On the other hand, it is acknowledged that formation and strengthening of self-help groups in the later stages of a post crisis situation can contribute to social cohesion and peace building (see more below under “community building”).

## **2. Restoring productive capacities of MSMEs**

The LAISER project in Lebanon rehabilitated 155 war-damaged enterprises by procuring equipment and infrastructure and offering sector-specific and general business training. This project was the only one under the sample that directly focused on MSMEs in a post-crisis situation. Two other projects (Sudan CLARIS and Sri Lanka IP) contributed to the rehabilitation of micro- and small businesses delivering services to the agriculture or fishing sectors (e.g. blacksmiths, boat repair). The low importance given to MSMEs as a direct target group is surprising because MSMEs are an important segment of UNIDO’s core clientele.

The potential impact of supporting a limited number of selected MSMEs through direct provision of equipment and advice is certainly limited. Despite these limitations, such support may be helpful to get the private sector in a post-crisis region up and running again, create employment and restore the positive economic outlook of the region.

However, direct interventions on MSMEs should be designed bearing in mind the risk of distorting the market by favouring selected enterprises through grant assistance. Support to individual MSMEs should, whenever possible, be linked to other lines of intervention to increase coverage and impact. This may be achieved by addressing deficits of the respective sectors as a whole, or by linking skills development with supporting MSMEs (enterprise based training), as described in chapter V.1 above.

### **3. Promoting investment climate and enabling environment**

In none of the ten sample projects substantial activities were conducted for improving the investment climate. Sierra Leone was the only case where such activities were foreseen but the necessary funding could not be mobilized.

Projects related to investment climate are normally implemented during the later phases of post-crisis situations, when a medium-term perspective starts to emerge. The major actors influencing the investment climate are governments and public authorities on the one hand, and business and civil society organisations on the other hand. In chapter II/3, the related fields have been presented (legal reform and business regulations; strengthening financial institutions and macroeconomic frameworks; rebuilding infrastructure; reforming trade policy; encouraging foreign direct investment; donor country policy reform).

Improving the investment climate is a political and institutional reform process, where multilateral agencies like UNIDO can play a key role, as they are usually better legitimised than bilateral donors to organise and lead the policy dialogue with the government.

In most countries, the standard UNIDO partner, the Ministry of Industry and Trade, would be best placed for interventions related to the investment climate. However, substantive leverage is required to successfully address deficits at this level, including substantial budget and sufficient time, which were normally not at the disposition of the evaluated UNIDO projects.

### **4. Rehabilitation and strengthening of institutions and structures supporting economic revitalisation and development**

#### Rehabilitation and capacity building of VET Institutions

In five projects, rehabilitation and capacity building of VET institutions (Sudan YED, Iraq 1+2, Sudan CLARIS one component) or “growth centres” with a strong vocational training component (Sierra Leone IP, Guinea) have been the main activity. This section discusses VET institutions, for growth centres see section below.

The objective of **rehabilitating and modernising VET institutions** is twofold: (a) to create facilities for skills development aiming at immediate livelihood recovery (see above), and (b) to develop institutional capacities that contribute indirectly and in the long run to social stabilisation and economic development. In UNIDO projects, the Ministry of Trade and Industry or Governorates is usually the direct political partner rather than the Ministries of Education or Labour, which are normally the key stakeholders for VET.

The rehabilitation of infrastructure and modernisation of VET centres is time consuming, especially if new centres are to be built (Sudan YED,

Khartoum), if ownership is unclear (Iraq 2) or if the centres are in remote areas (Sudan YED: Wau and Malakal, Sudan CLARIS: Kadugli). In all cases, including the community growth centres discussed below, the construction work absorbed substantial project management efforts and made project extensions necessary because of delays. In those cases where skills training was not conducted in parallel to YED rehabilitation, the project output (number of people trained) was less than initially planned. In the case of YED Khartoum the evaluation found that much of the equipment provided was quite sophisticated and not directly appropriate for training IDPs and other marginalized groups<sup>21</sup>.

**Training of trainers (TOT)** has been an element in eight projects. TOT is highly relevant for capacity development, considering that lack of trainers in technical and entrepreneurship skills is a major obstacle for VET institutions to offer market relevant and needs based training. Except for Iraq, little information is available on the effectiveness of TOT. In Iraq, the quality of TOT was appreciated, but the selection of trainers was a challenge. Progress reports inform about the number of trainers trained but not whether the training was relevant and whether trainers continue using their new knowledge. Reports also lack information to what extent the freelance entrepreneurship trainers trained by UNIDO are organised and active in providing training.

In the case of Sudan YED, projects pursue a **VET reform** agenda (Track C) at institutional and governance levels. Establishing new approaches such as Community Based Training (CBT) and Entrepreneurship Development Programmes (EDP) require thorough practices, such as involving trainers in conceptualising and implementing short term courses. If construction is delayed and the planned skills training is not implemented the trainers have no or limited opportunity to practice the new methods. Without a subsequent project phase, it is likely that the developed capacities are too weak to be sustainable. In the case of Sudan YED, the evaluation found that VET institutions in Southern Sudan have not developed a business culture and that the YED approach is a concept that still has to be brought to life.

Part of the reform agenda is to create “centres of excellence”. This will only be sustainable if:

- the rehabilitated VET institutions improve or establish community linkages,
- collaboration with the local private sector (mostly SMEs) takes place, and
- responsibilities for funding, management and governance are clarified at the beginning of the project.

Pursuing a Track C agenda at VET system level is more feasible (a) in a ‘normal’ development context like Khartoum where government structures

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<sup>21</sup> The YED Khartoum project in Sudan is composed of one component dealing with the formal VET system and one component that addresses conflict affected groups more directly.

are not directly affected by crisis or, (b) where crisis recovery is advanced (e.g. Sierra Leone). Still, UNIDO may face limitations in this field as the key ministries in VET (Education and Labour) are not UNIDO's "natural" public partners, unlike ILO (affiliation to Labour) and UNESCO (affiliation to Education and Higher Education).

### Community production or growth centres

The model of 'community production or growth centres' is used in three projects. These decentralised facilities should facilitate skills acquisition and technology transfer and provide operating space to local MSMEs. In Guinea, Community Production Centres (CPC) are a combination of a village workshop and a venue for skills training. In Sierra Leone, Growth Centres (GC) provided training and supported the dissemination of agro-processing technologies already before the war. In both cases the centres are designed to become self-sustaining.

At a first glance, community production facilities appear to be relevant in crisis affected rural areas without local structures for skill acquisition, technology dissemination and job creation and where skills and technological know how are depleted as a result of displacement and forced migration. However, this concept faces at least two major challenges:

- Ownership: communities and beneficiaries (MSME) are in most cases not the initiators of the growth centres and time pressure is an obstacle for adequate involvement of communities in planning, hence the issue of ownership is often not sufficiently addressed during the initiation phase.
- Financial sustainability: Business plans for sustainable operations are often lacking. Government structures (and budgets) in fragile states are too weak to keep the centres running after donors have left.

In combination, these factors can be expected to seriously affect sustainability. However, information on the situation on the ground is scarce. Project reports mention the poor utilisation in the initial stage (Sierra Leone IP) or delays in construction (Guinea) but no information is available on the actual utilisation after completion of these structures. Ex-post evaluations could provide a more solid basis for decision making on the sustainability of this concept in post-crisis environments.

### Rebuilding and strengthening community structures

"Situations of crisis not only destroy livelihoods (...) but also have devastating effects on the social capital base of communities (...). Community empowerment is seen at the heart of UNIDO's assistance to socio-economic recovery."<sup>22</sup> Strengthening community groups and self-governance mechanisms such as village or community development

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<sup>22</sup> UNIDO Programmes and Projects in Post-Crisis Situations and Fragile States; Opt. cit.

committees (CDCs) are therefore key activities aiming to build the capacities of communities to plan, manage and sustain their own rehabilitation and development activities and to restore social capital. Capacity building of CDCs has been practiced in Guinea, Sri Lanka and Sudan CLARIS. In MRU a specific, multi-stakeholder approach has been applied for capacity building of youth-led NGOs. Measures include: (i) organisation or reviving of Community Development Committees, (ii) training in leadership skills and group management, (iii) organisation of stakeholder fora and facilitation of multi-stakeholder dialogue including community groups.

Rebuilding and strengthening community structures is highly relevant in post crisis. Genuine community participation, including participation of local businesses, is important in various interventions discussed above, e.g. in: (i) planning of skills development projects, (ii) governance of VET institutions selected for rehabilitation, (iii) planning and running of community production centres etc.

Project evaluations provide some information on the functionality of community development committees, but not on the higher impact levels (e.g. on developing social capital). The LFAs do not include indicators for measuring impact. The Sudan CLARIS evaluation mentions that Community Development Centres (CDC) established in an earlier project phase were functioning and seem to have adopted democratic principles. Some CDCs show communal initiatives for other development activities beyond the project and have facilitated communication among different ethnic groups. The latter is a potential contribution to enhancing social cohesion and peace building.

The following lessons can be learned from this evaluation and from other sources<sup>23</sup>:

- Effective cooperation is based on the willingness and ability of participants to cooperate. Therefore self-help groups should not be formed according to project priorities but should be based on interests and needs of group members.
- Cooperation in a SHG can contribute to rebuilding communities by bringing together community members of different backgrounds and restoring social ties.
- To ensure sustainability of the group, financial commitment has to be demonstrated by participants and/or local structures. Any form of material or financial assistance should be accompanied by appropriate human resources development.

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<sup>23</sup> See: Parnell, Edgar: "The Role of Cooperatives and other Self-Help Organizations in Crisis Resolution and Socio-Economic Recovery", International Labor Organization (ILO), 2001

- Group formation should as much as possible build on existing traditional forms of cooperation to ensure better group cohesion and sustainability.
- The group formation process should be accompanied by mentoring services. Over time mentoring may be phased out and groups may be linked to other umbrella initiatives (e.g. SHG associations) or other NGOs for sharing and further capacity building.

# VI

## Evaluation based on DAC criteria

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### 1. Theory of change

Based on the analysis of the logical frameworks, the evaluators drafted a generic “theory of change” or intervention logic, which outlines project outputs, outcomes and impacts. This concept was then used as a basis for the evaluation of project effectiveness and impacts.

The theory of change distinguishes between three strands of intervention, based on the typology and mapping of UNIDO interventions in post crisis described in chapter III:

1. Restoring and upgrading livelihood and productive capacities of individuals and communities,
2. Restoring and upgrading of MSMEs;
3. Improving PSD enabling environment through rehabilitation and strengthening of institutional capacities and supportive structures, including political partners, private sector organisations, VET institutions and BDS and community structures.

### 2. Relevance

Six of seven available external evaluations concluded that the UNIDO projects were relevant to very relevant. UNIDO post crisis projects generally reflect the priorities of political partners and are coherent with rehabilitation strategies of other international actors. The exception is the CSF II Indonesia, which on the whole was assessed as not very successful. The post-crisis Component of this CSF was only moderately relevant, the main reason being the weak planning process, lack of genuine government (and beneficiary) support and ownership as well as no clear hand-over strategies.

**Table 3: Generic Theory of Change**

	<b>Restoring and upgrading livelihood capacities of individuals and community groups</b>	<b>Restoring and upgrading productive capacities of MSMEs</b>	<b>Improving PSD enabling environment and rehabilitation and strengthening of supportive structures</b>
Impact (secondary level)	<ul style="list-style-type: none"> <li>- Peace and Stability</li> <li>- Reduction of Poverty and Vulnerability</li> <li>- Empowerment of Communities</li> </ul>		
Impact (primary level)	<ul style="list-style-type: none"> <li>- Improved livelihood perspectives and livelihood security of crisis affected populations</li> <li>- Economic reintegration of ex-combatants and other conflict affected groups</li> <li>- Improved functioning of skills development systems</li> <li>- Improved policy environment for PSD</li> <li>- Improved systems for self-organisation of MSMEs</li> </ul>		
Outcomes (secondary level)	<ul style="list-style-type: none"> <li>- Local employment and income generation opportunities enhanced</li> </ul>		<ul style="list-style-type: none"> <li>- Replication of models</li> </ul>
Outcomes (primary level)	<ul style="list-style-type: none"> <li>- People trained are employed/self employed</li> <li>- Increase of income of individuals</li> <li>- Groups formed are functioning and earn income</li> </ul>	<ul style="list-style-type: none"> <li>- Enterprises operating</li> <li>- Improved self-organisation of MSMEs</li> </ul>	<ul style="list-style-type: none"> <li>- Improved delivery of skills training by rehabilitated institutions</li> <li>- MSMEs have better access to BDS in project area</li> </ul>
Outputs	<ul style="list-style-type: none"> <li>- People with marketable technical, entrepreneurial and conflict resolution skills</li> <li>- Formation/restoring of producer groups at community level</li> <li>- Facilities established/ provided for business start ups (at individual and community level)</li> </ul>	<ul style="list-style-type: none"> <li>- Enterprises rehabilitated</li> <li>- Advanced technical and managerial skills of people working in/ owning MSMEs</li> <li>- Formation/ restoring of producer associations</li> </ul>	<ul style="list-style-type: none"> <li>- Rehabilitated/modernised facilities of VTCs</li> <li>- Rehabilitated mentoring/ extension services</li> <li>- Trainers/ mentors/ extension workers with better technological and methodological skills</li> </ul>
Activities	<ul style="list-style-type: none"> <li>- Skills training (technical, entrepreneurial)</li> <li>- Facilitation of group formation</li> <li>- Providing business start up assistance (tool kits, equipment, mentoring)</li> <li>- Building of community production centres/ growth centres)</li> </ul>	<ul style="list-style-type: none"> <li>- Skills upgrading (technical, managerial)</li> <li>- Rehabilitation of businesses affected by crisis (tools, equipment, physical infrastructure rehabilitation)</li> <li>- Exposure and consultancy for technology transfer</li> <li>- Micro finance (grants for business rehabilitation)</li> <li>- Facilitation of self-organisation</li> </ul>	<ul style="list-style-type: none"> <li>- Infrastructure rehabilitation</li> <li>- Training of trainers (VTC and master trainers/ multipliers in communities)</li> <li>- Training material development</li> <li>- Consultations with concerned line ministries</li> <li>- Consultations with concerned communities and private sector structures</li> </ul>

Another observation is the limited geographic coverage and limited funding of projects<sup>24</sup> operating in the context of complex emergencies and reconstruction efforts, considering the enormous needs for reconstruction and livelihood recovery (e.g. Iraq 1+2, Indonesia Banda Aceh). Such cases are often characterised by vast media coverage and presence of various agencies (e.g. post-tsunami rehabilitation in Indonesia and Sri Lanka), the UNIDO comparative advantage as opposed to other actors with a well established ground structure and decentralised management mechanisms is not clearly visible.

With the exception of SKIPI, the evaluations do not mention extensive fact-finding in the pre-project phase that would have allowed identifying alternative interventions with potentially higher relevance. The planning of the sample projects consisted mostly in adopting UNIDO ready-made packages and few efforts are discernible for designing tailor-made concepts for the diverse contexts and situations with their different specific needs. As mentioned above, projects were assessed as relevant, but it is not possible to discuss, from the available documentation, whether alternatives would have been even more relevant.

Most projects in the sample have a strong orientation towards mid-term local reintegration (UN Track B). Few of the activities occurred during the early recovery period, immediately after cessation of hostilities (UN Track A). The potential for Track C interventions, i.e. when a strong medium-term development perspective is required, seems to be untapped, which may be attributed to the usually short project and phase periods of UNIDO projects. Naturally, like any other development organization, UNIDO depends on donor priorities, which often prefer funding Track A activities. Consequently, special efforts will be required to obtain funding for Track B, and even more so for Track C activities, where most of UNIDO's comparative advantage is concentrated.

An important lesson learnt is the recognition that the entry point still has to be in the early stage of (post-) crisis. Preparatory fact-finding and analytical work should preferably start during the Track A period in order to be ready with sound intervention proposals once the recovery phase starts. Also, a proposal made at one of the workshops convincingly argued for an important role for UNIDO in doing early needs assessments of MSMEs, including analysing the remaining functionality of core market chains, as well as investigating local production capacities, in order to ensure that the local potential for substituting imports of emergency and post emergency supplies is fully utilised.

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<sup>24</sup> Limited funding was specifically obvious in the case of projects funded by the UNIDO seed-money fund.

### 3. Effectiveness

Effectiveness has been reviewed by assessing the achievement of project outcomes:

- Utilisation of project outputs by target groups<sup>25</sup>;
- Direct outcomes on beneficiaries, e.g. people trained in short term vocational and entrepreneurship courses are employed or self employed and have increased income; groups formed are functioning; enterprises rehabilitated are up and running;
- Direct outcomes on intermediary institutions and structures: institutions rehabilitated are functioning and offer improved services or MSMEs have better access to BDS.

Only four of the seven sample evaluations (Iraq 1+2, Lebanon, Uganda and Sudan CLARIS) provide specific and systematic information on effectiveness. In the remaining cases it is either too early to assess effectiveness as project outputs are not yet (fully) produced or the data collected is not representative. Three of the seven evaluations did not apply systematic methods for outcome and impact assessment (or applying such methods was not possible). Project progress reports generally provide too little information on effectiveness. Most LFAs lack indicators on the level of project outcomes, which further complicates the analysis.

Table 4 below provides an overview of selected examples on different levels of effectiveness, extracted from evaluation and internal progress reports.

**Table 4: Findings on effectiveness**

	Findings	
	Achievements	Challenges
Utilisation of project outputs or short term results (Effectiveness level 1)	<ul style="list-style-type: none"> <li>• Well functioning selection of beneficiaries and trades (Uganda SKIPI)</li> <li>• Improved trade skills and better understanding of market mechanisms by beneficiaries (several projects)</li> <li>• Blacksmith produce new tools introduced by project, community development</li> </ul>	<ul style="list-style-type: none"> <li>• Sierra Leone IP, Sudan YED (some locations): institutions rehabilitated (growth centres, VTCs) not sufficiently utilised by target groups</li> <li>• Some equipment not accessible for poor farmers (Sudan CLARIS)</li> <li>• Half of trainers selected for TOT actually conduct trainings (Iraq 1)</li> </ul>

<sup>25</sup> This level, describing short term outcomes of the outputs produced, does usually not appear in the generic logframes

	Findings	
	Achievements	Challenges
	<p>committees are functioning (Sudan CLARIS)</p> <ul style="list-style-type: none"> <li>Well designed training materials, good level of application by trainers (several projects), trainers trained utilise new methods (EDP, technical skills, CBT) in short term courses (several projects)</li> </ul>	
Effectiveness on livelihoods of beneficiaries	<ul style="list-style-type: none"> <li>Uganda: improved employment situation, income and social status of ex-combatants</li> <li>Iraq: substantial improvement of employment status (of the sample surveyed) of people trained and provided with tools</li> <li>Guinea: IDPs and refugees diversify income sources</li> <li>Lebanon: business up and running, generating income and providing employment</li> </ul>	<ul style="list-style-type: none"> <li>Several projects:</li> <li>too early to assess whether communities will benefit from the services of rehabilitated institutions (Growth Centres, VTCs)</li> <li>substantial number of people trained but no records available showing who was trained and status of employment</li> <li>substantial number of people self-employed work part time and/or have small incomes</li> </ul>
Effectiveness on functioning and performance of rehabilitated institutions	<ul style="list-style-type: none"> <li>Selection of trade by needs assessment and capacity of trainers improved → it is expected that institutions will provide improved services once they are fully functioning (<i>achievement expected but not yet realised - several projects</i>)</li> </ul>	<ul style="list-style-type: none"> <li>Rehabilitation completed by 90% but new methods (EDP, CBT) not yet practiced (Sudan YED)</li> <li>Concept questionable for short term recovery as no employment generated after 3 years (growth centres, Sierra Leone)</li> </ul>
Effectiveness on functioning of structures and systems	<ul style="list-style-type: none"> <li>State VET administration functioning with participation of private sector (Sudan YED)</li> <li>Producer groups initiated collective activities (storage, purchase and marketing) (Guinea)</li> </ul>	<ul style="list-style-type: none"> <li>Producer groups newly established work below capacity and may not be sustainable (several projects)</li> </ul>

Three projects (out of 7 independently evaluated) show high effectiveness (Uganda; Lebanon, Iraq 1+2). All the three projects were able to generate employment rates at or above the initial targets and have contributed to the

increase of income of targeted families. Two projects are qualified as having medium or low effectiveness. Sudan CLARIS was effective by improving farmers' access to improved agricultural tools, the utilisation of improved technologies produced increased yields, but mainly for better-off farmers. In Indonesia effectiveness was good in the Maluku sub-project, but low for the Aceh and Nias activities. However, it also has to be acknowledged that frame conditions were difficult in these 'donor -crowded' contexts. In the case of Sudan YED, it is either too early to measure effectiveness - institutions constructed or rehabilitated are not yet in full operation and have not yet graduated beneficiaries - or valid data on employment was not available at the time of this evaluation (Khartoum YED, component 2).

Results on effectiveness of institutional rehabilitation and capacity development are mixed. Reconstruction in all projects took longer than expected. In several cases institutions were not yet fully operational at the end of the project, hence it was too early to assess the effectiveness of both, the rehabilitation measures itself and the wider institutional capacity development. It could be questioned whether institutions that are not yet operational at project end have a realistic chance to become sustainable.

#### **4. Impact**

Expected positive impacts of UNIDO post-crisis interventions include contributions to:

Improved livelihood perspectives and livelihood security of crisis affected populations

Economic reintegration of ex-combatants and other conflict affected groups

Improved functioning of skills development systems

Improved policy environment for PSD

Improved systems for self-organisation of MSMEs

The question as to what extent the projects had wider impacts on local economic revitalisation, was either not considered in the evaluations, was too early to assess (most evaluations are conducted at the end of a project life, ex-post evaluations or impact studies were not available) or, where mentioned, assessed as limited (Uganda, Lebanon). The latter finding is not particularly surprising, as most sample projects were comparatively small and often stand-alone interventions. The focus was mostly in providing tangible assistance to individuals and MSMEs and less on developing sustainable and institutionalised systems that would produce wider impact. In Iraq, a positive unexpected impact was the replication of the project design by other donors.

Potential unintended negative impacts of projects, such as market distortions due to grants for new machinery or rehabilitation of infrastructure or the influence on the conflict context and local power structures, were not

considered in monitoring and not discussed in the evaluations, and can therefore not be assessed. It is not clear whether and to what extent projects were aware that, in an environment where warlords still dominate the local economy, unintended impacts can negatively influence conflict resolution and peace potentials or distort prospects for future development.

## **5. Sustainability**

The most sustainable results are skills that have been passed on, either to individuals who started businesses or to rehabilitated MSME's. The same applies to the good quality machinery and tools that were supplied (for instance Uganda, Lebanon).

The sustainability of newly created producer groups (which come in many shapes and forms) is often less convincing. Usually, a clear sustainability strategy and sound business plans are missing and issues arise with the ownership of the assets and equipments.

The same applies to VTC rehabilitation and establishment of growth centres, which are not sustainable without clear institutional anchoring and the securing of regular budgets. In the case of rehabilitated public VTCs (Sudan YED and Claris, Iraq 1) authorities, in most cases, seem committed to fund the institutions after UNIDO's phasing out. In cases of unclear ownership (example Iraq 2) actions have been taken by project management to clarify ownership or to change partners for enhancing sustainability. If the intervention period is too short to build sufficient institutional capacity (example Sudan YED) the sustainability of creating "centres of excellence" and making a bottom up change in the TVET system may be in question as local expertise for capacity development is often lacking. The evaluation of the IP Sierra Leone was concerned about the financial sustainability of the growth centres.

The findings above are not "post-crisis specific". However, while "Phase A" operations focus primarily on short term impacts rather than institutional development, UNIDO is more confronted with institutional sustainability issues because its comparative advantage is more in track B + C. Given the weak government structures in post-crisis contexts, the challenge of achieving sustainable positive change is even greater.

## **6. Efficiency**

It is important to note that some projects were actually implemented under war-like conditions, leading to considerable security and communication challenges. Most projects, however, managed to adapt to the changing conflict environment, although several evaluations specifically mention that UNIDO's centralised project management style has been a challenge. The quality of the field teams was good in Lebanon and Uganda; in Sierra Leone efficiency was negatively affected by frequent changes of team leaders.

The centralised UNIDO project management and tendering systems sometimes resulted in delays (related to decision making in the case of Indonesia, or procurement of equipment in Lebanon). The project monitoring systems were assessed as good in some cases (Uganda, Lebanon). But only few progress reports provide sufficient information on project outcomes and impacts. Generally, project monitoring focuses on project outputs; less attention is paid to outcome and impact monitoring.

The project design negatively affected efficiency in those cases where the project document was not sufficiently clear in assigning roles and obligations to major stakeholders at local level (Indonesia, MRU, Sierra Leone).

## **7. Cooperation and collaboration**

Most evaluations mention good cooperation with the national political partners (which for UNIDO is usually the Ministry of Trade and Industry), especially during the planning phase. Critique is voiced on the quality of cooperation during the implementation phase.

Harmonization and alignment do not feature prominently in the evaluation reports and few mentioning is made of UNIDO participation in donor coordination groups (or whether such bodies exist at all in a given country and context). This is confirmed by independent observations claiming relatively low visibility for UNIDO, especially in situations where strong UN and other agencies are active. Unclear distribution of roles between different UN agencies was mentioned in the evaluation reports for Iraq and Sudan.

## **8. Project design**

The project sample can be divided into two types. On one side are those forming part of integrated programmes (IP) or country service frameworks (CSF), where UNIDO has proactively conceptualised a larger programme, for which funding from donors was sought (Indonesia, Sudan CLARIS, Sudan YED); on the other side are stand-alone projects, which often were developed in direct dialogue with potential donors, through local contacts and frequently under time pressure (Lebanon, Uganda).

For IPs and CSFs, the actually realised funding has sometimes fallen considerably short of the original plans. Consequently, planned synergies with unfunded components did not materialise (Indonesia and Sierra Leone IP).

A point of discussion in several evaluations was the dominance of government partners during project design, while the private sector (chambers of commerce, industry associations, etc.) is only of secondary importance (apart from the beneficiaries in the form of soon-to-be entrepreneurs or MSMEs). On the other hand, it has been acknowledged

that national political partners, as well as some donors, perceive the good and close relationship with governments as a typical strength of UNIDO and do appreciate UNIDO's neutrality and absence of a hidden agenda, as it may be the case with other implementing agencies.

Nevertheless, evaluations propose to increase the role of and systematic collaboration with private sector representatives in project design (Sierra Leone, Sudan CLARIS). This would be in conformity with UNIDO's core mandate and is seen as an untapped potential for the organisation.

In general, the evaluations concluded that logical frameworks were rather weak. Deficits were observed in the intervention logic, with a concentration on outputs rather than outcomes and unclear or missing indicators, especially for outcomes.

Donor priorities, rules and conditionalities, such as imposing short project durations, were found to be crucial for project design. Recently, the UNTFHS extended the maximum project period to three years, which is still short and not really suitable for medium-term (i.e. UN Track B+C) interventions.

In addition, planning missions were often insufficiently funded to identify the best intervention alternatives and approaches. Because donors were often not willing or able to fund project planning activities, UNIDO pushes these activities into the inception phase, a solution that may further reduce the actual implementation period. Seen under this angle, the above critique of too often reverting to standard packages is also a consequence of donor conditionalities. It seems to be evident that project quality could improve if sufficient funding was available for thorough fact finding and planning missions.

Two additional concept and design related issues emerged from the evaluation of the sample projects:

- The first relates to the "Do no harm" principle. This widely accepted good practice for post-conflict PSD<sup>26</sup> has only been specifically addressed in the Sudan CLARIS project. Other projects (e.g. the Sri Lanka IP) mention community mobilisation and stabilisation as an important project element, but do not conceptualise this activity. None of the project documents provide evidence that a comprehensive conflict analysis (or PCA: Peace and Conflict Assessment) was made during the planning phase and, in most cases, no conflict-sensitive monitoring system is evident.
- The second emerging issue relates to the coverage of the sample projects. The numbers of beneficiaries are mostly in the hundreds, rarely in the

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<sup>26</sup> See chapter II; conflict sensitivity

thousands, and therefore not very impressive overall. Those individuals, groups or MSMEs that do receive assistance, on the other hand, benefit substantially – provided they participated in effective projects.

The main challenge for UNIDO (as for most other development organisations) seems to be the “deep vs. wide” or “quality vs. outreach” dilemma: Should a few beneficiaries receive substantial assistance or as many as possible receive basic support? Related to this is the question of selection of beneficiaries: Should the focus be on those most in need or on the ones with the best chances to initiate economic recovery, which in turn may have potential benefits for larger numbers of secondary beneficiaries? While there can be but situation-specific answers to these questions, it is still important that these questions are asked for each project and venues explored how maximum coverage can be achieved with the available means.

Post-crisis environments are unpredictable and pose significant challenges to implementing organisations. Frequent delays in reconstruction work are just one of the many challenging experiences made. Approaches which are functioning in one context may not be applicable in another. UNIDO showed flexibility in modifying its concepts. The more recent projects in Iraq for instance dropped the idea of establishing new producer groups, as only few of them had been sustainable. When the approach of utilising one single training facility for short term trainings failed, the project management changed its strategy to a decentralised model.

## **9. Project management and implementation**

A dominant topic in the evaluations is the centralised management style of UNIDO and its consequences. Unnecessary delays were reported, as even minor expenses have to be sanctioned at HQ through the cumbersome MOD (Miscellaneous Obligation Document)-based management system (Uganda, Lebanon, Sudan CLARIS and YED). The current system also does not favour fast reactions or adjustments, which can be required in fast changing contexts. The same holds true for international tendering of equipment. Post crisis contexts can be highly unpredictable. Several projects (Sri Lanka, Iraq, MRU) were confronted with high levels of instability, even war-like situations, posing security risks to project management and staff and hampering implementation of activities. Operating in an emergency-like situation “requires a flexible organisational set up, which might be difficult to ensure by UNIDO within its mandate and existing management rules.”<sup>27</sup>

On the other hand, most evaluations give good marks to the motivated and committed staff at HQs and in the field for doing their best to overcome and speed up these procedural complications. The critique is thus not directed towards managers but towards the management system.

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<sup>27</sup> Quote from evaluation report Sudan CLARIS

The project evaluations provide sufficient evidence to conclude that the current centralised UNIDO management system is not sufficient for fast action and flexibility and should be improved and adjusted for better efficiency and effectiveness.

# VII

## Conclusions and recommendations

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This chapter presents the evaluation conclusions and recommendations.

Section 1 elaborates on the policy and strategy level and UNIDO's comparative advantage in post crisis contexts and offers related recommendations.

Section 2 addresses the key intervention areas of UNIDO, following the structure of chapter V, with related specific recommendations.

Section 3 presents conclusions on UNIDO's project cycle management, and presents related recommendations.

### 1. Policy and strategy level

As described in chapter II/2, the UNIDO mandate in post-crisis interventions originates from two General Conference resolutions in 2003 and 2005. The 2003 resolution defines the UNIDO mandate as “designing and implementing sustainable industrial development projects in countries emerging from crisis situations.” The strategic long-term vision statement adopted in 2005 refers to “assistance to rehabilitation and reconstruction of industrial infrastructure in countries emerging from crisis situations.”<sup>28</sup>

The UNIDO draft paper of 2009 on the approach to Human Security, formulates the conceptual approach as: “securing, restoring and developing productive capacities through mitigating risks, threats and vulnerabilities in livelihoods and productive activities.”<sup>29</sup>

The bi-annual Programme and Budget document for 2010-2011<sup>30</sup> lists human security and post-crisis rehabilitation as one of the seven components under programme priority C: “poverty reduction through productive activities”. The objective is to “*promote recovery and productive structures and economies of countries emerging from natural and manmade*

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<sup>28</sup> UNIDO Programmes and Projects in Post-Crisis Situations and Fragile States; Opt. cit., p. 4

<sup>29</sup> UNIDO Approach to Human Security; Opt. cit., p. 5

<sup>30</sup> Programme and Budgets 2010-2011, March 2009

*crises, and enhance the human security of vulnerable groups.*<sup>31</sup> Besides their micro level focus (“restoring productive structures” and “provide opportunities for vulnerable groups”) projects are supposed to contribute to macro and meso level recovery:

- Policy or macro level: “industrial policies prevent relapse into crisis through equitable industrial growth”.
- Meso or institutional level: “Institutions facilitate economic development and interactions among economic agents and other stakeholders”.

From the above it can be concluded that UNIDO has a clear mandate to operate in post-crisis contexts. However, the strategic orientation has shifted from ‘rehabilitation of industrial infrastructure’ to ‘integrated approach of improving human security’ and requires clarification.

The main comparative advantage of UNIDO, as compared to bilateral agencies, is its impartiality as an international Organization. This allows UNIDO to work in parallel with fragile government structures, crisis affected communities and the private sector.

A second comparative advantage is UNIDO’s core mandate in industrial development, which is not directly addressed by any other UN organization. Only a few other actors can offer similar specialized expertise in crisis-relevant sectors such as agro-processing or methodological know-how in entrepreneurship development. Social reintegration, on the other hand, as well as emergency and early recovery do not come under the UNIDO mandate. Furthermore, the centralised management structure of UNIDO appears to be a major impediment to fast reaction and flexibility.

The *UN Policy for Post-conflict Employment Creation, Income Generation and Reintegration* approved in June 2009 is an important UN document with direct relevance to UNIDO’s mandate and comparative advantage. Remarkably, UNIDO is barely mentioned in this strategy document, which indicates a weakness of UNIDO in participating as an equal partner in UN policy dialogue and strategy design.

The UN Policy emphasizes the importance of conflict sensitive approaches and tools (“do-no-harm”; Peace and Conflict Assessments) and introduces a terminology of three different tracks: Stabilization, Local Reintegration and Transition. UNIDO’s comparative advantage is in Tracks B and C with an emphasis on restoring crisis affected productive capacities of MSMEs and communities (Track B) and developing the capacity of intermediary institutions and facilitating long term changes in the enabling environment (Track C).

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<sup>31</sup> IDB.36/7 p. 48

Much of the post-crisis funding is explicitly targeted at Track A interventions and therefore comes often with rigid conditions (short phase periods; no follow-up phases). Stretching this type of funding for Track B and C interventions entails considerable risk of inadequate project design.

### Recommendations

1. A comprehensive UNIDO strategy document should be prepared clarifying UNIDO's mandate, role and comparative advantages in human security, post-crisis and post-conflict interventions. This document should elaborate on the micro, meso and macro levels, refer to the Track A, B, C terminology of the UN Policy for Post-conflict Employment Creation, Income Generation and Reintegration and focus on tracks B and C, where the UNIDO comparative advantage is concentrated.
2. UNIDO should increase its presence in the UN-led policy and conceptual efforts such as the follow up to the *UN Policy for Post-conflict Employment Creation, Income Generation and Reintegration* and the further development of this policy. In this fora, UNIDO should clarify the specificities of its mandate and the importance of Track B and C interventions to the donor Community.
3. When using Track A funds for Track B or Track C projects UNIDO should adapt to the donor conditions for short-term projects in its project design, meaning more realistic plans and targets that can actually be achieved in the time available. In cases, where funding conditionalities and project requirements cannot be matched, UNIDO should consider withdrawing its proposal in order to avoid incalculable risk.
4. Project designs should always include a risk analysis. Conflict sensitivity should be mainstreamed into all UNIDO post-crisis interventions. In case of conflict affected environments, conflict sensitive assessment and planning (e.g. PCA including stakeholder and target group analysis) as well as the introduction of related monitoring and evaluation systems is essential. "Do no harm" principles should be applied as the minimum standard in project design and implementation.

## **2. Key intervention areas**

This section summarises conclusions and recommendations by intervention areas following the structure of chapter V.

### **(A) Restoring and building livelihood capacities of individuals and community groups**

Interventions for restoring livelihood capacities tend to fall under early up to mid-term recovery. Typical interventions consist of short-term skills

development combined with grants for the resumption of business activities. Youth employment promotion falls under a specific category (see below).

#### Recommendation

5. UNIDO should maintain its focus in restoring rural livelihoods and vulnerable target groups (IDPs, returnees, women headed households, youth). Transparent selection of participants is an issue of conflict sensitivity. Measures for restoring individual livelihoods should continue to be linked, whenever possible and feasible, with rehabilitation of existing MSMEs, in order to generate sustainable economic growth as well as employment.

Skills development is relevant in the context of long lasting conflicts, which have severely depleted the human resource capacities. However, the usability of the skills acquired is an issue.

#### Recommendation

6. Skills development should remain a prominent tool when restoring and building livelihood capacities, however, under certain conditions:
  - o strictly needs based focus on skills that have markets and a proven and direct relevance for income generation; this requires proper needs assessments and market surveys;
  - o Methods for systematic needs and market assessments for identification of economic sectors and income generation activities with growth potential should be further developed;
  - o Teaching of social/ life skills is recommended when working with groups directly affected by conflict.
  - o Non-formal skills training should remain in the focus; formal vocational education structures should only be used where it is relevant for revitalisation of key economic sectors.

Group based approaches are widely used in UNIDO projects. These approaches have certain advantages (facilitating wider outreach and inclusion of different social groups) but the group model, in particular the formation of new producer groups, is less feasible in highly volatile and socially heterogeneous contexts and the economic viability and sustainability of new producer groups established is often questionable.

### Recommendation

7. It is recommended not to create new production groups but to concentrate on strengthening existing groups or MSMEs, in particular in highly volatile and socially heterogeneous contexts. Financial viability should be demonstrated by simple business plans. Asset ownership, asset operation and maintenance have to be clarified, communicated and enforced and mentoring after the end of the project has to be ensured (e.g. in collaboration with NGOs).

Good practices of multi-stakeholder and integrated approaches in youth employment promotion include the creation of sustainable BDS, network structures for youth employment and trilateral cooperation of local government, civil society and private sector.

### Recommendation

8. Multi-stakeholder and integrated approaches require a longer time horizon and should not be applied in early recovery phases but only in projects with a longer-term perspective. In such cases, integration of youth in existing labour markets should be given preference, whenever possible in close collaboration with the private sector, through apprenticeship and internships, youth-employer exchange and linkage with micro-finance providers. Priority should be given to innovative concepts, which link jobs creation with social enterprise and/ or environmental issues.

## **(B) Restoring productive capacities of MSMEs and local economies**

The evaluation found that most of the projects evaluated did not directly target the private sector in general and MSMEs in particular. The LAISER project in Lebanon has been a notable exception showing that UNIDO is able to provide very valuable direct support to a significant number of SMEs. The fact that most projects did not target private sector entities can be attributed to a specific UNIDO culture that, by trying to avoid market distortions, focuses on government and community development rather than addressing existing private sector entities. In addition, this deficit can be attributed to situational constraints, because there are often no functional (formal) private sector structures in post-conflict environments and remote rural contexts.

### Recommendation

9. Post-crisis projects should involve, wherever possible, existing private sector entities. In post-crisis environments, the guiding principle of not distorting the market through direct interventions should be balanced against the need to

revitalize those economic entities that have the potential to create jobs and vital goods almost immediately. Of course, such cooperation with the private sector must give high attention to conflict sensitivity, e.g. the potential and actual role of private sector entities in war economies.

### **(C) Promoting investment climate and enabling environment**

Improving the enabling environment has not been part of the agenda of the evaluated projects. The focus was rather on interventions at the meso or micro level.

#### Recommendation

10. It is recommended to include, where appropriate and possible, investment climate or enabling environment components in project packages, aiming at reducing red tape and developing BDS as part and parcel of project design (and exit strategy).

### **(D) Rehabilitation and strengthening of institutions and structures supporting economic revitalisation and development**

Creating solid foundations for future industrial development is UNIDO's genuine contribution to Track C interventions. This includes strengthening the capacities of local structures for economic development.

Rehabilitation and modernisation of VET institutions is a prominent activity in the UNIDO project portfolio, aiming at human resource development for economic development in the medium and longer term. As these interventions require at least three years, they are less suitable for Track A and B interventions (restoring livelihoods).

#### Recommendation

11. Linking rehabilitation and capacity development of VET institutions with VET reform is relevant. However, in order to allow the reform agenda to get off the ground, UNIDO should be more realistic and concentrate on its mandate by promoting the participation of private sector in VET reform and governance of VET institutions. This includes raising awareness among decision makers in the relevant line ministries and coordinate with other UN agencies or bilateral and multilateral agencies.

Training of trainers (TOT) is highly relevant for capacity development and a specific strength of UNIDO. However, too little emphasis is given to developing the capacities of trainers from the private sector. By contrast,

and despite the critical importance of mentoring services for business start up projects, there is no evidence that such services are properly planned and effectively delivered.

#### Recommendation

12. Training of trainers (TOT) should remain a focus in capacity development; however trainers need to be able to apply the new knowledge immediately (e.g. in short term modular courses) and not only at the end of the project. Trainers from private sector entities should be involved as far as possible, for instance by conducting TOT directly in MSMEs and upgrading the skills of 'master trainers'. Trainers should also provide mentoring services to trainees on a sustainable basis, also after the end of the project. Where this is not possible, projects should integrate other providers of mentoring services, preferably from the private sector.

The effectiveness and sustainability of community production centres and growth centres in post crisis contexts is not sufficiently proven.

#### Recommendation

13. Before getting involved in further community production centres and growth centre projects, UNIDO should conduct independent ex-post evaluations of its past projects in this area.

Rebuilding community structures – as accompanying measure to restoring productive capacities of communities – fosters participation and ownership of communities in project interventions and thus enhances prospects for sustainability.

#### Recommendation

14. UNIDO should continue capacity building of community structures through leadership training, group management and mentoring. Rather than creating new structures, projects should use existing 'traditional' mechanisms and should build on existing community structures, as far as possible.

### **3. Programme and project cycle**

This evaluation indicates that the design of UNIDO post-conflict interventions could be substantially improved. In several cases project planning was not realistic and has not sufficiently considered contextual challenges (remoteness, distances, volatile environment, weak capacity of partners). The quality of most LFAs and of most project monitoring systems

was evaluated as insufficient. Also, the centralised UNIDO implementation model is relatively slow and not appropriate for fast action and flexibility, as described in Chapter IV/9. All projects with infrastructure and/or reconstruction components experienced delays.

### Recommendations

15. UNIDO management should consider instituting fast track procedures for post-crisis projects to ensure timely project design, approval and faster implementation. A special funding pool for “preparatory assistance” in post-crisis projects should be made available to ensure improved project design. Needs assessments should be conducted in the planning phase that give more attention to the macro economic dimension and the economic consequences of conflicts or natural disasters.
16. UNIDO management should reinforce the proper application of the logframe (LFA) planning technique and of adequate monitoring systems. LFAs should be build on a sound intervention logic and clearly distinguish between project outputs, project outcomes and impacts. Outcome monitoring is of the essence for Results Based Management and project monitoring systems should be designed and implemented accordingly.
17. To improve project flexibility, efficiency and effectiveness UNIDO management should decentralize its decision making process and budget authority to the field, simplify the current MOD system and switch to annual implementation plans with budget allocations to and budget authority for local project offices.

## **Annex 1 Terms of Reference**

### **1. Background**

Natural crisis or conflicts cause social and economic dislocation and furthermore affect the productive capacities in both the formal and informal sectors of the economy. The resulting poverty and disintegration of the social fibre is in direct conflict with the Millennium Development and Human Security Goals. The fate of recovery efforts in such post-crisis situations is largely determined by the degree of success in making the transition from the initial emergency and relief stage to rehabilitation and reconstruction and ultimately to development.

UNIDO assists in rebuilding and/or strengthening the productive capacities of countries emerging from crises both at national and local level. By engaging crisis-affected communities in the development and application of custom-tailored solutions, UNIDO plays a significant role in the endeavour to improve living standards and economic opportunities. UNIDO has 40 operational projects in 17 countries that can be regarded as suffering complex emergencies. The total value of these projects is about USD 40 Million.

### **2. Objectives**

The overall objective of this thematic evaluation is to guide the future direction of UNIDO post-crisis interventions taking into account

- the special conditions, needs and priorities of such interventions;
- experience from past and ongoing UNIDO interventions;
- relevant programmatic and policy guidance documents from UNIDO;
- experience and good practice from other development agencies and NGOs.

### **3. Evaluation scope**

Thematic evaluations are meta-evaluations spanning across a number of countries that build on existing project and programme evaluations. This thematic evaluation of the UNIDO post-crisis projects is part of the bi-annual work programme 2008-2009 of the UNIDO Evaluation Group. The number of existing evaluations for UNIDO post-crisis interventions is still limited. Therefore, a number of projects for which evaluations are not yet available but which are well documented may also be included.

The thematic evaluation of UNIDO post-crisis interventions shall be based on a sample of about 10 projects. The sample in Table 1 is tentative and subject to possible adaptations once the preliminary assessment framework will be available (first analytical step, see below under chapter 5.) Table 1 shows also the budget and the documentation (type and year of report) that is currently available for each project under the sample.

**Table 1: Tentative Project Sample**

No.	Country	Project Number	Project Title	Type of Activity	Budget	Backstopping Officer	Information Basis
<b>Projects with final/mid-term independent evaluation/ impact evaluation reports:</b>							
1.	Iraq	FB/IRQ/04/001	PROMOTION OF COTTAGE INDUSTRY IN RURAL AND URBAN AREAS: THI-QAR GOVERNORATE IN SOUTHERN IRAQ	Agro-Industry, Trade Capacity Building, Poverty Reduction through Productive Activities (Post Crisis)	USD 5,013,000	JENANE, Chakib	Independent Evaluation Report (2007)
2.	Iraq	FB/IRQ/06/002	COMMUNITY LIVELIHOODS AND MICRO-INDUSTRY SUPPORT PROJECT IN RURAL AND URBAN AREAS OF NORTH-IRAQ: SULAIMANIYAH, ERBIL AND KIRKUK GOVERNORATES	Agro-Industry, Poverty Reduction through Productive Activities (Post Crisis)	USD 5,420,669	JENANE, Chakib	Independent Evaluation Report (2009) by Mr. Fredie Andersen (HAP Consultants)
3.	Uganda	TF/UGA/05/003	MULTI-SKILLS TRAINING AND COMMUNITY SERVICE FACILITIES FOR SUSTAINABLE LIVELIHOODS AND POVERTY ALLEVIATION (SKIPI) - REINTEGRATION OF EX-COMBATANTS AND FORMER REBELS (PHASE I AND II)	Agro-Industry, Poverty Reduction through Productive Activities (Post Crisis)	USD 1,271,670	HIEROLD, Juergen Martin	Independent Impact Evaluation(2009) by Mr. Tarnutzer
4.	Indonesia	Country Services Framework (CSF) II 2005-2007 Component 3: Supporting the recovery and rehabilitation of communities in the tsunami affected areas and post conflict areas					
		FB/INS/05/006 XP/INS/05/005  <b>Related project:</b> XP/INS/07/002	ALLEVIATION AND RESTORING SUSTAINABLE LIVELIHOODS IN NIAS ISLAND THROUGH MICRO HYDRO POWER BASED COMMUNITY DEVELOPMENT CENTRE (CDC) FOR COMMON FACILITIES  OPERATIONALISING THE SMALL HYDRO POWER PLANT AT NIAS ISLAND OF INDONESIA ( Sustainable Energy and Climate Change; Poverty Reduction through Productive Activities)	Agro-Industry, Poverty Reduction through Productive Activities (Post Crisis)	USD 311,421	VARGHESE, Alexander   SINGH, Rana	Independent Evaluation of the CSF Indonesia (2009)

No.	Country	Project Number	Project Title	Type of Activity	Budget	Backstopping Officer	Information Basis
					USD 28,500	Pratap	
		FB/INS/05/004	ESTABLISHMENT OF INDUSTRIAL SKILL DEVELOPMENT CENTRE (ISDC) FOR SMALLER COMMUNITIES IN TSUNAMI/EARTHQUAKE AFFECTED AREA IN ACEH AND NIAS, NORTH SUMATRA		USD 181,819	HIEROLD, Juergen Martin	
		<b>Related project:</b> XP/INS/06/003	ENSURING SUSTAINABILITY OF INDUSTRIAL SKILL DEVELOPMENT CENTRE FOR SMALLER COMMUNITIES IN TSUNAMI/EARTHQUAKE AFFECTED AREAS IN ACEH		USD 50,000	HIEROLD, Juergen Martin	
		XP/INS/05/003 SF/INS/06/001	MALUKU PROVINCE: RURAL DEVELOPMENT IN POST CONFLICT SITUATION (PHASE I)		USD 348,890	MATSUSHITA, Masayoshi	
		SF/INS/07/001	RURAL ECONOMIC DEVELOPMENT IN MALUKU PROVINCE - POST CONFLICT SITUATION (PHASE II)		USD 190,476	HIEROLD, Juergen Martin	
5.	Lebanon	FB/LEB/07/001	SUPPORT FOR LIVELIHOODS AND ECONOMIC RECOVERY IN WAR-AFFECTED AREAS OF LEBANON	Agro-Industry, Poverty Reduction through Productive Activities (Post Crisis)	USD 3,360,800	SAKHO, Cheikh Tidiane	Independent Mid-term (2008) and Final (2009) Evaluation Reports by Mr Tarnutzer
6.	Sierra Leone	US/SIL/04/102	SEED MONEY FOR IP SIERRA LEONE - POVERTY REDUCTION COMPONENT	Private Sector Development	USD 350,000	HISAKAWA, Seiichiro	Independent Evaluation Report 2008
		XP/SIL/04/027 YA/SIL/04/424	INTEGRATED PROGRAMME SIERRA LEONE - SEED MONEY	Poverty Reduction through Productive Activities (Post Crisis)	USD 223,935		Component 1 and 2 (?)
<b>Projects with self- evaluation reports:</b>							
7.	Liberia; Sierra Leone; Guinea; Côte d'Ivoire	TF/RAF/08/025 (XX/RAF/08/X19)	MULTI-STAKEHOLDER PROGRAMME FOR PRODUCTIVE AND DECENT WORK FOR YOUTH IN MANO RIVER	Productive and decent work for Youth (Post	USD 4,419,643	HISAKAWA, Seiichiro	Self-evaluation Report for component 1b

No.	Country	Project Number	Project Title	Type of Activity	Budget	Backstopping Officer	Information Basis	
	(Mano River Union (MRU) Countries		UNION COUNTRIES	Crisis)			and 4	
8.	Malawi	TF/MLW/05/001	EMPOWERING POOR RURAL COMMUNITIES WITH LABOR-SAVING TECHNOLOGIES FOR INCREASED LABOR PRODUCTIVITY, FOOD PRODUCTION AND INCOME GENERATION	Agro-Industry, Poverty Reduction through Productive Activities (Post Crisis)	USD 1,055,915	HIEROLD, Juergen Martin	Self Evaluation Report/s	
<b>Projects with progress reports:</b>								
9.	Sri Lanka	TF/SRL/06/005	SUPPORT FOR SUSTAINABLE LIVELIHOOD RECOVERY AMONG THE CONFLICT AFFECTED POPULATION IN THE NORTH AND EAST REGIONS THROUGH IMPROVED AGRICULTURAL PRODUCTIVITY AND COMMUNITY-BASED ENTREPRENEURSHIP	Post Crisis Industrial Rehabilitation and Reconstruction	USD 1,574,600	SAMARAKOON, Namal FUJINO Ayumi	Three Progress Reports	
		TF/SRL/06/006	SUPPORT FOR THE REVIVAL OF RURAL COMMUNITY-BASED SELF-HELP INITIATIVE OF WOMEN IN THE TSUNAMI AND CONFLICT AFFECTED REGION IN SRI LANKA	Private Sector Development Poverty Reduction through Productive Activities (Post Crisis)	USD 227,300	FUJINO Ayumi	Four Progress Reports	
<b>Projects with ongoing and planned evaluations:</b>								
10.	Sudan	INTEGRATED PROGRAM IN SUDAN Component 1: Social Stabilization: to revive production capacities of rural communities in post-conflict areas <b>Projects:</b>						
		US/SUD/06/004	ESTABLISHMENT OF A TECHNOLOGY DEMONSTRATION AND PRODUCTION CENTRE IN PORT SUDAN FOR THE PRODUCTION OF LOCAL RESOURCE-BASED LOW-COST BUILDING MATERIALS	Investment and Technology Promotion Poverty Reduction through Productive Activities (Post Crisis)	USD 110,619	KOZHARNOVICH, Vladimir		

No.	Country	Project Number	Project Title	Type of Activity	Budget	Backstopping Officer	Information Basis
		<b>CLARIS I</b>					World Bank evaluation (2007)
		TF/SUD/03/001	REVITALIZATION OF AGRICULTURAL PRODUCTIVE CAPACITIES IN POST-CONFLICT ZONES BY PROMOTING PARTICIPATION AND COMMUNITY BUILDING FOR FOOD SECURITY AND POVERTY ALLEVIATION, NUBA MOUNTAINS REGION, SUDAN	Agro-Industry, Poverty Reduction through Productive Activities (Post Crisis)	USD 1,141,690	JENANE, Chakib	
		<b>CLARIS II</b>					Ongoing evaluation by Ms. Kundermann; report will be available in December 2009
		TE/SUD/07/005	COMMUNITY LIVELIHOOD AND RURAL INDUSTRY SUPPORT PROGRAMME, CLARIS II: ITALIAN CONTRIBUTION	Agro-Industry, Poverty Reduction through Productive Activities (Post Crisis)	USD 9,408,324	HIEROLD, Juergen Martin	
		FB/SUD/07/006	REHABILITATION OF KADUGLI VOCATIONAL TRAINING CENTRE: EMERGENCY STAGE (COMPONENT 4 OF THE MULTI DONOR TRUST FUND START-UP/EMERGENCY PROJECT FOR SOUTH KORDOFAN STATE)		USD 476,700	HIEROLD, Juergen Martin	
		FB/SUD/07/008	RURAL LIVELIHOOD SUPPORT - EMERGENCY STAGE - PROMOTING COMMUNITY BUILDING AND PARTICIPATION FOR FOOD SECURITY AND POVERTY ALLEVIATION IN SOUTH KORDOFAN AND ABYEI AREA (COMPONENT 6 OF THE MULTI-DONOR TRUST FUND START-UP/EMERGENCY PROJECT FOR SOUTH KORDOFAN STATE)		USD 552,160	JENANE, Chakib	
		FB/SUD/08/001	COMMUNITY LIVELIHOOD AND RURAL INDUSTRY SUPPORT PROGRAMME (CLARIS) - PHASE II - BLUE NILE: EMERGENCY STAGE		USD 369,050	HIEROLD, Juergen Martin	
		<b>Youth Entrepreneurial Development (YED)</b>					Independent Evaluation planned for January 2010
		TE/SUD/05/002	VOCATIONAL TECHNICAL TRAINING FOR YOUTH ENTREPRENEURSHIP DEVELOPMENT IN MALAKAL, SUDAN	Private Sector Development	USD 565,000	WIJNGAARDE, Inez	
		FB/SUD/08/006	YOUTH ENTREPRENEURSHIP DEVELOPMENT (YED) THROUGH CAPACITY BUILDING AND	Poverty Reduction through Productive Activities (Post Crisis)	USD 597,345	WIJNGAARDE, Inez	

No.	Country	Project Number	Project Title	Type of Activity	Budget	Backstopping Officer	Information Basis
			UPGRADING OF THE MALAKAL VOCATIONAL AND TECHNICAL TRAINING CENTRE (MVTC)				
		EE/SUD/07/004	ENHANCING THE CAPACITY OF KHARTOUM STATE IN THE DELIVERY OF PRO POOR VOCATIONAL TRAINING SERVICES		EUR 9,703,500	WIJNGAARDE, Inez	
		FB/SUD/08/002	REHABILITATION OF THE MAY VOCATIONAL AND TECHNICAL TRAINING CENTRE, WAU, SOUTHERN SUDAN, FOR YOUTH ENTREPRENEURSHIP DEVELOPMENT AND JOB CREATION		USD 884,955	WIJNGAARDE, Inez	
11.	Iraq	FB/IRQ/07/005	SUPPORT FOR JOB CREATION AND SELF EMPLOYMENT THROUGH PROMOTION OF MICRO-INDUSTRIES IN NINEWA GOVERNORATE OF IRAQ (IMPLEMENTATION REGION HAS BEEN CHANGED TO ANBAR REGION; PROJECT DELAYED)	Agro-Industry, Trade Capacity Building, Poverty Reduction through Productive Activities (Post Crisis)	USD 3,997,705	SAMARAKOON, Namal	Evaluation planned under next biennium 2010-2011
12.	Iraq	FB/IRQ/07/003	REHABILITATION OF THE DATE PALM SECTOR IN IRAQ	Agro-Industry, Trade Capacity Building, Poverty Reduction through Productive Activities (Post Crisis)	USD 2,949,721	TEZERA, Dejene	Evaluation planned under next biennium 2010-2011
13.	Iraq	FB/IRQ/04/003	PILOT PROJECT FOR THE REHABILITATION OF THE DAIRY SECTOR IN IRAQ	Agro-Industry, Trade Capacity Building, Poverty Reduction through Productive Activities (Post Crisis)	USD 2,695,000	SCHEBESTA, Karl Johann	Evaluation planned under next biennium 2010-2011
14.	Iraq	FB/IRQ/06/003	REBUILDING FOOD SAFETY AND FOOD PROCESSING INDUSTRY CAPACITY IN IRAQ	Agro-Industry, Trade Capacity Building, Poverty Reduction through Productive Activities (Post Crisis)	USD 1,577,750	SCHEBESTA, Karl Johann	Evaluation planned under next biennium 2010-2011
15.	Lao PDR	TF/LAO/06/002	SOCIAL AND ECONOMIC REHABILITATION OF FORMER OPIUM POPPY-GROWING COMMUNITIES -	Agro-Industry, Trade Capacity Building, Poverty	USD 1,177,275	HIEROLD, Juergen Martin	Evaluation planned under next biennium

No.	Country	Project Number	Project Title	Type of Activity	Budget	Backstopping Officer	Information Basis
			ALTERNATIVE LIVELIHOOD DEVELOPMENT	Reduction through Productive Activities (Post Crisis)			2010-2011
<b>Unclear:</b>							
16.	Iraq	FB/IRQ/04/002	REHABILITATION OF CHLORINATION PRODUCTION FACILITIES IN IRAQ FOR WATER AND SANITATION	Environmental Management	USD 6,209,142	VOLODIN, Igor Nikolaevich	Status not clear; possible Evaluation planned under next biennium 2010-2011
17.	Rwanda	DP/RWA/06/008 XP/RWA/06/005 YA/RWA/07/005	PROMOTION OF OPPORTUNITIES FOR PRIVATE SECTOR ENTERPRISE EXPANSION, DEVELOPMENT AND SHARED-GROWTH (PROPSEEDS)	Private Sector Development Poverty Reduction through Productive Activities (Post Crisis)	USD 1,305,200	PITASSI, Cristina	Unclear
18.	Guinea	TF/GUI/05/001	QUICK IMPACT PROGRAMME FOR REFUGEE ZONES: COMMUNITY BASED PRODUCTION CENTRES AND COMMUNITY REHABILITATION PROJECTS WITH SKILLS UPGRADING IN FOREST	Private Sector Development Poverty Reduction through Productive Activities (Post Crisis)	USD 995,057	OTT, Gabriele	Unclear

## **4. Evaluation issues**

The evaluation shall consider the following key issues and guiding questions:

### ***UNIDO strategy***

- What kind of guidance for post-conflict interventions do UNIDO programmatic documents, relevant policy documents and strategy papers provide? Analysis of coherence and operational relevance in RBM terms.
- How does the UNIDO strategy relate to the strategies of other Organizations involved in post-crisis interventions (UN; bilateral; NGOs)?
- Does UNIDO build and manage its portfolio of post-crisis projects effectively?

### ***Project design***

- What are the typical intervention logic(s) (or theories of change) of UNIDO post-conflict projects? How can these projects be described and mapped?
- What is the quality of the intervention logics and baseline information?
- Are the project designs in line with UNIDO strategy, country priorities, and donor priorities?
- Do UNIDO post-crisis project designs take into account international good practice? Have lessons and feedback been adequately integrated into project design?

### ***Project implementation***

- Have the projects been implemented in line with the log frames and other provisions in the project documents?
- Were coordination and steering mechanisms effective?
- Were implementation mechanisms efficient (in the field and at HQ)?
- Was project progress monitored in terms of
  - Activities
  - Outputs
  - Outcomes
  - Impact
- Was monitoring based the project log frames?
- Were monitoring results used to effectively steer projects?

### ***Internal cooperation within UNIDO and external cooperation with other UN agencies***

- What kind of internal cooperation has occurred and has it been effective?
- What kind of cooperation has been developed with other UN agencies and other development agencies?

### ***Project results***

- What are the outcomes of the projects under evaluation?
- What can be said about achieved and/or expected impact?

### ***Overall assessment using DAC criteria***

- How well have the evaluated projects performed in terms of relevance, effectiveness, efficiency, impact and sustainability?

## **5. Evaluation methodology and organisation**

The evaluation will be managed by the UNIDO Evaluation Group (OSL/EVA) and carried out by a team of two international consultants. The evaluation will encompass the following steps:

### ***Developing the assessment framework***

The evaluators will conduct a desk review of evaluations and other available documents (from UNIDO and other organizations). Elaborating on the key evaluation issues (see above under 3.) the evaluators will develop a preliminary assessment framework including the following:

- typology of post-conflict projects and of the environments under which such projects are implemented;
- identification of the specific UNIDO role in post-conflict projects;
- preliminary mapping of UNIDO projects;
- collect and compile literature information on good practices that is potentially relevant to UNIDO projects;
- extract main recommendations and lessons learned from available UNIDO evaluations;
- roster of hypotheses and evaluation questions (structured by DAC evaluation criteria) to be applied on the sample of UNIDO projects under evaluation.

The evaluators will present the preliminary assessment framework to UNIDO project managers at a kick-off meeting at UNIDO HQ in December 2009 and finalize the agreed assessment framework on the basis of comments and views collected at the meeting. The kick-off meeting will also agree upon the project sample.

Deliverable: Agreed assessment framework and project sample

### *Assessment of UNIDO projects*

The evaluators will apply the assessment framework on the sample of ten UNIDO post-crisis projects. This will be done by desk studies and interviews with the project managers of the agreed sample. The evaluators will prepare ten project assessment papers and a synthesis paper with preliminary findings.

Deliverable: Preliminary project assessment papers and preliminary synthesis papers

### *Workshop with UNIDO project managers*

The preliminary project assessment and synthesis paper will be submitted to the concerned UNIDO project managers and discussed at a workshop at UNIDO HQ in February 2010.

### *Finalisation of evaluation report*

On the basis of the feed-back received at the workshop the evaluators will prepare a draft evaluation report and invite feed-back from project managers and other concerned UNIDO staff. The evaluators will take comments into consideration when preparing the final version of the report and seek agreement on the findings and recommendations.

Deliverable: The main deliverable of the evaluation exercise is the final report of around 35-40 pages with a 3-page executive summary in English.

## **6. Evaluation timing**

The evaluation will be conducted between 15 November 2009 and 28 February 2010.

## **7. Evaluation team**

The evaluation team will be composed of a team of two international evaluation experts with experience in the evaluation of projects aiming at poverty alleviation through productive activities under post-conflict environments.

## **Annex 2 Project fiches**

This annex contains detailed project fiches for the 10 projects in the sample using a standard analytical framework that includes the DAC criteria and the key evaluation issues listed in the Terms of Reference. The content is based on project evaluation reports and project documents. In those cases where independent evaluations have not been conducted the analysis is based on project reports. The analysis frameworks have been completed in Mid April 2010.

### **Overview of the project sample:**

	<b>Country</b>	<b>Project number</b>	<b>Project Short Title</b>	<b>Thematic Evaluation Basis</b>
1a	Iraq	FB/IRQ/04/001	Cottage Industries in Thi Qar Region	Independent Evaluation
1b		FB/IRQ/06/002	Cottage Industries in Northern Region	Independent Evaluation
2	Lebanon	FB/LEB/07/001	LAISER	Independent Evaluation
3	Uganda	TF/UGA/05/003	SKIPI	Independent Evaluation
4	Guinea	TF/GUI/05/001	Quick Impact Programme for Refugee Zones	Progress reports, no evaluation
5	Sudan	TF/SUD/03/001 TE/SUD/07/005 FB/SUD/07/006 FB/SUD/07/008 FB/SUD/08/001	CLARIS I and II	Independent Evaluation
6	Sudan	EE/SUD/07/004 TE/SUD/05/002 FB/SUD/08/002 FB/SUD/08/006	YED	Independent Evaluation, analysis based on draft report
7	Liberia; Sierra Leone; Guinea; Côte d'Ivoire	TF/RAF/08/025	MRU; Productive and Decent Work for Youth	Progress reports, no evaluation (independent evaluation started after May 2010)
8	Sierra Leone	US/SIL/04/102 XP/SIL/04/027 YA/SIL/04/424	IP Sierra Leone - Poverty Reduction Component	Independent Evaluation of IP
9	Sri Lanka	TF/SRL/06/005	Livelihood Recovery	Progress reports, no evaluation
10	Indonesia	FB/INS/05/004 XP/INS/06/003	CSF II Component 3: Recovery and rehabilitation of communities in tsunami affected areas and post-conflict areas	Independent Evaluation (of entire CSF II)

*Please note:*

*Information on budgets and time frames are extracted from Project documents, project reports and/or evaluation documents. Budgets and time frames may have changed in the course of project implementation.*

<b>Country / Name of project</b>	<b>IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)</b>
<b>Political partners</b>	Government of Iraq: Ministry of Labour and Social Affairs, Ministry of Agriculture, Ministry of Planning and Development Cooperation, Governorates
<b>Implementation partner</b>	Iraq 1 implemented under joint responsibility of UNIDO (non-food) and FAO (food).
<b>Project context</b>	<ul style="list-style-type: none"> <li>- Post and on-going conflict, high level of instability, some regions relatively stable (North)</li> <li>- Iraq 1: implemented under “war conditions” Iraq 2: more stable post conflict conditions</li> <li>- Over 2 decades of wars, sanctions, isolation, deterioration of infrastructure and institutions</li> <li>- Political and sectarian violence that led to social disruption, deterioration of quality of life and general economic distress,</li> <li>- Transition economy</li> <li>- Estimate 2003: over 40% of the Iraqi population is unemployed and 50% food insecure</li> <li>- Weak public institutions, private sector not well organised</li> </ul>
<b>Components, time frame and budget</b>	<p>No division in components</p> <p>Iraq 1: US\$ 5 Mio, duration 24 months</p> <p>Iraq 2: US\$ 6.3 Mio (Gov. contribution US\$ 0.5), duration 18 months</p> <p>Source of funds: UN Human Security Trust Fund</p>
<b>Target group</b>	Vulnerable households (mostly rural)
<b>Project goal</b>	Restoring livelihoods of vulnerable households
<b>Impact hypothesis</b>	Through improvement of skills, building of cottage industry and establishment of cottage industry facility centres jobs are created in profitable cottage industries. This leads to increased income and contributes to poverty alleviation and improvement of food security
<b>Strategic interventions</b>	<p><i>(1) Restoring livelihoods through vocational skills development and start up assistance:</i></p> <ul style="list-style-type: none"> <li>- Short term vocational training in VTC, business management training</li> <li>- Distribution of tool kits and production equipment for “best graduates”</li> </ul>

<b>Country / Name of project</b>	<b>IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)</b>	
<b>and key activities</b>	<ul style="list-style-type: none"> <li>- Mentoring after training for business start up</li> <li>- Establishment of producer groups</li> <li>(2) <i>Rehabilitation of VTC and building of institutional capacities:</i></li> <li>- Reconstruction and re-equipping of VTCs</li> <li>- Training of Trainers (outside Iraq) and development of training materials</li> <li>- Formation and strengthening of cottage industry associations</li> <li>- Planned: establishment of CPC's</li> </ul>	
<b>Main findings of evaluation</b>  <b>- Overall planning/ project design</b>	<b>Iraq 1</b>  <ul style="list-style-type: none"> <li>- Basic assumptions: <ul style="list-style-type: none"> <li>o Combination of short-term training and distribution of “toolkits” allow vulnerable groups to engage in income generating activities.</li> <li>o For effective implementation this approach relies on trainers and physical infrastructure of existing VTCs</li> </ul> </li> <li>- Needs assessment planned and conducted despite difficult conditions</li> <li>- LFA inconsistent, no definition of “cottage industry”,</li> <li>- No detailed description of management/ project structure in ProDoc, no role description for counterpart ministries</li> <li>- Project lifetime too short for implementation of sequenced approach (first rehabilitation, then skills training</li> </ul>	<b>Iraq 2</b>  <ul style="list-style-type: none"> <li>- Replication of Iraq 1 concept</li> <li>- Original concept of establishing a central training and TOT facility did not materialise, implementation strategy was changed to a decentralised approach (turning point of the project)</li> <li>- Project lifetime had to be extended several times because of unforeseen circumstances</li> </ul>
<b>- Relevance</b>	<ul style="list-style-type: none"> <li>- Project objectives relevant to national rehabilitation and development strategy and UN assistance strategy for Iraq</li> <li>- About 12% of vulnerable households in project region benefited from project</li> <li>- Relevance of project to beneficiaries confirmed by surveys</li> <li>- Project coverage a little more than 1% of vulnerable households – however, increased income of some families seen as multiplier effect (improved consumption)</li> </ul>	

<b>Country / Name of project</b>	<b>IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)</b>							
<p><b>- Cooperation, collaboration, ownership</b></p>	<ul style="list-style-type: none"> <li>- Cooperation w. FAO functioning well; collaboration with other UN agencies was not a strong (presence in Iraq practically limited to national staff)</li> <li>- For FAO, the requirement to report in UNIDO's cost codes has been a problem</li> <li>- Cooperation between the CTA and the FAO office in Amman has at times been stressed</li> <li>- Good ownership of GOI, ownership in line ministries varying ('administrative staff had to be convinced of cottage industry approach...')</li> <li>- Strong identification of VTC managements, trainers and beneficiaries with project</li> <li>- Weak ownership and involvement of PS, none of counterpart ministries had a history and mandate of cooperation with PS</li> </ul>	<ul style="list-style-type: none"> <li>- Project was to be implemented w. MoA and MOLSA, the latter later replaced by MOI, change of partner did not induce any change in project design (MOLSA weak institutional capacity, MOI not key actor in TVET system)</li> <li>- Good ownership w. MOA, weak ownership w. MOI</li> <li>- Project management, as well as the line ministries (agriculture and industry) were not satisfied with the mixing of food and non-food activities involving organizations with different perceptions and cultures</li> <li>- Cooperation between line ministries initiated by project probably not sustainable</li> <li>- Good ownership amongst trainers trained</li> </ul>						
<p><b>- Effectiveness</b></p> <p>Vocational skills training and start up assistance</p>	<p>- Majority of beneficiaries covered by survey improved employment status. Even within short project period majority increased income</p> <p>- Recipients consider tool kits as critical asset</p> <p>- Too early to assess viability of production groups, evaluators in both projects doubt the performance and sustainability of the concept, potential to create employment is seen as low or at least dependent on market conditions.^</p> <p>Results in detail:</p> <table border="1" data-bbox="558 1114 1980 1320"> <thead> <tr> <th data-bbox="558 1114 726 1166"></th> <th data-bbox="735 1114 1306 1166">Iraq1</th> <th data-bbox="1314 1114 1980 1166">Iraq2</th> </tr> </thead> <tbody> <tr> <td data-bbox="558 1172 726 1320">Income</td> <td data-bbox="735 1172 1306 1320"> <ul style="list-style-type: none"> <li>- Majority of beneficiaries was unemployed before the project, the income makes a difference no matter how small it may be at the beginning (Before joining the project, B' level of income ranged from nothing (37% of the cases) to very low (over 51 %) and low (9%). Only 3%</li> </ul> </td> <td data-bbox="1314 1172 1980 1320"> <ul style="list-style-type: none"> <li>- Generally incomes have increased, but no exact answers on percentage of increase</li> <li>- 85% say income has improved, leaving only 15% without improvement.</li> <li>- Income situation of the households presents similar same picture, 89% have experienced income improvements and</li> </ul> </td> </tr> </tbody> </table>			Iraq1	Iraq2	Income	<ul style="list-style-type: none"> <li>- Majority of beneficiaries was unemployed before the project, the income makes a difference no matter how small it may be at the beginning (Before joining the project, B' level of income ranged from nothing (37% of the cases) to very low (over 51 %) and low (9%). Only 3%</li> </ul>	<ul style="list-style-type: none"> <li>- Generally incomes have increased, but no exact answers on percentage of increase</li> <li>- 85% say income has improved, leaving only 15% without improvement.</li> <li>- Income situation of the households presents similar same picture, 89% have experienced income improvements and</li> </ul>
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Country / Name of project	IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)		
		<p>considered themselves as having a reasonable income level).</p> <p>- Results of post training interviews on increase of household income: 55% not substantial, 39% substantial, rest no change. Of 90 people interviewed, 70 said that they received more income due to project support</p>	only 11% say same level as before.
	Self employed in cottage industry:	<p>- 64%</p> <p>- Majority working part time</p>	68.4% (before the project: 32.2%)
	Employed	25,3% (24% working in a field related to the field of training, 1,3% in a different field), majority working full time	20% (before project 6.5%)
	Unemployed:	10,7% (overall unemployment in Thi Qar: 43%)	11.6% (all in non-food)
	Status of PAs	<p>- 10 out of 15 targeted PG established, 9 operational – equipment for such groups was donated, some community participation, sales low (3), modest (3), only 50% of production capacity deployed, effectiveness questionable – approach needs to be further studied (competition with imported goods, conditions not stable (electricity supply etc.))</p>	Too early to see outcomes
	Mentoring services	<p>- Only 7 mentors for 11 types of cottage industries and over 1200 trainees as of 30 October 2007 seen as crucial but not very successful – only limited number of B received service – critical point: institutionalisation</p>	Improvement in mentoring compared to Iraq 1, 99% of interviewed graduated had been visited by trainers

<b>Country / Name of project</b>	<b>IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)</b>	
	Utilisation of tool kits	- 13%.of individual recipients sold toolkits for reasons for poverty and lack of access to finances to start business
	High level of satisfaction with tool kits received, majority confirms that tool kits are important for work and income  No toolkits sold or disposed – possibly an effect of improved follow up	
Rehabilitation and capacity development of VTC	<ul style="list-style-type: none"> <li>- Training centres well designed, constructed and equipped</li> <li>- Training materials utilised, high level of satisfaction, improvement to previous situation</li> <li>- Only half of trainers trained actually carried out trainings (selection problem?), effectiveness of TOT difficult to asses</li> <li>- VTCs rehabilitated not yet working at full capacity (general shortage of trainers, low level of state funding)</li> <li>- Use of central training facilities resulted in delays and less outreach, approach was changed in Iraq 2</li> <li>- Use of decentralized training facilities has been instrumental in attracting a high number of target beneficiaries, particularly women</li> </ul>	
<b>- Efficiency</b>	<p><i>Delivery of outputs</i></p> <p>Iraq 1:</p> <ul style="list-style-type: none"> <li>- Efficient delivery of outputs, considering the circumstances</li> <li>- 3 VTC fully rehabilitated but delays in construction and equipment supply</li> <li>- 61 Trainers trained, all abroad</li> <li>- 91 courses conducted (56 non-food, 38 food) courses, 1282 beneficiaries trained (40% female; 39% young and unmarried)</li> <li>- Reasonable costs for design and construction</li> </ul>	<p>Iraq 2:</p> <ul style="list-style-type: none"> <li>- 1 VTC rehabilitated</li> <li>- 63 trainers trained</li> <li>- 107 courses conducted, 2510 beneficiaries trained,</li> <li>- Timely instalment of equipment and development of training materials (by UNIDO and FAO)</li> <li>- Trainers selected by MOI lacked relevant training background</li> <li>- Timely reaction to changing conditions (selecting private training locations after Kurdish Gov. sold VTC)</li> </ul>

Country / Name of project	IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)
	<p><i>Steering/Mgt</i></p> <ul style="list-style-type: none"> <li>- Distance management: UNIDO Office Amman, project office Nassiriya (Iraq 1) Erbil and Sulaymaniyah (Iraq 2)</li> <li>- High project implementation efficiency given the existing circumstances</li> <li>- Good steering mechanism put in place, steering committee meetings every 6 months, thus effective collaboration with stakeholders</li> <li>- Challenges: instable security – no international staff allowed to travel, very difficult communication from project management to project sites, delays (e.g. purchase of equipment for VTC)</li> <li>- Project management displayed high level of flexibility in dealing w. challenges, adjustments made in early implementation stage: reduction of geographic coverage and number of beneficiaries, extension of project period (3 years instead of 2 years)</li> <li>- Instability caused delays “<i>VTC rehab was mistaken as a critical activity for too long and delayed all other project activities until it was agreed to establish a temporary VTC</i>”</li> <li>- Procurement of equipment through FAO at times cumbersome</li> <li>- Modifications in project design/ implementation were based on lessons learned in both projects (Iraq 1+2)</li> <li>- Effective management, ability to react to change of circumstances clearly displayed</li> <li>- Mixing of “food and non-food activities” criticised as it involves organisations w. different mandates, competencies and perceptions</li> </ul> <p><i>M+E</i></p> <ul style="list-style-type: none"> <li>- Data base on project beneficiaries created (baseline) but not updated with regard to outputs and outcomes</li> <li>- Sufficient monitoring of expenditure, activities and outputs. Semi-annual progress reports give a relatively good picture of what has happened. At the same time there was insufficient information on achievements of objectives let alone other project outcomes and impacts.</li> </ul>

<b>Country / Name of project</b>	<b>IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)</b>
<b>- Impact</b>	<p><i>Livelihood recovery of individuals:</i></p> <ul style="list-style-type: none"> <li>- Too early to plausibly assess impacts on improved economic situation of beneficiaries</li> <li>- On the average one self-employed at the time of evaluation had 1.94 employees (limited sample size!)</li> <li>- Productive capacities of PGs are utilised by only 50%. Most PA/Gs are in a vulnerable start up stage, viability endangered by lack of financial, marketing and business management support services</li> </ul> <p><i>Rehabilitation and capacity development of VTC:</i></p> <ul style="list-style-type: none"> <li>- Modern equipment, the improved capabilities of trainers and the project courses will contribute to setting standards for skills training</li> <li>- It has to be seen whether the three involved ministries would adopt the project's visions, plan and budgets</li> </ul>
<b>Lessons learned</b>	<ul style="list-style-type: none"> <li>- Improved planning logic and thorough formulation of objectives and indicators lays the ground for better project design, risk assessment and better monitoring of project outcomes and impact</li> <li>- The term "cottage industry" needs to be defined. If kept unclear, the project's effectiveness is likely to suffer (e.g. no clear direction in selection of sectors)</li> <li>- The strategy of VTC rehabilitation and modernization was justified (min. 3 years!) but, a rapid response approach (short term training measures tailored towards self-employment opportunities) would have been more appropriate for the immediate agenda of poverty reduction under the present crisis conditions.</li> <li>- Information from the needs assessment studies should be better utilized for project design</li> <li>- A basic re-design of a project as a consequence of cancellation of one or more crucial project components should be holistic and comprise all project elements, including project management and line ministry attachments</li> </ul>
<i>Project design:</i>	<ul style="list-style-type: none"> <li>- Unpredictable security conditions makes it difficult for two UN organisations with different systems to conduct effective monitoring and timely implementation support functions</li> <li>- Significant advantages and synergies arising from UNIDO's and FAO's joint project implementation framework have not been identified. On the contrary, at project implementation level all involved parties express various degrees of dissatisfaction with the mixing of food and non-food activities in the same project</li> <li>- Programmes have to be built on existing structures and competences of the line ministries! MoI may not be the ideal partner for skills training programmes. Example TOT: <i>MOI took its candidates for TOT from factories and MOI departments since it had no trainers or extension staff employed. These candidates have conducted only few or zero training courses afterwards</i></li> <li>- Existing private cottage industry enterprises in Iraq are not organised and represented at local, regional and national levels in apex institutions, affecting scope for collaboration.</li> </ul>
<i>Coordination and collaboration:</i>	

<b>Country / Name of project</b>	<b>IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)</b>
<i>Management</i>	<ul style="list-style-type: none"> <li>- Flexibility is a key success factor when operating in instable/ war-like environments</li> <li>- M+E: important to provide evidence that target groups benefit from interventions</li> <li>- Shortage of training staff in VTCs, trainers involvement in monitoring and mentoring activities consume working time that otherwise would be spent on training. Reluctance of government representatives to make these monitoring and coaching functions part of the trainers' regular tasks.</li> </ul>
<i>Skills development</i>	<ul style="list-style-type: none"> <li>- Over-reliance on VTCs as training locations, the example of Iraq 2 shows that decentralised training venues, including training taking place in private sector establishments, can be more efficient and effective.</li> <li>- Decentralised approach improves access of target group (women)</li> <li>- Selection criteria for beneficiaries (e.g. educational background, prior skills/ experiences) were instrumental for the success of the project to generate employment and income through training</li> <li>- Beneficiaries with prior skills obtained too little additional knowledge from the courses.</li> <li>- New markets for service provision, such as mobile telephone repair, satellite receiver installation and repair, and heating and cooling installation constantly arise. These areas are particularly interesting for the younger generation, job opportunities are often many and within different sectors, and self-employment is a realistic possibility.</li> <li>- One-month courses are sufficient for food processing skills, but too short for most of the non-food industries (esp. for inexperienced and unemployed beneficiaries).</li> </ul>
<i>Business start up support</i>	<ul style="list-style-type: none"> <li>- The concept of toolkits is justified during a transition from conflict to post conflict environment. Questionable with respect to sustainability, e.g. distribution without combined access to credit institutions does not ensure sustainability.</li> <li>- While donation of toolkits could work for basic income generating activities (home food and non-food industries with small capital requirements such as woodwork, agro mechanics, sewing and weaving), it is less likely to work in cases where larger start up capital is required such as welding/fabrication and machine shop operators.</li> <li>- If the selection requirement is "prior skills" Beneficiaries often possess equipment similar to the project chosen toolkit, which means that the kit is not contributing to increasing productivity.</li> <li>- Mentoring is vital for promoting business start ups but institutionalisation of mentoring services in VTC is a challenge as mentoring is not seen a core task of VTC trainers (no financing of the activity)</li> </ul>

Country / Name of project	IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)
<i>Production Associations/Groups</i>	<ul style="list-style-type: none"> <li>- PA/Gs proved to be an expensive and highly subsidized undertaking, their production capacity is used at 50% at time of evaluation and their chances for long-term sustainability appear questionable.</li> <li>- Main driver for those interested by the model is the access to a free set of production equipment as a start up capital and to a cost free working space for the first year of operation, level of self-reliance was weak, complete lack of financial, technological and managerial support services to accompany the PA/Gs during their formation years.</li> <li>- Iraq2 was using some of the PGs for on site training of beneficiaries.</li> <li>- Based on lessons learned the policy was changed to only support existing PG/PAs</li> </ul>
<i>Rehabilitation/reconstruction of VTCs/ modernisation</i>	<ul style="list-style-type: none"> <li>- Sending trainers abroad will not be sustainable. Iraqi institutions of higher education, specifically polytechnic colleges, exist and could provide training once the situation becomes more stable</li> <li>- Candidate profile definition was insufficient, inadequate selection criteria and in-transparent selection process has been leading to sub-optimal selections of trainers.</li> <li>- Under-utilisation of trained trainers hampers their dedication and is counterproductive to project sustainability.</li> <li>- VTCs managers did non benefit from skill enhancement. Coordination, organization and follow-up of the training programme, equipment, financial resources and maintenance of facilities require managerial capabilities that need to be developed</li> </ul>

<b>Country / Name of project</b>	<b>IRAQ: Promotion of cottage industries in rural and urban areas (FB/IRQ/04/001 and FB/IRQ/06/002)</b>
<b>Key Recommendations</b>	<ul style="list-style-type: none"> <li>- The sequential approach (first rehabilitation of VTC, than training delivery) should be replaced by an approach pursuing the medium-term rehabilitation and modernization agenda in parallel with a short-term and ad hoc skill training and income generation strategy.</li> <li>- if situation is too instable/ vague at time of ProDoc formulation, keep intervention frame as flexible as possible</li> <li>- plan for sequential sector studies/ needs assessments</li> <li>- Differentiate where to cooperate with line ministries involved in vocational skills training (e.g. MOLSA) and cooperate with MOI in its core areas (association building, business start up services etc) <i>it was recommended that MOI is replaced by MOLSA as the direct line ministry for the training programmes associated with future UNIDO Micro Industry Support Programmes in Iraq</i></li> <li>- The current framework brought together two organizations with very different perceptions and organizational cultures. It is recommended that possible future similar type projects are split in two with UNIDO working with MOLSA on non-food training activities and FAO working with MOA on post-harvesting and other food related training initiatives.</li> <li>- Involve PS representatives in design of training courses and in decentralised training delivery, as practiced in other conflict contexts.</li> <li>- Institutions such as a chamber of industry which represents PS to be identified in the early stages of project planning.</li> <li>- Adopt the multi-dimensional vulnerability criteria for selection of beneficiaries</li> <li>- Offer courses of different levels (basic, upgrading of prior skills, specific courses)</li> <li>- Diversify trades according to needs/ Market assessment</li> <li>- Use approach of mobile training units.</li> <li>- More systematic and focused TOT based on needs assessments, trainer profiles according to curriculum and training plans,</li> <li>- external expertise needed</li> <li>- If capacity building of VTC is an objective, training must be offered to management</li> <li>- Trainers should be involved in monitoring and coaching activities to get the opportunity to learn from their clients, former trainees and micro-industry entrepreneurs</li> <li>- Organise systematic feedback from course participants to improve/ upgrade training materials</li> </ul>

<b>Country / Name of project</b>	<b>LEBANON: Lebanese Agro-Industry Support and Economic Recovery (LAISER) (FB/LEB/07/001)</b>
<b>Source of Information</b>	Independent Evaluation
<b>Political partner</b>	Lebanese Recovery Fund (LRF), Ministry of Industry
<b>Implementation partner</b>	Ministry of Industry (but: actual implementation through separate UNIDO project office)
<b>Project context</b>	One-off conflict, rehabilitation of damages from 33-days war between Israel and Lebanon in 2006
<b>Target group</b>	92 war-damaged MSMEs (all that had applied to Ministry and were eligible)
<b>Project goal</b>	Support economic recovery and restore livelihoods in war-affected areas of Lebanon thereby generating employment and alleviate poverty in the country
<b>Impact hypothesis</b>	Designed as part of the early economic recovery efforts in the immediate aftermath of the 2006. The intervention theory behind the LAISER project was to rehabilitate war-affected enterprises, thus to restore and create jobs and to improve livelihoods and ultimately contribute to reduce poverty in rural and urban areas. This was to be achieved by providing direct assistance to war-damaged enterprises (free machinery and infrastructure plus training) as well as by supporting the MoI in monitoring and implementing the project.
<b>Strategic interventions and key activities</b>	<p>(1) <i>Restoring and upgrading of productive capacities of MSMEs</i></p> <p>(2) <i>Skills development and employment promotion</i></p> <p>Activities in:</p> <p>Three regions, which had suffered most in terms of infrastructure damage: (1) the Southern Suburbs of Beirut; (2) Southern Lebanon; and (3) the Bekaa valley</p> <p>- Five prioritised agro-industrial sectors: (1) Food &amp; Beverage; (2) Olive Oil; (3) Textiles; (4) Woodwork; and (5) Leather</p>

<b>Country / Name of project</b>	<b>LEBANON: Lebanese Agro-Industry Support and Economic Recovery (LAISER) (FB/LEB/07/001)</b>
	- Three lines of intervention: (1) provision of essential equipment; (2) assistance to rehabilitation of civil works (excluding major structural works or building shells); (3) capacity development for general and market-specific skills
<b>Main findings</b>	- Lengthy negotiations with LRF led so start of activities only one year after war ended - Logical framework was not the strongest part of LAISER. However, deficiencies in stringency and consistency can, to a large extent, be explained by the long negotiation process and concurrent budget reductions. At a certain stage it became, according to the project management, more important to have the project approved in order to be able to start field level operations without further delays than to ensure LogFrame stringency.
- <b>Overall planning/ project design</b>	
- <b>Relevance</b>	Relevance for and ownership by the direct LAISER clients and core stakeholders have been and continue to be very high. In fact, LAISER was often mentioned as the only project that concretely assisted war-damaged enterprises and produced tangible impact.
- <b>Cooperation, collaboration, ownership</b>	Inter-project collaboration happened primarily with three projects in the food sector: (1) Market Access and Compliance for Lebanese Exports (MACLE), (2) the Food Safety Project, and (3) Strengthening Quality Management, Capabilities and Infrastructure in Lebanon (QUALEB). However, such inter-project collaboration was rather ad-hoc and not part of a wider harmonisation and collaboration strategy.
- <b>Efficiency</b>	High level of efficiency in project implementation. In other words, LAISER “has done the right thing”. After initial ‘teething problems’ the project became fully operational. Implementation is now on track according to the plan and budget.
- <b>Effectiveness</b>	LAISER operated effectively, i.e. it did “the right thing”. It has met its quantitative targets, and achieved full coverage of what it set out to do. Equally important is the fact that LAISER operated in full transparency and impartiality when selecting its clients (despite the substantial external pressures it was exposed to initially). The investment multiplication factor was 4, i.e. for every dollar of equipment or civil works provided by the project, owners invested an average of four dollars from their own funds.
- <b>Impact</b>	- LAISER achieved its prime objective to get-up-and-running again war-damaged enterprises from five agro-industrial sectors in the three most war-affected regions of Lebanon. All stakeholders agree that the performance of LAISER has been exceptional in providing tangible and visible support. The needs-based, impartial and transparent selection process has been instrumental for this success. - Impact in terms of jobs generated is already substantial and can be expected to grow further in future, in particular after

<b>Country / Name of project</b>	<b>LEBANON: Lebanese Agro-Industry Support and Economic Recovery (LAISER) (FB/LEB/07/001)</b>
	the phase II support will also become operational. Next to the purely quantitative impact, it is also important that LAISER support has enabled the affected enterprises to stay in their locality and continue to provide local jobs and thus also to provide hope and perspectives for the local communities.
<b>- Sustainability</b>	Prospects are good that the LAISER efforts will be sustainable. The equipment and civil works are of good quality and will continue to generate turnover and jobs in the client enterprises.
<b>Lessons learned</b>	<p><i>Overall project strategies/ project planning + design</i></p> <p>Three years after the war, any possible follow-up phase or project should move from a short-term post-conflict to a medium-term development approach.</p> <p><i>Project implementation, structure, Monitoring and Evaluation</i></p> <p>Apart from initial delays in negotiations, efficient and effective set-up</p> <p><i>Collaboration/ partnership (including Private Sector)</i></p> <p>Largely independent implementation but good relationships with LRF and Ministry</p>
<b>Key recommendations</b>	<p><i>Overall project strategies and project planning/ design</i></p> <ul style="list-style-type: none"> <li>- In post-conflict situations, the speed of assistance delivery is essential: the sooner enterprises are back in production, the more effective the assistance will be and the shorter the period of economic stagnation. Less market share is lost and the workforce can better be retained.</li> <li>- In addition to the direct impact on enterprise and jobs, the indirect impact on the local community is important, as it demonstrates to the broader public that life indeed does go on.</li> <li>- In this context, the core challenge for planners is on how to speed up negotiations and reduce bureaucratic hurdles (which took almost one year in the case of LAISER), in order to allow a fast start of implementation. Continued and high-</li> </ul>

<b>Country / Name of project</b>	<b>LEBANON: Lebanese Agro-Industry Support and Economic Recovery (LAISER) (FB/LEB/07/001)</b>
	<p>level support from UNIDO (and the Donors) is essential to minimise bureaucratic friction and interference.</p> <ul style="list-style-type: none"> <li>- Care should be given to moving consciously and timely from genuine post-conflict support to medium-term development support. The aspect of capital mobilisation by the beneficiaries themselves should be given due attention in this respect.</li> </ul> <p><i>Project implementation, structure, Monitoring and Evaluation</i></p> <ul style="list-style-type: none"> <li>- Distributing equipment for free is justified and recommended in genuine post-conflict situations when damages are serious and needs imminent. Due to this 'freebie' element, it is important, as the example of LAISER has shown, that a project is strongly supported by decision makers in its efforts to be fully transparent and resist undue pressures.</li> </ul> <p><i>Collaboration/ partnership (including with Private Sector)</i></p> <ul style="list-style-type: none"> <li>- In a project like LAISER, with equipment supply as core element, the quality of the technical expertise and the quality of the equipment are crucial for the image of the project and the sustainability of its impact.</li> </ul>

<b>Country / Name of project</b>	<b>UGANDA: Skills for Peace and Income (SKIPI). Multi-skills training and community service facilities for sustainable livelihoods and poverty alleviation – Reintegration of ex-combatants and former rebels (phase I and II) (TF/UGA/05/003)</b>
<b>Source of Information</b>	Findings based on specific impact evaluation with quantitative sample survey and qualitative group discussions
<b>Political partner</b>	Uganda Veteran Assistance Board (UVAB), a semi-government association of former government soldiers
<b>Implementation partner</b>	<ul style="list-style-type: none"> <li>- PRAFORD (Participatory Rural Action for Development), a Yumbe-based NGO; on-site support by 1 Technical Project Advisor contracted directly by UNIDO</li> <li>- Funding by UN Trust Fund for Human Security (UNTFHS) and Government of Japan</li> <li>- Organisationally, a separate component of Phase II of the UNIDO Uganda Integrated Programme II (UIP II), focused on agro-processing and private sector development, which was implemented in cooperation with the Ministry of Tourism, Trade and Industry (MTTI).</li> </ul>
<b>Project context</b>	<p>Post conflict situation of a long lasting conflict with severe effects on local economy and overall development</p> <p>The district of Yumbe in the West Nile region is extremely poor and ranks among the most disadvantaged of the country. The region has experienced more than two decades of serious armed conflict between the government and rebel groups, with the respective devastating consequences on the social fabric, economic situation and infrastructure conditions. Most people had fled to neighbouring countries and regions. Only after 1986, did people start to slowly return, but security problems persisted until, in 2002, a (fragile, but so far lasting) peace agreement was signed between the government and the rebels. Yumbe was and still is in a post-conflict situation.</p>
<b>Target group</b>	<ul style="list-style-type: none"> <li>- War veterans, former rebels and their families</li> <li>- Local communities</li> </ul>
<b>Project goal</b>	The overall goal of SKIPI has been to contribute to the Government of Uganda efforts aimed at (i) the social and economic reintegration of veterans, former rebels and their families into civilian life and (ii) the eradication of poverty in particularly rural farming communities. The immediate objective was to provide veterans, former rebels, their dependents and the wider communities in Yumbe with marketable skills for increased self-employment and income generation opportunities and sustainable livelihoods.

<b>Country / Name of project</b>	<b>UGANDA: Skills for Peace and Income (SKIPI). Multi-skills training and community service facilities for sustainable livelihoods and poverty alleviation – Reintegration of ex-combatants and former rebels (phase I and II) (TF/UGA/05/003)</b>
<b>Impact hypothesis</b>	<p>(see flow-chart attached)</p> <p>As the project had to start from scratch, first central and decentralised facilities for conducting the training had to be established, professions with the best employment potential had to be identified and the subject-wise training programmes and curricula developed.</p> <p>Then, the best-suited trainees had to be carefully selected. Based on these preparatory steps, the training programme was implemented to provide technical and entrepreneurial skills to the selected trainees.</p> <p>On the purpose or immediate objective level, these activities were to lead to the trainees being able to be either self-employed or find employment, generate income and thus be able to sustain the livelihoods of their families.</p> <p>The expected overall impact was to contribute to poverty reduction and to safeguard the re-integration of veterans and ex-combatants and thus contribute to better functioning communities and an improved peace and order situation. Finally, SKIPI also had a certain laboratory function to assess whether its private sector based approach and design would have the potential for replication in similar post-conflict situations and contexts.</p>
<b>Strategic interventions and key activities</b>	<p><i>Skills development and employment promotion (focus on individuals)</i></p> <ul style="list-style-type: none"> <li>- 2 to 4 months practical training in 8 core subjects: building; carpentry; tailoring; blacksmith; mechanics; welding; hairdressing; and business management. Hands-on, learning-by-doing approach.</li> <li>- 1 to 2 weeks exposure training in 4 non-core subjects: beekeeping and honey processing; bakery and food processing; concrete products; tree nursery management.</li> <li>- Additional training modules in (i) entrepreneurship development and (ii) functional adult literacy: As the educational level of the majority of trainees was low, with some being illiterate, functional adult literacy courses taught basic reading, writing and calculation skills during two to three weeks. Additionally, trainees were also made aware about social issues like importance of education, environment protection, health and sanitation, gender issues, HIV/AIDS prevention, etc. The entrepreneurship development package was also of two to three week duration.</li> </ul>

<b>Country / Name of project</b>	<b>UGANDA: Skills for Peace and Income (SKIPI). Multi-skills training and community service facilities for sustainable livelihoods and poverty alleviation – Reintegration of ex-combatants and former rebels (phase I and II) (TF/UGA/05/003)</b>
<b>Main findings of evaluation</b>	- Simple, straightforward design to impart practical and immediately applicable skills in basic professions. - No institutional sustainability considerations in project design.
- <b>Overall planning/ project design</b>	
- <b>Relevance</b>	The relevance of SKIPI is high and undisputed. It is clearly in line with Uganda’s Poverty Reduction Action Plan and its focus on economic reintegration of ex-combatants and their families. SKIPI also fitted well in the prerequisites to qualify for the United Nations Trust Fund for Human Security. The district Yumbe was a rational choice being a conflict-affected area with a high prevalence of poverty.
- <b>Cooperation, collaboration, ownership</b>	High level of ownership with local communities and local authorities (not least also because SKIPI is next to the only project active in the District that provides tangible assistance). Widely expressed demands for continuation or follow-up.
- <b>Efficiency</b>	Efficiency of project implementation was also high. SKIPI has managed to set-up from scratch and successfully operate a training system for 12 different professions in the difficult context of Yumbe and in the short time span of three years. It has trained, with its comparatively modest budget, more than 1,200 people and has involved more than 4,000 people in related activities like workshops and village meetings. The training of (local) trainers’ (ToT) approach was relatively low cost, and the ‘training through production’ model was certainly cost-effective as it directly produced, for instance, decentralised training buildings and the necessary furniture.
- <b>Effectiveness</b>	Given limited resources and unlimited needs and demands, effectiveness of fund utilisation was crucial. In order to select the right people for training, it was important to identify the most needy and deserving but also the most promising candidates. To this end, an elaborate trainee selection process was successfully set up.  SKIPI has trained a total of 1222 persons in its eight core and 4 non-core subjects.  Next to all core trainees were also taught modules in functional adult literacy and basics of entrepreneurship.
- <b>Impact</b>	- The fact that more than 90% of the core trainees today practice their new skills as main profession and main source of

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	<p>income is a clear and undisputable success story. It will be difficult indeed to find similar ventures that can claim an achievement rate as high as this.</p> <ul style="list-style-type: none"> <li>- The former trainees have become proficient in their new jobs, are able to earn a comparatively good income and have thus improved the livelihood situation of their families substantially.</li> <li>- 34% of the SKIPI graduates were women, who are now financially independent and contribute towards family needs by paying for fees, medical expenses, clothing and other requirements.</li> <li>- More than two-thirds of the graduates are self-employed and successfully run their own, mostly one-man or one-women, micro-enterprises. It is evident that the entrepreneurship training has been important for these self-employed graduates. Some 'companies', like the welder groups but also construction units have become, or have at least the potential to become, nuclei of future SMEs.</li> <li>- Equally important is the indirect social impact on the trained individuals, who have clearly gained in stature in their communities and have become important community members. Consequently, village people no longer regard acquisition of vocational skills as an activity for 'academic failures' but a sought-after privilege, due to the perspective to earn a substantial income and improve one's social standing in the community.</li> <li>- The findings also confirm the impact logic of SKIPI, first and foremost for the direct beneficiaries but also for their communities. Veteran and ex-combatant trainees have been re-integrated in their villages, but also in the wider society, and the other village people have indirectly profited as the graduates contribute to a better functioning of the communities. And better functioning communities are undoubtedly an essential pre-condition for an improved peace and order situation.</li> </ul>
<b>- Sustainability</b>	<p>When discussing the sustainability of SKIPI's efforts, it best is differentiated between the skilled graduates, and institutional sustainability.</p> <ul style="list-style-type: none"> <li>- The prognosis for the trained professionals is good, in that 90% have found employment and can be expected to remain active in their profession and continue to earn a living for their families. The participants in the non-core training have been exposed to new ideas and skills that should enable them to earn at least a side income.</li> <li>- Institutional sustainability has not been at the core of the project concept. Still, the local NGO PRAFORD has gained in stature and has substantial assets in terms of (i) a functioning and well-equipped workshop; (ii) sound professional expertise (provided it can retain its core trainers); and (iii) a successful project implementation track record. These assets can be brought into negotiations with eventual future partners and the potential for sustaining the PRAFORD organisation,</li> </ul>

<b>Country / Name of project</b>	<b>UGANDA: Skills for Peace and Income (SKIPI). Multi-skills training and community service facilities for sustainable livelihoods and poverty alleviation – Reintegration of ex-combatants and former rebels (phase I and II) (TF/UGA/05/003)</b>
	its core staff and the workshop beyond the end of SKIPI is thus certainly there – but such partners would have to materialise rather soon.
<b>Lessons learned</b>	<p><i>Overall project strategies/ project planning + design</i></p> <p>SKIPI has provided targeted support for individuals and indirectly households. In this category of post-conflict private sector development approaches, SKIPI can claim to have a model character – provided certain preconditions exist and some core criteria are adhered to.</p> <p>The SKIPI model should only be applied in post-conflict situations, where basic skills are scarce and demand for them is correspondingly high. Careful selection of candidates is essential to identify the most dedicated and committed trainees. Related to this is the proposal to not necessarily focus on the poorest of the poor but rather on the most able, selected from the most needy and deserving trainee candidates. Naturally, it is thereby assumed that the rate of return on the investment is, so to speak, higher for the individuals and the communities if as many graduates as possible manage to successfully earn a living in their new profession and gain in stature and importance in their communities.</p> <p>The focus of activities should be kept on the core business of transferring immediately applicable skills in the SKIPI ‘training-through-production’ mode. Thorough demand analyses are required to ensure that the selected prioritised professions are as close as possible to the actual demand in the service and labour markets in the region. Given the high percentage of self-employed graduates, the entrepreneurship and functional adult literacy modules should be part and parcel of each training course.</p>
<b>Key recommendations</b>	<p><i>Overall project strategies and project planning/ design</i></p> <p>In order to stimulate the wider discussion on private sector skill development in post-conflict situations, the SKIPI approach may attract more interest, if it were communicated under a different label or brand.</p> <p>In actual fact, SKIPI has all essential characteristics of a <u>scholarship</u> programme, with the core argument being that it is based on real competition for the available seats. This approach results in highly motivated and committed trainees, which</p>

<b>Country / Name of project</b>	<b>UGANDA: Skills for Peace and Income (SKIPI). Multi-skills training and community service facilities for sustainable livelihoods and poverty alleviation – Reintegration of ex-combatants and former rebels (phase I and II) (TF/UGA/05/003)</b>
	in standard training programmes is often not the case. Seen from this perspective, the discussion on providing the training and as well as the tool kit for free is redundant, as students in other scholarship programmes also receive the full package for free.

<b>Country / Name of project</b>	<b>GUINEA: Quick Impact Programme for Refugee Zones (TF/GUI/05/001)</b>
<b>Source of Information</b>	Project Document Progress reports 1 - 4
<b>Components</b>	<i>(1) Assist in the rehabilitation of productive capacities and social infrastructures in communities in refugee zones (2) Create skill acquisition and income generating opportunities in the communities hosting refugees, returnees, internally displaced and for the local population in the non-farm productive sectors</i>
<b>Political partners</b>	Ministry of Trade, Industry and SME  Ministry of Territorial Administration and Decentralisation  Governor's Office of the N'Zérékoré Administrative Region  Prefectures of: Yomou (City Council area), Lola (Kokota Rural Development Council area), and N'Zérékoré (Gouécké Rural Council Development area)
<b>Implementation partner</b>	No formal collaboration partner, intensive collaboration with UNOCHA, WHO, UNICEF, HCR, WFP and others
<b>Project context</b>	- Region affected by conflict in the Mano River countries - Guinea listed as fragile state - High influx and high concentration of refugees from Liberia, Sierra Leone and, more recently, from Côte d'Ivoire in project region (prefectures of Yomou, Lola and N'Zerekore). - Tension between refugees and host communities, high level of instability during project implementation
<b>Target group</b>	Refugees, returnees, IDP and vulnerable Guinean host communities
<b>Project goal</b>	- Improve productive capacity in communities with high concentration of refugees and displaced persons - Reduce tensions between refugees and host communities through the rehabilitation and improvement of economic and social infrastructures

<b>Country / Name of project</b>	<b>GUINEA: Quick Impact Programme for Refugee Zones (TF/GUI/05/001)</b>
	- Promote off-farm economic activities for improvement of livelihood security through skills upgrading and entrepreneurship training
<b>Impact hypothesis</b>	- Direct and quick impact for the beneficiaries (diversification of economic activities, improvement of livelihood security) combined with: - Longer term impact on building foundations for sustainable socio-economic development for the region.
<b>Strategic interventions and key activities</b>	(1) Establishment of 3 community production centres (CPC model described in ProDoc, Annex 3, p. 29) (2) Upgrade the skills of at least 4500 refugees, returnees, IDPs and other vulnerable community members (3) Strengthen 45 entrepreneurial groups in their collective self-help efforts (estimated total of 450 beneficiaries) (4) Establish or rehabilitate at least 3 community social facilities All elements undertaken in a participatory approach, following business principles as well as community traditions to secure sustainability
<b>Main findings according to progress reports:</b>  - <b>Overall planning/ project design</b>	- In previous phase (2003-5) Pilot project in N'Zérékoré region implemented to pilot test CPC approach, transfer of learnings to actual project - Thorough needs assessments conducted for identification of potential off-farm sectors, use of participatory methods - Awareness raising measures implemented - Training programmes included basic entrepreneurship, functional literacy and various trade skill courses (Adapted technologies for food processing, traditional textile, soap making and food preservation, carpentry and metalwork tailoring etc.) - Project worked with contracted trainers and local artisans, - Training of trainers (for CPC) integral element of skills training - Rehabilitation of community infrastructure as "dividend" for host communities, activities undertaken with participation of local communities and in collaboration with other multilateral actors (WFP: food for work, UNICEF: purchase of school equipment - Project intended to strengthen existing entrepreneurial groups build on common interests
- <b>Relevance</b>	Highly relevant for reduction of conflict potentials arising through refugee crisis

<b>Country / Name of project</b>	<b>GUINEA: Quick Impact Programme for Refugee Zones (TF/GUI/05/001)</b>
<b>- Cooperation, collaboration, ownership</b>	<p>Collaboration with several UN organisations:</p> <ul style="list-style-type: none"> <li>- World Food Programme provided food for work</li> <li>- UNICEF expected to assist in equipping schools</li> <li>- Collaboration with the multi-stakeholder programme for <i>Productive and Decent Work for Youth in MRU countries</i>, sharing experiences and methodologies and with trainers from Liberia and Sierra Leone, and participating as facilitators in a youth forum in Sierra Leone.</li> <li>- UNHCR shared costs of training and follow up assistance to refugees.</li> <li>- Cooperation with UNICEF, the MRU Secretariat and the NGO "Populations Services Internationales" on mainstreaming of HIV/Aids in training programmes</li> <li>- Under the Guinea-Italy Fund for Debt Conversion some groups have received funding for the procurement of post-harvesting machines following the training on adapted technologies for food processing, in form of 70% of cost-sharing</li> <li>- Report on youth and employment and the situation of SMES and SMES in Forest Guinea region prepared for UNOCHA</li> <li>- Project contributed to the development and implementation of the UN joint programme in Forest Guinea.</li> <li>- No specific information on ownership</li> <li>- According to progress reports awareness in communities built and good local ownership, no information on prospects of sustainability</li> </ul>
<b>- Efficiency</b>	<p><i>Inputs:</i></p> <p>Duration: July 2005 – July 2009 (Extension requested until July 2010)</p> <p>Total cost:1,094,562.70 (Request for additional budget contained and justified in the 4<sup>th</sup> progress report)</p> <p><i>Outputs:</i></p> <ul style="list-style-type: none"> <li>- By the end of 2008, 5861 individuals had received training under the project, surpassing the envisaged number of 4500 (details in PR4 p.15)</li> </ul>

<b>Country / Name of project</b>	<b>GUINEA: Quick Impact Programme for Refugee Zones (TF/GUI/05/001)</b>
	<ul style="list-style-type: none"> <li>- 24 CPC trainers identified and trained in: Knowledge of the CPC programme, general entrepreneurial management, CPC training programmes and training of trainers. Their training will continue as on-the-job coaching in combination with specific workshops</li> <li>- A total of 101 self-help groups received training on how to organize and operate a group and how to develop and implement collective self-help projects</li> <li>- 104 traditional chiefs, religious leaders, leaders of women and youth organizations and representatives from the administrative authorities trained to prepare them for their leadership in CPC establishment and operations</li> <li>- 79 groups have received official registration by the authorities and obtained small funding support from international and national NGOs and UN agencies</li> <li>- Three projects for rehabilitation of social infrastructure were selected: two youth centres and a school. Rehabilitation of two sites was concluded in 2008 while the one for the primary school was still ongoing.</li> <li>- Heavy delays in construction of CPCs. By the end of 2008 construction of 2 CPCs still not complete, third CPC had not started. An increase in the budget was needed to complete full constructions (finalisation expected end of 2009)</li> </ul> <p><i>General</i></p> <ul style="list-style-type: none"> <li>- High inflation in Guinea during the implementation of the project led to delays and required adjustments in budgetary estimates</li> <li>- End of construction was planned for the 2<sup>nd</sup> quarter of 2006. Difficult road connections, strong rainfalls, violence and political instability as much as missing telecommunication led to delays. Project had to be extended.</li> </ul>
<b>- Effectiveness</b>	<p><i>Upgrading of skills:</i></p> <ul style="list-style-type: none"> <li>- Some refugees who returned to their countries and who benefited from the CPC training are reported on anecdotal basis to have started economic activities with the skills acquired</li> <li>- Positive and concrete outcomes: <ul style="list-style-type: none"> <li>o Diversification of income generating activities (introduction of non farm activities)</li> <li>o Introduction of post harvest machines and the manufacture of new farm tools</li> <li>o Development of a entrepreneurial culture and better understanding of market mechanisms</li> <li>o Promotion of creativity through the organisation of various handicraft contests and the promotion of marketing techniques</li> </ul> </li> </ul>

<b>Country / Name of project</b>	<b>GUINEA: Quick Impact Programme for Refugee Zones (TF/GUI/05/001)</b>
	<ul style="list-style-type: none"> <li>o Introduction of new management methods (keeping of financial records and introduction of cereal banks)</li> </ul> <p><i>Strengthening of collective self-help groups:</i></p> <ul style="list-style-type: none"> <li>- Collective purchase of raw material supply so as to address long distance from the capital and high costs for transport</li> <li>- Collective working capital fund which allows them to procure items in bulk</li> <li>- Groups have started to establish a common storage</li> <li>- Collective marketing</li> <li>- Creation of a corporate entrepreneurial culture even in rural communities.</li> <li>- Several unions and groups have obtained official registration as SMEs, which helps them to move out of the informality, to obtain benefits under the Law for SMEs but also honor the fiscal obligations</li> </ul>
<b>- Impact</b>	<ul style="list-style-type: none"> <li>- No clear statement on project impact as there is no independent evaluation. Progress reports provide no consolidated information on employment and income</li> <li>- Observations on improved living conditions of beneficiaries include: beneficiaries bought land, built houses, bought generators, a car or a motorbike, opened bank accounts (information not quantified)</li> <li>- Change in attitude and behaviour of the populations who organize themselves better, apply new production techniques and improve productivity, manage their incomes better etc.</li> </ul>
<b>- Sustainability</b>	<ul style="list-style-type: none"> <li>- Plausible prospects for sustainability on individual level (use of skills for incomer generation)</li> <li>- Training programmes conducted by collaborating partners continue to include HIV/Aids awareness raising</li> <li>- No information on prospects for sustainability of CPC</li> </ul>
<b>Lessons learned</b> (on basis of desk study)	<ul style="list-style-type: none"> <li>- It may be useful to conduct a pilot project on smaller scale (e.g. in a “peace island”) and replicate successful models to other regions if situation allows. Training of multipliers should be part of the pilot, their capacity can be used for expansion.</li> <li>- Project periods are often too short for timely rehabilitation of infrastructure under prevailing critical conditions (poor accessibility, etc) plus building of sustainable organisational structures</li> <li>- Good experiences made when communities are adequately involved in planning, rehabilitation projects can be utilised for skill acquisition “on-the-job, however this approach needs longer time frames for implementation</li> </ul>
<b>Key recommendations</b>	No recommendations contained in reports

<b>Country / Name of project</b>	<b>SUDAN: Community Livelihood and Rural Industry Support Program (CLARIS) I+II (TF/SUD/03/001, TE/SUD/07/005, FB/SUD/07/006, FB/SUD/07/008, FB/SUD/08/001)</b>
<b>Source of Information</b>	CLARIS I ProDoc Independent Evaluation of CLARIS
<b>Political partner</b>	Ministry of Industry and Investment
<b>Implementation partner</b>	Ruya, NMIAD <sup>32</sup> and ACAD <sup>33</sup> Donor organisations: MDTF <sup>34</sup> , World Bank, Italian Cooperation, Dutch Embassy Other UN-Organisations: WFP <sup>35</sup> , FAO <sup>36</sup> , RRR <sup>37</sup> , UNDSS Other Organisations: EC/SPCRP <sup>38</sup> , Practical Action, World Vision
<b>Project context</b>	<ul style="list-style-type: none"> <li>- South Kordofan, Abyei and Blue Nile are located between North and South Sudan along the former frontline with a particular status according to the Comprehensive Peace Agreement.</li> <li>- All transitional areas were particularly affected through long years of conflict with a high level of long-term displacement, reintegration of returnees and ex-combatants, destruction of infrastructure, and a continued threat of land mines.</li> <li>- High number of refugees and displaced persons in many areas, especially under NCP-administration. Areas under SPLM administration count only very few returnees, since people were forced by military powers to remain in their villages.</li> <li>- Tremendous reintegration problems for returnees including: lack of agricultural inputs, livestock and conflicts on land ownership.</li> <li>- Existing conflicts between pastoralists and peasants are rather aggravated through the increased cultivation of land in some areas as well as through the destruction of cattle corridors.</li> <li>- The long – term absence of many people has created a socio-cultural disruption</li> <li>- Youth are not familiar with the livelihoods and living conditions in their area of origin</li> </ul>

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<sup>32</sup> Nuba Mountains International Association for Development

<sup>33</sup> Abyei Community Action for Development

<sup>34</sup> Multi Donor Trust Fund

<sup>35</sup> World Food Program

<sup>36</sup> Food and Agriculture Organisation

<sup>37</sup> Return, Reintegration and Recovery (Section of UN)

<sup>38</sup> European Commission, Sudan Productive Capacity Recovery Program

<b>Country / Name of project</b>	<b>SUDAN: Community Livelihood and Rural Industry Support Program (CLARIS) I+II (TF/SUD/03/001, TE/SUD/07/005, FB/SUD/07/006, FB/SUD/07/008, FB/SUD/08/001)</b>
<b>Components, time frame and budget</b>	Claris 1: 2004-2007, US\$ 1.2 Mio; Claris 2: 2008 – 2009 US\$ 1.5 Mio, no components
<b>Target Group</b>	<ul style="list-style-type: none"> <li>- Smallholding farmers in both GoS and SPLM areas</li> <li>- IDPs from within Sudan who are opting to come back to their villages of origin in the Nuba mountains region</li> <li>- Returnees from SPLM areas who now feel secure enough to start cultivating their old farms</li> <li>- Disarmed soldiers</li> <li>- Women and women headed households</li> <li>- Individuals essential for community reconstruction; specifically local blacksmiths and extension staff in both GoS and SPLM areas</li> </ul>
<b>Project goal</b>	<p>Expected long term effects:</p> <ul style="list-style-type: none"> <li>- Reduction in the relative proportion of chronic food insecure households in targeted areas</li> <li>- Enhanced accessibility of the farmers to improved services in the agricultural machinery sector</li> <li>- Income generation through the use of small-sized post-harvesting equipment and sewing machines, especially for women</li> <li>- Increased level of organisation in the village communities, creating more chances for social and economic growth</li> </ul>
<b>Impact hypothesis</b>	<ul style="list-style-type: none"> <li>- Increase of food production through supply of animal draught cultivators and improved hand tools. Better food supply and nutritive value leading to improvement of living standards, less diseases and better public health.</li> <li>- Restructuring of communities through support of community services supplied by local blacksmiths.</li> <li>- Putting in place the basic structure of community groups on which participating villages can rebuild their social fabric.</li> </ul>
<b>Strategic interventions</b>	<ol style="list-style-type: none"> <li>(1) Restoring and improving livelihoods of rural communities</li> <li>(2) Upgrading productive capacities of MSEs (e.g. blacksmith) providing support services to rural communities</li> <li>(3) Rebuilding community structures and skills training facilities</li> </ol>
<b>Key activities</b>	<ol style="list-style-type: none"> <li>(1) Restoring and improving livelihoods of rural communities <ul style="list-style-type: none"> <li>- Introduction / dissemination of animal draught cultivation technology</li> <li>- Training for beneficiaries (CDC executives, women's groups, animal traction groups, blacksmiths)</li> <li>- Provision of hand tools to vulnerable households</li> <li>- Introduction of small scale hand powered food processing machines to women</li> </ul> </li> </ol>

Country / Name of project	SUDAN: Community Livelihood and Rural Industry Support Program (CLARIS) I+II (TF/SUD/03/001, TE/SUD/07/005, FB/SUD/07/006, FB/SUD/07/008, FB/SUD/08/001)
	<ul style="list-style-type: none"> <li>- Promotion of tailoring for income generation</li> <li>(2) <i>Upgrading productive capacities of MSEs (e.g. blacksmith) providing support services to rural communities</i></li> <li>- Development of a blacksmith society for the production of tools (Nuba hoes)</li> <li>(3) <i>Rebuilding community structures and skills training facilities</i></li> <li>- Establishment of Community Development Committees (CDCs)</li> <li>- Training for trainers</li> <li>- Rehabilitation and equipment of a vocational training college</li> </ul>
<b>Main findings (both Claris 1 + 2, without VTC component)</b>  - Overall planning/ project design	<ul style="list-style-type: none"> <li>- The overall planning is assessed as quite comprehensive except the vocational training component and the concentration on oxen driven Nuba hoes without considering alternative technologies</li> <li>- Implementation of livelihood projects through NGOs who were selected through a bidding procedure is considered as very good, although there was a certain lack of applicants for the selected areas.</li> <li>- “Do no harm” aspects were considered, except for some government interventions especially in Kauda area.</li> </ul>
- <b>Relevance</b>	<ul style="list-style-type: none"> <li>- Project corresponds more to a “recovery”-situation which is very relevant to the situation of the target groups</li> <li>- The projects are very relevant to the Sudanese Government’s development objectives of food security and poverty reduction</li> <li>- Less relevant to UNIDO’s mandate since the focus lies on “community work” at farm level, while the industrial aspects of tool production and agro-processing were not integrated for feasibility reasons in the short-term projects. A high demand for support to agro-processing was expressed by all stakeholders (Government, NGOs, target groups)</li> </ul>
- <b>Cooperation, collaboration, ownership</b>	<ul style="list-style-type: none"> <li>- Cooperation was foreseen with IFAD and FAO</li> <li>- No clear distinction of roles between FAO and UNIDO who are at the same time disseminating Nuba hoes, FAO mainly through international NGOs</li> </ul>
- <b>Efficiency</b>	<p><i>Overall:</i></p> <ul style="list-style-type: none"> <li>- Delays in the disbursement of the MDTF funds and consecutive delays in the implementation of the programme (also at the level of UNIDO) resulted in the loss of the 2008 agricultural season, since preparatory activities could not be carried out before the start of the season.</li> </ul>

Country / Name of project	SUDAN: Community Livelihood and Rural Industry Support Program (CLARIS) I+II (TF/SUD/03/001, TE/SUD/07/005, FB/SUD/07/006, FB/SUD/07/008, FB/SUD/08/001)
	<ul style="list-style-type: none"> <li>- Bad road conditions in the chosen villages in rural areas and UNDSS security regulations hampered the project's efficiency</li> <li>- Village selection procedure was carried out carefully except the lack of a "cluster approach", distance and accessibility of the intervention area and the political interference in Kauda</li> <li>- Foreseen outputs in 30 villages of the three areas were achieved as planned</li> </ul> <p><i>Management:</i></p> <ul style="list-style-type: none"> <li>- UNIDO's management modalities appear too heavy, delays were caused by the organization of tendering procedures through the head office in Vienna</li> <li>- Good levels of complementarities and potential synergies between different IP components and especially between the metal working/production of agricultural tools component and the food processing component</li> <li>- The nomination of a head of UNIDO operations in the beginning of 2005 had positive effects on programme implementation and enabled a more efficient monitoring</li> </ul> <p><i>M&amp;E</i></p> <ul style="list-style-type: none"> <li>- Very comprehensive and well documented monitoring missions had been carried out but the recommendations were not always translated into practice</li> <li>- There was a general lack of monitoring of outcomes and impact</li> </ul>
- Effectiveness	<p>Outcomes could not be measured by qualified indicators since LFA only lists quantified indicators on outputs</p> <p><i>CDCs</i></p> <ul style="list-style-type: none"> <li>- All CDCs are functioning and democratic principles seem to have been adopted. Some CDCs show initiatives for other community related activities. The revolving fund concept is not clearly defined and communicated. A lack of funds is observed which will hamper sustainability</li> </ul> <p><i>Restoring and improving livelihoods:</i></p> <ul style="list-style-type: none"> <li>- Temporary alleviation of farming works for a number of households, working time for soil preparation as well as physical efforts are significantly reduced, yield increases are significant when compared to manual works, It is estimated, where</li> </ul>

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	<p>soil, culture, economic status of beneficiaries are conducive to the oxen driven nuba hoe, impressive outcomes are expected.</p> <ul style="list-style-type: none"> <li>- Benefits will mainly be realised by a limited number of nuba hoe farms which often belong to the better off farms, utilisation limited due to the restricted availability of oxen, many of the poor farmers, which count up to 70% of the communities cannot afford renting neither nuba hoes nor tractor services</li> <li>- It is expected that women in each village will use the sewing machines for tailoring activities, but might only partly create substantial income from these activities due to competition from men who perform tailoring activities and imports.</li> </ul> <p><i>Productive capacities of blacksmiths:</i></p> <ul style="list-style-type: none"> <li>- Operational Blacksmith Societies (61 members in Dilling), who mainly work on an economically independent basis using an equipped workshop provided by UNIDO to produce nuba hoes and a range of other tools (ox carts, seeders, lifters, oil extractors, wheel-barrows, hand tools and other members producing hand tools according to local demand.</li> <li>- Blacksmiths provide useful services at affordable prices which is considered as highly beneficiary to the entire communities. Their effectiveness is limited due to the limited availability of scrap steel.</li> </ul>
<b>- Impact</b>	<ul style="list-style-type: none"> <li>- A substantial improvement of yield and cultivated area has been observed compared to the utilization of hand tools mainly for better-off farms who own oxen and equipment.</li> <li>- The hand tools allowed poor households and returnees to cultivate their land more efficiently during a critical period. The increase of cultivated land in time is assumed having contributed to food security.</li> <li>- Nuba hoe: The reduction of chronically food insecure households is very limited since these households do not own oxen and can hardly afford renting the nuba hoe services.</li> <li>- Dialogue between different tribes seems to be furthered by CDCs</li> <li>- Blacksmiths supported by project earn a decent income or increase income sources</li> <li>- Communities benefit from local blacksmith services (preparation and repair of diverse tools) at favourable prices in satisfying and comparatively improved quality</li> </ul>

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<b>- Sustainability</b>	<ul style="list-style-type: none"> <li>- Many CDCs are not yet sufficiently consolidated to continue work at medium term</li> <li>- Involvement of NGOs is very positive, but NGOs were considered rather as contractors than as medium term development partners by UNIDO</li> <li>- Strong technical ownership for Nuba hoes in South Kordofan by state minister of agriculture → positive for future Government support. But government structures at field level might not be able to follow up activities because of a tremendous lack of resources</li> <li>- Lack of inputs for blacksmiths hampers production of Nuba hoes without external support</li> <li>- Dependence from UNIDO orders (no other organisation with meaningful orders in addition to the local service demand)</li> <li>- Limited organisational sustainability of blacksmith societies</li> </ul>
<b>Lessons learned</b>	<ul style="list-style-type: none"> <li>- Emergency interventions require a flexible organizational set-up which might be difficult to ensure by UNIDO within its mandate and existing management rules</li> <li>- Inaccessibility of the project area proved to be a serious obstacle. Alternative ways of reaching beneficiaries in these areas should be explored.</li> <li>- Only approved and locally known and adapted technologies should be provided in unstable situations ,technologies changing agricultural practices or cultural barriers should be left for future development</li> <li>- Early recovery interventions should not be combined with the introduction of new technologies because the respective requirements (timeframe, accessibility, methodology) and target groups differ</li> <li>- Outcome for the neediest households was rather limited. The concept of assisting vulnerable segments of the population was not sufficiently detailed and adapted to local vulnerability issues</li> <li>- Increased production does not serve the neediest households to manage their problems of food security</li> <li>- Monitoring needs to be improved especially with regard to effectiveness</li> </ul>
<b>Key recommendations</b>	<ul style="list-style-type: none"> <li>- The requirements of emergency situations do not correspond with UNIDO's mandate and management mechanisms. The role of UNIDO in rehabilitation / recovery and development lies in the restoration of productive capacities of the target groups. Since UNIDO is a sectoral technical organisation, it should put emphasis on the technical, managerial and marketing requirements of these productive capacities, but cooperate with other partners on the local embedment of interventions (community level).</li> <li>- UNIDO should work towards a decentralised structure for decision-making which allows for a higher flexibility in a volatile context.</li> <li>- UNIDO should in general cooperate with implementation partners at the local level and concentrate on the input and</li> </ul>

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	<p>output factors of the value chains (tools production and agro-processing in the current CLARIS project). The added value of UNIDO interventions should be clearly defined and focused in all types of projects. Expertise which is not among the core competences of UNIDO should be pro-actively involved at all stages (Government structures, development partners), e.g. in DDR, livelihoods, agriculture, organisational development, marketing.</p> <ul style="list-style-type: none"> <li>- The “do no harm” concept should be fully applied</li> <li>- Farmers should be able to choose among different technical options</li> <li>- Access to /affordability of renting agricultural services for poor farms through community schemes on the basis of traditional self-help should be improved</li> <li>- CDCs should be intensively prepared and supported in reintegration and community development activities. This should happen on the basis of traditional mechanisms.</li> </ul>

<b>Country / Name of project</b>	<b>SUDAN:</b> - Enhancing Capacity of Khartoum State in Delivery of Pro Poor Vocational Training (Khartoum YED) (EE/SUD/07/004) - Rehabilitation May VTTC Wau for Youth Entrepreneurship and Job Creation (Wau YED) FB/SUD/08/002 - Capacity Building and Upgrading Malakal VTTC (Malakal YED) (FB/SUD/08/006) - Rehabilitation Kadugli VTC (FB/SUD/07/006)
<b>Source of Information</b>	ProDoc, Progress Reports and Independent Evaluation Reports Please note, this analysis also includes the findings of the VT component of Claris 2
<b>Political partner</b>	Khartoum YED: Governorate of Khartoum, State Ministry of Education, Ministry of Industry and Investment Wau and Malakal YED: Ministry of Labour, Public Services and Human Resource and Ministry of Industry and Investment Kadugli VTC: Ministry of Industry and Investment, Ministry of Education
<b>Implementation partners</b>	Khartoum YED: UN-Habitat Others: none
<b>Project context</b>	<i>Khartoum</i> - Indirectly affected by crisis, large population of marginalized IDP because of conflict and drought in other parts of the country <i>Malakal, Wau, Kadugli</i> - Post-conflict, - High level of underdevelopment as a result of several decades of civil war - Vulnerable to new emerging conflicts
<b>Project components, Time frame and budget</b>	<u>Components:</u> Khartoum YED: comp. 1: modernisation, construction and capacity building for VTC; comp. 2: short term skills training for IDP Malakal and WAU YED: no other component, Kadugli: administered by Claris 2 <u>Budgets and Duration:</u> Khartoum YED: EURO 10 Mio, 21months; Wau YED: US\$ 1 Mio, 36 months; Malakal YED: US\$ 675,000, 20 months
<b>Target Group</b>	In all projects: - VTC managements and teaching staff - Rural and urban youth eligible for formal and partly non-formal TVET  Khartoum YED component 1: decision makers in Governorate responsible for TVET, Component 2: young unemployed poor in IDP camps, Wau, Malakal, Kadugli: conflict affected groups such as ex-combatants, IDPs, returnees

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<b>Project goal</b>	Develop sustainable livelihoods and create productive employment through provision of market oriented and competency based vocational and technical skills training and EDP to support youth entrepreneurship development
<b>Impact hypothesis</b>	Through rehabilitation and/ or modernisation of VTC, capacity building of VTC personnel and introduction of modern VET approaches (competency based training, EDP) youth acquire employable skills which leads to productive employment and development of entrepreneurial spirit. The projects contributes to pro-poor economic development and social and political stabilisation
<b>Strategic interventions and key activities</b>	1) <i>Restoring and creating individual livelihoods</i> - Entrepreneurship development programmes - Vocational skills training (short + long term) 2) <i>Rebuilding, modernizing infrastructure and upgrading organizational capacities of vocational training institutions</i> - Physical (re)construction - Modernization of equipment - Teachers training - Sensitization and training of management - Introduction of new methods (CBT, EDP)
<b>Main findings</b> - <b>Overall planning/ project design</b>	- Comprehensive strategic approach for institutional development consisting of short/medium and long term interventions, short term: rehabilitation, medium term: introduction of CBT and YED, long term: influencing VET policy debate - Well structured planning documents, good quality LFA (YED) but very ambitious planning considering the project duration (esp. for achieving the medium strategies and creating a momentum for the long term changes) - ProDoc foresees close collaboration with all key line ministries in VET, with international players and with local actors in VET - No strategic alliances foreseen to pursue the long term strategies - Conceptual link between component 1+2 clearly described in ProDoc (Khartoum YED) but no stakeholder assessment describing risks, obstacles (e.g. attitudes towards minorities) - Solid needs assessment and selection of economic sectors, but more of an expert driven exercise, capacity development approach not always evident (curricula developed in UK!)

<b>Country / Name of project</b>	<b>SUDAN:</b> - Enhancing Capacity of Khartoum State in Delivery of Pro Poor Vocational Training (Khartoum YED) (EE/SUD/07/004) - Rehabilitation May VTTC Wau for Youth Entrepreneurship and Job Creation (Wau YED) FB/SUD/08/002 - Capacity Building and Upgrading Malakal VTTC (Malakal YED) (FB/SUD/08/006) - Rehabilitation Kadugli VTC (FB/SUD/07/006)
	- Generally more emphasis on VET modernization than on skills training for IDP (budget, staff resources) - Access to MFI and post training business support not well enough defined in YED strategy - Except Khartoum no consideration of NGO training providers who play an important role especially in Southern Sudan - Feasibility studies do not sufficiently analyse the “training market” (demand vs. supply)
- <b>Relevance</b>	- Economic relevance high, lack of modern VET institutions - Social relevance of formal VET approach in conflict affected regions and for conflict affected groups questionable: poor access of marginalised groups to formal VET because of selection criteria (grade 9 to 10 compulsory, which few IDP possess) - Malakal and Wau YED: weak ownership of communities – sign for moderate relevance to needs of local communities? - Generally low reputation of VET among beneficiaries in Southern Sudan: low enrolment (expected to increase with improved services) - No proof yet for feasibility of BDS system in VTCs
- <b>Cooperation, collaboration, ownership</b>	- High level of interest and good ownership of governorate and VTCs in project, less responsiveness of line ministries (e.g. Ministry of Education) ( <i>Khartoum YED</i> ) - Project management active in building a networking infrastructure through steering committee, partnerships established and nurtured ( <i>Khartoum YED</i> ) - Initiating and sustaining partnership of VTC with private sector being a challenge, no entrepreneurial attitude in VTCs, private sector participation at the level of steering committee but not much beyond (Khartoum), no collaboration visible with local SME sectors in other locations - Too little collaboration between NGO/ non-formal training providers and VTCs as anticipated by the project (Khartoum and possibly other locations) - Policy workshop organised by ILO rather followed “conventional approach of TVET”, lacking coherence? - Good ownership by GOSS, UNIDO strategic approach supported by GoSS (Malakal+Wau)

<b>Country / Name of project</b>	<b>SUDAN:</b> - Enhancing Capacity of Khartoum State in Delivery of Pro Poor Vocational Training (Khartoum YED) (EE/SUD/07/004) - Rehabilitation May VTTC Wau for Youth Entrepreneurship and Job Creation (Wau YED) FB/SUD/08/002 - Capacity Building and Upgrading Malakal VTTC (Malakal YED) (FB/SUD/08/006) - Rehabilitation Kadugli VTC (FB/SUD/07/006)
	- Good ownership of VTC management and staff in Wau, but weak in Malakal - General weak ownership in VTC by communities (all)
<b>- Efficiency</b>	- Well functioning PMU - Project has done excellent work bringing stakeholders together (Khartoum) - Progress made but significant delays in completion of activities (all) - New approaches not yet piloted (all), delays in operationalising VTC and developing CBT curricula likely to have negative effect on VTC management and trainers to apply knowledge gained in training courses (all locations) - More emphasis on component 1 (Khartoum), synergies between component 1 +2 in practical implementation not well articulated, - CTA responsible for two distinct geographic areas (Wau, Malakal), problem for efficient project steering - Efficiency impacted by external factors (remoteness and distances in Southern Sudan) - Capacity building started too late (Wau)
<b>- Effectiveness</b>	- Establishment of Khartoum State VT Administration Unit with participation of private sector is a major achievement, however it is too early to assess functionality of governance structure, probably further support needed - 4 new VTCs constructed and equipped with sophisticated equipment (plus one existing VTC modernised). Acquisition of state of the art equipment (Khartoum) questioned by evaluation; appropriateness to labour market needs? - New VTCs (Khartoum) not yet in operation except preparatory courses, partners have not been able to implement UNIDO YED approach due to delays, unclear whether they will have the capacity to implement concept without support - Progress made in developing NGO capacity in EDP and to some extent in vocational skills training (component 2) but evaluation questions whether short term courses offered are market relevant - Significant number of IDP trained in short term courses but no figures available who has been trained and who has transitioned in gainful employment, no regular graduates yet in VTCs (Khartoum). IDP access to mainstream VT, except for pre-vocational courses, in project lifetime not improved (Khartoum) - All other VTC (Malakal, Wau, Kadugli) are utilised below their capacity, in Malakal this was the situation even when project started (relevance issue?) - Malakal: project significantly contributed to VTC rehabilitation, but task not yet completed, VTC offers short term courses

<b>Country / Name of project</b>	<b>SUDAN:</b> - Enhancing Capacity of Khartoum State in Delivery of Pro Poor Vocational Training (Khartoum YED) (EE/SUD/07/004) - Rehabilitation May VTTC Wau for Youth Entrepreneurship and Job Creation (Wau YED) FB/SUD/08/002 - Capacity Building and Upgrading Malakal VTTC (Malakal YED) (FB/SUD/08/006) - Rehabilitation Kadugli VTC (FB/SUD/07/006)
	similar to CBT (achievement) but enrolment still below capacity. VTC output far below capacity (no change to on-set situation), approx 25 % of graduates engaged in productive self-employment. Too little done for awareness building in communities. Lack of networking with private sector (local SME) - Wau: less than 10% of target output achieved, lack of raw materials one of principle reasons why students drop out - Kadugli: lack of teachers in some sections, institutional concept not sufficiently elaborated in terms of sustainability and coherence with Government policies and institutions involved in this sector. Planned utilisation of the VTC as a training centre for ex-combatants will improve effectiveness at short – medium term. <i>In all locations</i>  - Curricula not ready for implementation– CBT could have been introduced in existing workshops instead of waiting for completion of renovation - Not yet visible whether YED and CBT approach viable for VTCs, BDS in formal VET is only at “conceptual stage”
<b>- Impact</b>	- Due to delays not yet possible measuring impact (all locations) - VTCs have yet to initiated programmes for marginalised populations (Khartoum), community outreach of VTC has not yet materialised, most IDP to not fulfil criteria enrolling in a public VTC (relevance issue) - Due to delays not yet possible measuring impacts (Malakal), if VTC is properly managed it will be able to produce graduates needed in labour market (Malakal) - BDS approach in VTC questionable as there is too little ownership - Too early to assess impact of strategic approach to TVET initiated by UNIDO, developing a private sector culture in the TVET system is a challenge
<b>Sustainability</b>	- It was unrealistic to assume that the Ministry of Education would provide the payment of teachers for vocational training and that the MoE would be able to pay the running costs of the VTC in the long run (Kadugli) - The project will have ended before trainers have applied new methods in practice. Unless there is a follow up project sustainability is in question - The project was probably too ambitious pursuing a reform agenda without being able to plan for a follow up phase from the beginning

<b>Country / Name of project</b>	<b>SUDAN:</b> - Enhancing Capacity of Khartoum State in Delivery of Pro Poor Vocational Training (Khartoum YED) (EE/SUD/07/004) - Rehabilitation May VTTC Wau for Youth Entrepreneurship and Job Creation (Wau YED) FB/SUD/08/002 - Capacity Building and Upgrading Malakal VTTC (Malakal YED) (FB/SUD/08/006) - Rehabilitation Kadugli VTC (FB/SUD/07/006)
	- Curricula developed by institution in UK – no local expertise developed (it is good practice developing curricula with local resources) - VTC Wau and Malakal: GOSS has the capacity to finance personnel costs – but too little local support (local government, local communities)
<b>Lessons learned</b>	- Project design not suitable for time frame, the introduction of new methods like CBT and EDP in a 3 year project is possible at pilot level (if implemented from the on-set of the project) but it is unrealistic anchoring these approaches in the VET system without a coordinated approach of all donors - The most challenging part for anchoring CBT is to initiate reform at the level of the line ministries in charge of VET, for which UNIDO is not as well placed as other UN agencies (UNIDO is not recognized as an internationally player in TVET reform). - For improving IDPs access to VET institutions a change of attitudes at Government and in institutions towards “minorities” are needed, these are long term processes - Issue of timing: - Project was not able to implement strategic YED approach, one of the most critical issues is the lacking ownership of the VTC management (Malakal) - Insufficient preparation of the Ministry of education for managing the VTC (and cooperation with Ministry of Education instead of Ministry of Labour) might not allow a smooth running of the VTC with its new equipment (Kadugli), teachers for new sections will probably not be appointed and maintenance of machines is not ensured. - The strategy to rehabilitate the VTC proved to be questionable (institutional embedment, sustainability, achievement of benefits in the foreseen way). - VTCs have limited capacities implementing the YED approach - UNIDO does not have a clear understanding how to implement its strategic approach to employment creation in post-conflict environments through formal TVET institutions - Approach of training by rehabilitation (Wau) did not work well (delayed implementation) - Work with special BDS entities if project objective is to create employment - Concepts not practiced in project lifetime – this severely affects effectiveness, impacts and sustainability – projects of this

<b>Country / Name of project</b>	<b>SUDAN:</b> - Enhancing Capacity of Khartoum State in Delivery of Pro Poor Vocational Training (Khartoum YED) (EE/SUD/07/004) - Rehabilitation May VTTC Wau for Youth Entrepreneurship and Job Creation (Wau YED) FB/SUD/08/002 - Capacity Building and Upgrading Malakal VTTC (Malakal YED) (FB/SUD/08/006) - Rehabilitation Kadugli VTC (FB/SUD/07/006)
	nature in more locations affected by long lasting conflicts need a much longer time frame and a longer term commitment of donors - It is not very cost efficient working with one VTC individually over a long period of time (clustering of VTCs needed) - UNIDO has to be more realistic about timing and goal setting if it wants to go beyond physical rehabilitation for modernisation of industrial sector
<b>Key recommendations</b>	- Be more realistic about time frames and adopt a parallel approach of short term CBT courses and rehabilitation - Critically analyse the approach of YED in the context of formal TVET in post conflict. Make strategic decisions at what level to intervene and with which purpose. The focus should be on short term skills development with direct impact on livelihood recovery in parallel with a hands on “action learning” capacity development process including introduction of new methods such as CBT, market orientation in VET, EDP etc. - UNIDO should build on its core mandate and facilitate VET reform by focusing on awareness and capacity building of MoI and PS for playing an active role in this process. In any project where UNIDO gets into VET reform issues collaboration with other UN agencies is essential (mainstream recommendations outside the post conflict debate)



<b>Country / Name of project</b>	<b>MRU Countries Guinea, Liberia, Sierra Leone and Côte d'Ivoire: Multi-stakeholder programme for productive and decent work for youth (TF/RUF/08/B25, TF/RUF/08/D25)</b>
<b>Source of Information</b>	Elements of the Project Document, Progress reports Oct. 2009, Nov. 2008, Self-evaluation report Oct. 2009 No external evaluation
<b>Political partner</b>	Sub region: MRU secretariat, MRU Youth Parliament; Country level: several line ministries with affiliation to youth employment including Ministries of Youth and Sports, Ministries of Labour, Education, Public Works etc.
<b>Implementation partners</b>	ILO and YEN
<b>Project context</b>	<ul style="list-style-type: none"> <li>- Post-conflict environment</li> <li>- Region being stabilized but violent conflicts and long periods of severe instability have had severe consequences on human development index (3 of the four countries below to the LDC group), all MRU countries are considered as fragile states</li> <li>- Investments in economic and social infrastructure in the MRU countries are expanding. This is particularly true for the mining, timber, agricultural and construction sectors.</li> <li>- Prolonged war and instability in the sub-region deprived youth of decent access to education and opportunities for skill acquisition</li> <li>- All four countries have launched initiatives promoting youth employment opportunities (including entrepreneurship promotion and skills training)</li> </ul>
<b>Project components, Time frame and budget</b>	<ul style="list-style-type: none"> <li>- Component 1 a: promotion and development of youth led businesses (ILO) and 1b: Financial scheme for youth led projects (UNIDO)</li> <li>- Component 2: Development of youth employable skills and component 3: Sub regional labour market intermediation and information services (both ILO implemented)</li> <li>- Component 4: Organisation of sub-regional youth forum (UNIDO)</li> <li>- Project started in 2008, initial duration 12 months, project life has been extended until end 2009, possible further extension</li> <li>- Project budget:: UNIDO: 3,418,000; total: 4,999,980 (source: progress report Oct. 2009)</li> </ul>
<b>Target Group</b>	<ul style="list-style-type: none"> <li>- Under- and unemployed youth directly and indirectly affected by years of conflict</li> <li>- Actors in youth development including line ministries, youth CSO's and staff of these organisations.</li> </ul>
<b>Project goal</b>	- Development objective is to contribute to sustainable development and peace consolidation by creating opportunities for decent and productive work for under- and unemployed youth in the region

<b>Country / Name of project</b>	<b>MRU Countries Guinea, Liberia, Sierra Leone and Côte d'Ivoire: Multi-stakeholder programme for productive and decent work for youth (TF/RUF/08/B25, TF/RUF/08/D25)</b>
<b>Impact hypothesis</b>	LFA does not give information on outcomes and impacts. Project reports describe specific objectives. UNIDO's contribution aims at creation of youth led employment opportunities, increased employability of youth in high demand areas and improved networking and exchange of actors in youth employment including governments, civil society organisations public sector and youth initiatives. These initiatives, combined with ILO and YEN outputs, shall lead to improved opportunities for youth employment in the region, contributing to peace and stability.
<b>Strategic interventions and key activities</b>	<p><i>Strategic interventions:</i></p> <ol style="list-style-type: none"> <li>(1) Improving individual livelihoods</li> <li>(2) Upgrading productive capacities</li> <li>(3) Building of networks and institutional capacities</li> </ol> <p><i>Key activities (only UNIDO contribution)</i></p> <ul style="list-style-type: none"> <li>- Skills development: Entrepreneurial and technical skills development (including literacy training) programmes implemented for youths in partnership with the private sector</li> <li>- Provision of grants for promoting start ups of youth led business initiatives</li> <li>- Organization of sub-regional youth forum and creation of internet-based social networks and technology hubs</li> </ul>
<b>Main findings</b>	<ul style="list-style-type: none"> <li>- Programme based on the findings and recommendations of a joint Technical Mission by UNIDO and ILO, in consultation with UNDP and YEN, conducted in April 2008</li> <li>- Project designed under high time pressure, no conflict and stakeholder analysis available, LFA incomplete and does not contain information on outcomes, impacts and risks,</li> <li>- Prodoc does not provide information on project implementation structure</li> <li>- Complex implementation structure, no role definition contained in prodoc</li> <li>- Project objectives were specified in process of implementation, analysis seen by project management as a "continuous process" (monitor, analyse, adapt)</li> <li>- Project duration determined by donor, far too short for a complex multi-stakeholder programme of this nature</li> </ul>
<b>- Overall planning/ project design</b>	
<b>- Relevance</b>	- Overall relevance very high: youth un- and underemployment is a major development issue in the area and has been a

<b>Country / Name of project</b>	<b>MRU Countries Guinea, Liberia, Sierra Leone and Côte d'Ivoire: Multi-stakeholder programme for productive and decent work for youth (TF/RUF/08/B25, TF/RUF/08/D25)</b>
	<p>contributing factor to conflict, relevance reflected in PRSPs</p> <ul style="list-style-type: none"> <li>- No information available on relevance of components and approaches. First impressions from desk studies and interviews: <ul style="list-style-type: none"> <li>o Systematic exchange on youth employment promotion is highly relevant, but discussion must be based of solid information and concrete issues – need for systematically identification and discussion of lessons learned</li> <li>o Region lacks quality skills development – quantity is most likely not an issue (high volume of skills training in immediate post conflict period), project lifetime probably too short for sustainable capacity development of TVET institutions and skills training initiatives</li> <li>o Feasibility and viability of grant scheme is disputed internally. Issues observed: MFI are usually not ready to extent loan schemes to business starters – youth businesses started with grants are often not profitable and sustainable, no cooperative culture in this region – these issues need to be elaborated further (systematic evaluation of micro projects needed)</li> </ul> </li> </ul>
<b>- Cooperation, collaboration, ownership</b>	<ul style="list-style-type: none"> <li>- Joint project implementation with ILO and YEN</li> <li>- Complex implementation structure with many parties involved, clearer role definition needed at project start</li> <li>- Project life too short for such a complex undertaking – unless follow up projects can be expected</li> <li>- No information on ownership</li> </ul>
<b>- Efficiency</b>	<ul style="list-style-type: none"> <li>- No information from reports</li> <li>- All quantitative outputs were apparently achieved in time, except distribution of grants (behind schedule)</li> <li>- Complex stakeholder structure most probably affects efficient project implementation</li> <li>- No information on monitoring and evaluation system, UNIDO contracted a junior consultant to facilitate self-evaluation of projects – a clear M&amp;E framework for the project is missing</li> </ul>
<b>- Effectiveness</b>	No information from project reports
<b>- Impact</b>	No information, too early to assess
<b>- Sustainability</b>	No information
<b>Lessons learned</b>	<p>Not available yet, lessons drawn from desk study:</p> <ul style="list-style-type: none"> <li>- Concept of grant scheme for youth led businesses new for all parties involved – lessons to be learned!</li> </ul>

<b>Country / Name of project</b>	<b>MRU Countries Guinea, Liberia, Sierra Leone and Côte d'Ivoire: Multi-stakeholder programme for productive and decent work for youth (TF/RUF/08/B25, TF/RUF/08/D25)</b>
	<ul style="list-style-type: none"> <li>- Original intension of component 1b was to fund youth led projects which generate public goods and services on cost recovery basis, in actual implementation funding criteria were altered by YEN (seemingly confusion between “social entrepreneurship” and “youth led business ventures” → again project duration too short to develop, test and reflect innovative project ideas in a multi-stakeholder setting</li> <li>- According to self evaluation youth access to Microfinance is the core problem. Other critical issues such as lacking “social capital” of youth as a consequence of conflict and lacking entrepreneurial spirit (as a consequence of emergency aid dependency) need to be studied further</li> <li>- Open question: is an interventionist' approach justified, how sustainable are the business ventures created and how significant is the project' contribution to youth employment considering the resources spent – without a result based monitoring system it will be difficult finding concrete answers</li> </ul>
<b>Key recommendations</b>	<p>Tentative recommendations based on literature review and desk study:</p> <ul style="list-style-type: none"> <li>- Access of youth to MFI' services should be systematically studied in all MRU countries</li> <li>- External project evaluation recommended after project completion</li> </ul>

<b>Country / Name of project</b>	<b>SIERRA LEONE: Post-conflict SME support programme for industrial development and poverty alleviation (US/SIL/04/102, XP/SIL/04/027, YA/SIL/04/424)</b>
<b>Source of Information</b>	Independent evaluation of the Sierra Leone IP
<b>Political partner</b>	Ministry of Trade and Industry
<b>Implementation partner</b>	No other UN agency and no international partner in programme implementation  Key local stakeholders: Chamber of Commerce, local governments, MSMEs in project areas
<b>Project context</b>	- Post conflict situation (phase from recovery to development) - Listed as fragile state, LDC status - Rural and urban contexts
<b>Project components, time frame and budget</b>	Components initially planned:  (1) Improvement of policy environment for the development of MSMEs (2) MSME entrepreneurship promotion (3) Promotion of commercial post harvest activities (4) Improvement of market access and competitiveness of the food sector (special focus on fisheries) (5) Capacity building in food science and technology Component 1, 4 and 5 not funded and not implemented, component 2 and 3 partially implemented  Time Frame: 48 months (2004-8)  Budget: US\$ 5,1 Mio Funded US\$ 738,479
<b>Target Group</b>	MSMEs and individuals in conflict affected rural communities, IDP population in Freetown. Senior staff of MoTI and Chamber of Commerce

<b>Country / Name of project</b>	<b>SIERRA LEONE: Post-conflict SME support programme for industrial development and poverty alleviation (US/SIL/04/102, XP/SIL/04/027, YA/SIL/04/424)</b>
<b>Project goal</b>	Political objective was to contribute to the national economic recovery from more than 10 years of civil war by re-establishing entrepreneurial initiatives and creating jobs and income opportunities in depressed provinces and in Freetown
<b>Impact hypothesis</b>	<p>Measurable outcomes of the programme, according to its initial design were to:</p> <ul style="list-style-type: none"> <li>- Improve the policy environment for the development of MSMEs led by entrepreneurial and investors initiatives</li> <li>- Reduce the development gap between the economies of provinces and Freetown with human resource development for MSME entrepreneurship promotion in the provinces based on self-reliant market-demand-led growth</li> <li>- Improve food security by reducing post-harvest losses of agricultural produce through the promotion of commercial post harvest activities</li> <li>- Improve market access and competitiveness of the food sector (special focus on fisheries)</li> </ul> <p>- Considering that only two out of 5 components planned have been partially implemented the impact hypothesis would need to be reviewed. No updated “impact hypothesis” contained in evaluation report. Considering actual implementation the following outcomes and impacts could be expected:</p> <ul style="list-style-type: none"> <li>- Improved access to market relevant skills and entrepreneurship training</li> <li>- Individuals acquired marketable skills and improved or rehabilitated or started business activities</li> <li>- improved livelihood security of conflict affected communities</li> </ul>
<b>Strategic interventions and key activities</b>	<p><i>Strategic interventions:</i></p> <ol style="list-style-type: none"> <li>(1) Skills development of individuals</li> <li>(2) Rehabilitation and upgrading of productive capacities</li> <li>(3) To lesser extent: structural and capacity building</li> </ol> <p><i>Key activities implemented:</i></p> <ul style="list-style-type: none"> <li>- Rehabilitation of “Growth Centres”</li> <li>- Training in use and maintenance of appropriate technology to enhance agricultural production – partially implemented in</li> </ul>

<b>Country / Name of project</b>	<b>SIERRA LEONE: Post-conflict SME support programme for industrial development and poverty alleviation (US/SIL/04/102, XP/SIL/04/027, YA/SIL/04/424)</b>
	the three rehabilitated Growth Centres - Added component: Small hydro power plant (study and design phase at the time of the evaluation – not analysed by thematic evaluation)
<b>Main findings of evaluation</b>  - <b>Overall planning/ project design</b>	<ul style="list-style-type: none"> <li>- Ambitious programme design but insufficient funding, donors less interested in structural development</li> <li>- Individual components of the project were treated as separate projects that could be implemented in a phased manner (which was not realised)</li> <li>- Already at the design stage it was expected that the IP concept would be adjusted during implementation</li> <li>- The ProDoc mentions the risk that government owned, programme supported Growth Centres would put private non-supported enterprises in a disadvantaged position. It was argued, that this could be avoided by charging user fees to operators using the centres.</li> <li>- Lack of capital for business rehabilitation and start ups was dealt with as an external risk – open to what extent mechanisms have been developed to link MSME to MFI. General obstacle that professional BDS was not available in project regions</li> <li>- Some inputs have not been adequate, considering local conditions (e.g. mechanised equipment was selected for communities without electricity supply)</li> <li>- Roles and mandate of MoTI, UNIDO, the community and the GC management were not clearly defined and documented.</li> </ul>
- <b>Relevance</b>	<ul style="list-style-type: none"> <li>- Programme document clearly reflected the Government's needs and priorities</li> <li>- Most IP components considered as relevant for economic revitalisation but structural development is not a focus of potential donors</li> <li>- The sub sector focus (food processing with focus on fisheries) seemed relevant but establishing an internationally recognized programme in food science and technology was misplaced under the prevailing circumstances (post conflict recovery phase)</li> <li>- Building entrepreneurial capacities highly relevant for a country emerging from conflict – but no beneficiary perspective quoted in eval. report</li> <li>- Growth Centres target the skills training and employment generation needs of the rural population and unemployed youth. Many of the potential trainees or clients are girl mothers, mostly victims of the civil war. The centres are expected to fulfil a social rehabilitation function</li> </ul>
- <b>Cooperation, collaboration,</b>	- Strong collaboration between UNIDO and MoTI during programme formulation, weaker during the implementation of the IP

<b>Country / Name of project</b>	<b>SIERRA LEONE: Post-conflict SME support programme for industrial development and poverty alleviation (US/SIL/04/102, XP/SIL/04/027, YA/SIL/04/424)</b>
<b>ownership</b>	<ul style="list-style-type: none"> <li>- UNIDO has had a good level of collaboration with other donors and has contributed to existing donor coordination mechanisms</li> <li>- Active participation of Government in the design of the IP, strong Government ownership</li> <li>- Frequent change of team leaders has limited the internal UNIDO ownership of the IP and produced an erratic and sporadic leadership</li> <li>- No information on local government and community ownership</li> </ul>
<b>- Efficiency</b>	<ul style="list-style-type: none"> <li>- Only 13% of approved budget has been funded</li> <li>- Only few components of the IP actually implemented, the desired synergy effects and efficiency gains didn't materialize.</li> <li>- Main budgetary components have been sub-contracts for the construction and rehabilitation of buildings, procurement of machinery and equipment, and honorarium of national consultants.</li> <li>- Long delays in delivery of the planned outputs, construction work was still to be completed and the equipment to be installed at the time of the evaluation.</li> <li>- Many activities foreseen under the growth centre component had not yet been implemented, including the development of business plans and the formalization of the legal status of the centres. Government procurement rules led to delays of about 8 months, evaluators also see UNIDO internal administrative reasons for the delays.</li> <li>- Team leaders changed too often</li> <li>- The nomination of a head of UNIDO operations in 2005 enabled a more efficient monitoring</li> <li>- Reporting was a weak area: IP progress reports were prepared for 2004 and 2005 but after this no further progress reports</li> <li>- Training of managers and agro-processing operators was about to take place once the construction works were completed and the equipment installed. A national and an international consultant have been retained for these activities. Funding for the payment of salaries of newly recruited staff during a bridging period is to be forthcoming from UNIDO.</li> <li>- There is no Memorandum of Understanding outlining the duties and responsibilities of the partners, the legal status of the Growth Centres, responsibilities of and for personnel and ownership of land, buildings and equipment of the Growth Centres.</li> </ul>

<b>Country / Name of project</b>	<b>SIERRA LEONE: Post-conflict SME support programme for industrial development and poverty alleviation (US/SIL/04/102, XP/SIL/04/027, YA/SIL/04/424)</b>
<b>- Effectiveness</b>	<ul style="list-style-type: none"> <li>- Too early to assess to what extent the local farming communities will benefit from the services of Growth Centres that will be provided, the tools that will be produced or assimilate the new skills and technologies that will be disseminated.</li> <li>- The centres were working at low capacity at the time of the evaluation but performance was expected to increase considerably with the completion of construction</li> <li>- Sustainability strategies or business plans had not been developed for the Growth Centres. There were plans for the community to contribute to the running of the centres. Too early to assess feasibility.</li> <li>- The availability of credit facilities for trained beneficiaries remains uncertain. At the time of the evaluation no contacts have been established with any financial institution. Another area of concern is the availability of transport for reaching market outlets for the processed products</li> <li>- According to one GC management committee, only 20 persons would be trained in agro processing during one year and it is uncertain if the GC model will be expanded. There are, nevertheless, potential multiplier effects in terms of trained trainers being able to train future trainees and these should encompass future entrepreneurs.</li> <li>- Growth Center concept is questionable for post-conflict short term recovery as no employment has been generated after 3 years</li> </ul>
<b>- Impact and sustainability</b>	<ul style="list-style-type: none"> <li>- Too soon to make plausible judgements on future impacts and sustainability</li> <li>- The reactivation of the Growth Centres is regarded as one way to revitalize economic activities in rural communities as these Centres often possess the single most important income generating assets.</li> <li>- The 3 GCs had been in operation prior to the civil war but to what extent they impacted on economic activities or employment is uncertain. Community members were eager to participate in the new activities that the centres will offer</li> </ul>

<b>Country / Name of project</b>	<b>SIERRA LEONE: Post-conflict SME support programme for industrial development and poverty alleviation (US/SIL/04/102, XP/SIL/04/027, YA/SIL/04/424)</b>
<b>Lessons learned</b>	<ul style="list-style-type: none"> <li>- To re-establish entrepreneurial initiatives as an engine of recovery, a more comprehensive strategy was probably needed, in terms of addressing constraints at macro, meso as well as micro levels. The Programme has mainly focused on the supply side; increasing agricultural production and agro processing activities through Government supported training cum production centres. More demand oriented interventions, to alleviate existing constraints to development of sectors or markets and to develop the private sector are absent.</li> <li>- UNIDO needs to assess its interventions and achievements in post-conflict situations and develop Policy Guidelines for supporting PSD in post-conflict or post-emergency situations. These Guidelines should assist in defining thematic priorities, institutional capacities and comparative advantages and on how to select and sequence services to be provided. The following interventions and activities are often needed in the first stages: <ul style="list-style-type: none"> <li>o The identification of the main obstacles for industrial development and PSDA mapping and analysis of policies, strategies, regulations in place and of existing public and private business development service providers</li> <li>o Formulation of a proposal on how to develop the functions of Government, encompassing 1) the provision of an enabling environment for the private sector; policies, regulatory framework and supportive infrastructure and 2) removing obstacles for PSD.</li> <li>o Formulation of a proposal for BDS or market development, including sector and sub-sector analyses in order to identify sectors with short- and long-term growth potentials and strategies on how to promote the participation of subsistence producers in the market.</li> </ul> </li> <li>- PTC, PCF and OSL/EVA need to work together to establish a “clearing house” on tools, competence, experience and results from working in post conflict situations or fragile economies. In these situations there is often a need to serve the Government in an advisory capacity and in relation to policy assessments and policy making, as well as on defining the role of Government and the type of services to be provided for industrial development, PSD and related capacity building needs.</li> <li>- The sub sector focus (food processing with focus on fisheries) seems relevant at a first glance but establishing an internationally recognized programme in food science and technology was misplaced under the prevailing circumstances (alternative , the focus could have been the revitalization of market/ supply chains)</li> </ul>

Country / Name of project	<b>SIERRA LEONE: Post-conflict SME support programme for industrial development and poverty alleviation (US/SIL/04/102, XP/SIL/04/027, YA/SIL/04/424)</b>
Key recommendations	<p><i>Strategy level:</i></p> <ul style="list-style-type: none"> <li>- In post conflict situations UNIDO should start with a small programme with a distinct research and inventory approach, including capacity building needs assessment of counterpart organizations, an assessment of the business environment and the identification of areas where there is a need for technical assistance.</li> <li>- Capacity building at Government level (MoTI) needed to enable it to assume government functions in industrial development and ensure a conducive business environment and efficient donor coordination</li> <li>- In countries with a small donor community and without allocated development assistance funds, it is advisable to start with a small programme and include strategic interventions, including the formulation of strategies and policies.</li> <li>- Consider alternatives to providing assistance through Government supported institutions for MSME development. Adopt a cluster, sub-sector or value chain approach addressing failing links in the value chain or at the level of a sector or cluster. Apply a spectrum of technical assistance modalities, including cluster development, BDS and market development, value chain analyses.</li> </ul> <p><i>Operational level:</i></p> <ul style="list-style-type: none"> <li>- Monitoring and reporting to be improved, there should be joint UNIDO/Government review mechanisms and monitoring.</li> <li>- Roles/responsibilities of MoTI, GC management and UNIDO should be defined in a Memorandum of Understanding</li> <li>- Priorities should be set in the IP - what is most urgent, what should come first?</li> <li>- A needs-oriented Country Strategy Document can be a good start to a more Step-by step approach to IP planning</li> <li>- A IP fund mobilization strategy should always be developed and implemented</li> <li>- An in-depth review should be mandatory for all IP's, which have not reached a funding level of 30 per cent two years after approval and for the purpose of deciding on whether or not to continue, dismantle (implement the funded components as stand-alone projects), reformulate the programme or design and start a new programme.</li> <li>- A main criterion for selecting IP Team Leaders should be the likelihood of the appointee remaining in the position for the duration of the programme and his/her capability to provide efficient leadership. UNIDO should revisit its rule that IP team leadership should always be with the Field Operations Division.</li> <li>- Team Leaders need to assume more responsibility for internal and external coordination, monitoring and reporting and should be provided with adequate means to perform these tasks.</li> <li>- IP team meetings should be held every six months and there should be minutes of these team meetings</li> </ul>

<b>Country / Name of project</b>	<b>SIERRA LEONE: Post-conflict SME support programme for industrial development and poverty alleviation (US/SIL/04/102, XP/SIL/04/027, YA/SIL/04/424)</b>
	<ul style="list-style-type: none"> <li>- The “common sense” rule of not being a UR or IP Team leader for your country of origin is valid and should always be applied as host country nationality weakens the UN identity and can expose the staff member to double loyalties.</li> <li>- A thorough risk analysis and management should be part of programme preparation and implementation.</li> </ul>

<b>Country / Name of project</b>	<b>SRI LANKA: Sustainable livelihood recovery among conflict affected population (TF/SRL/06/005)</b>
<b>Source of Information</b>	Project document Progress report 1 – 3
<b>Political partner</b>	Ministry of Industrial Development District Chambers of Commerce and Industry in the Districts of Batticaloa and Trincomalee
<b>Implementation partner</b>	No other UN or international partner, internal UNIDO collaboration between Agro Processing Branch and PSD Branch
<b>Project context</b>	- Post conflict scenario (20 years of violent conflict) - Post-natural disaster (Tsunami) - Re-emerging conflict during project implementation
<b>Project components, time frame and budget</b>	Integrated project, no components  Project duration: 2 years (2007 – 2008), due to security considerations, the project was granted two extensions until 31 December 2009. The last available progress report (November 2009) requests a further project extension until 31 December 2010.  Budget: US\$ 1.7 Mio Funding by UN Trust Fund for Human Security
<b>Target Group</b>	Smallholder farmers including IDP's and returnees, and family run MSMEs, specifically:  - Self-help production groups, Women's groups - Fishing communities, family businesses - Repair and maintenance service providers

<b>Country / Name of project</b>	<b>SRI LANKA: Sustainable livelihood recovery among conflict affected population (TF/SRL/06/005)</b>
	On intermediary level: - Institutions engaged in small business development
<b>Project goal</b>	Support sustainable livelihood recovery and social stabilisation among populations affected by natural disaster and conflict
<b>Impact hypothesis</b>	The project aims to achieve its overall goal of livelihood recovery by: - Upgrading agricultural technology and production levels - Reviving technical abilities and resources in manufacturing, repairing and maintaining agriculture tools, fishing boats and other technical services - Supporting rural communities in the establishment of income generation activities through training in entrepreneurship and micro business development The interventions are based on mobilisation of village populations, farmers' associations, business communities and training/educational institutions in cooperation with local stakeholders.
<b>Strategic interventions and key activities</b>	The project focuses on agriculture and food processing sectors (sector approach) but also includes training in non-food activities (handicraft). <i>Stabilising community structures:</i> - Organize/revive Community Development Groups (CDGs) and building their capacities in group management - Training of groups in entrepreneurship and micro and small-scale business development using methods developed by UNIDO PSD - Develop self-help production groups into community-based small enterprises in rural areas in co-operation with training and educational facilities in the districts.

<b>Country / Name of project</b>	<b>SRI LANKA: Sustainable livelihood recovery among conflict affected population (TF/SRL/06/005)</b>
	<p><i>Restoring livelihoods of individuals, villages and productive capacities of MSMEs (service providers to farmers)</i></p> <ul style="list-style-type: none"> <li>- Technical skills training and extension services to individual farmers, fishermen and women in manufacture, repair and maintenance of simple agricultural tools, repair and maintenance of fishing boats, food processing</li> <li>- Provide farmers with agricultural and fishermen with fishery technology/tools and machineries/boats in cooperation with CDGs, District Chambers of Commerce and Industry (DCCIs) and local authorities</li> </ul> <p><i>Rehabilitation and building of institutional capacities:</i></p> <ul style="list-style-type: none"> <li>- Training of Trainers in community-based production technologies, entrepreneurship and collective self-help group management</li> <li>- Establish a revolving fund with the assistance of the DCCIs and assisting selected rural workshops in obtaining required tools and equipment</li> <li>- Revise the currently available technical, entrepreneurial and management skill training programmes/curriculum at district vocational centres and universities</li> <li>- Organize training for financial institutions and local banks on project identification, analysis and evaluation in order to improve their services and outreach to rural communities particularly aimed at micro processing and self-help groups, rural small enterprises</li> </ul>
<b>Main findings</b>  - <b>Overall planning/ project design</b>	<ul style="list-style-type: none"> <li>- Project follows a comprehensive sector approach and builds on local partnerships, capacity development is evident in all activities</li> <li>- Needs analysis conducted by international/national staff and international consultants: <ul style="list-style-type: none"> <li>o Assessment of agricultural production situation in the project areas</li> <li>o Rapid market assessment to identify the opportunities for locally produced products and goods as well as the needs for quality improvement</li> </ul> </li> <li>- Weak LFA, lack of measurable indicators</li> <li>- Project works in very sensitive environment but no conflict analysis conducted during needs assessment, possibly too little attention paid in the initial project design to ethno-religious conflicts and different contexts in which the project works</li> <li>- Goal of “social stabilisation/community stabilisation” not sufficiently conceptualised in the project documents and no</li> </ul>

<b>Country / Name of project</b>	<b>SRI LANKA: Sustainable livelihood recovery among conflict affected population (TF/SRL/06/005)</b>
	conceptual difference made in project documents between post-conflict and post-natural disaster.
<b>- Relevance</b>	<ul style="list-style-type: none"> <li>- Project interventions are relevant to needs identified</li> <li>- Conflict scenario is not systematically addressed</li> </ul>
<b>- Cooperation, collaboration, ownership</b>	<ul style="list-style-type: none"> <li>- Cooperative relationship with the Department of Agriculture and the Department of Agrarian Services but no details other than involvement in selection of beneficiaries</li> <li>- Reports provide little information on collaboration, e.g. <ul style="list-style-type: none"> <li>o No information on the actual role of the District Chambers of Commerce and Industry and on actual collaboration with the private sector..</li> <li>o No information on the planned 'Project Steering Committee', which was meant to coordinate and consult with UNCT members</li> </ul> </li> <li>- No information on ownership</li> </ul>
<b>- Efficiency</b>	<ul style="list-style-type: none"> <li>- Project efficiency was affected by renewed conflict in the project areas. Due to the security situation, the geographical coverage of the project was limited to the eastern region. Government restrictions prohibit or limit accessing "uncleared areas", i.e., areas not under government control. UN security regulations for international and national staff limited the mobility of project staff</li> <li>- Considering the complexity of the project, the management structure and the number project staff seems to be very modest.</li> <li>- By November 2009 a number of planned activities such as training programmes in collaboration with existing TVET colleges and centres, farmer training centres, and entrepreneurship development centres had not yet started.</li> <li>- Implementation was delayed due to the security situation but also due to delays in the purchasing of project equipment (particularly project vehicles) Call for an extension of project duration already in second progress report</li> <li>- Monitoring not sufficiently results-based, insufficient information whether original target populations, i.e., subsistence</li> </ul>

<b>Country / Name of project</b>	<b>SRI LANKA: Sustainable livelihood recovery among conflict affected population (TF/SRL/06/005)</b>
	farmers, IDPs, returnees, women headed households and former combatants, were reached and covered. Similarly, information on the ethno-religious make-up of the beneficiary population is not provided
<b>- Effectiveness</b>	n/A
<b>- Impact</b>	n/A
<b>- Sustainability</b>	n/A
<b>Lessons learned</b>	From interviews:  - Due to time pressures it is often not feasible conducting a complete conflict analysis during the first planning mission. However, if elements of conflict analysis are not included in the initial assessments and project documents they may not be considered at all in the entire process.
<b>Key recommendations</b>	By evaluators:  - Project documents should provide at least basic information on the conflict context, how this context may affect the project and vice versa - When working in regions of active conflicts or with high risk of emerging conflicts the project design must foresee measures to ensure conflict sensitivity



<b>Country / Name of project</b>	<b>INDONESIA: CSF Phase II – Component 3: Recovery and rehabilitation of communities in tsunami affected areas and post-conflict areas</b>
<b>Political partner</b>	Gol, related to UN Development Assistance Framework (UNDAF) for 2006-2010,
<b>Implementation partner</b>	UNIDO and selected NGOs
<b>Project context</b>	Post-crisis situation after Tsunami in Aceh province and Nias island  Post-conflict situation in Maluku islands (clashes between Moslems and Christians)
<b>Target group</b>	Local communities, individuals
<b>Project goal</b>	Varied per component and sub-project, not clearly spelled out
<b>Impact hypothesis</b>	CSF II framework document was vague and unspecific regarding the expected results and rationale for the proposed interventions.
<b>Strategic interventions and key activities</b>	Funding only obtained for three sub-projects in post-crisis/post-conflict component:  (1) Nias Small Hydro Power Plant (SHP) and CDC Project: Alleviation and restoring sustainable livelihoods in Nias island through micro hydropower based Community Development Centre (CDC) for Common Facilities (2) Aceh Skills Development Project Establishment of industrial skill development centre for smaller communities in Tsunami/Earthquake affected area in Aceh and Nias, North Sumatra (3) Maluku Development Project: Rural development in post conflict situation (Phase I and II)
<b>Main findings of evaluations</b>  <b>- Overall planning/ project design</b>	Weak planning, no or not clear LFAs, project documents often did not specify who and where the targeted beneficiaries were, how they were selected, in what way they were supposed to benefit from the projects, and by when; projects were formulated without in-depth fact-finding, needs assessments and close involvement of the UNIDO HQ technical staff.

<b>Country / Name of project</b>	<b>INDONESIA: CSF Phase II – Component 3: Recovery and rehabilitation of communities in tsunami affected areas and post-conflict areas</b>
<b>- Relevance</b>	<p>- Nias: The relevance of the Nias SHP and CDC project is mixed. On the one hand, electricity provision through a small hydro power plant is highly relevant to the needs of the local community, is well supported by the local authorities and clearly falls into the competence of UNIDO. On the other hand, it is not clear what an ICT community development centre can contribute to rebuild the livelihoods and infrastructure of affected communities immediately following natural disasters.</p> <p>- Aceh: overall relevance of the project was moderate. Although the intervention was relevant to the needs of the affected communities and in line with the Government’s priorities, it neither fully fitted the priorities of UNOCHA nor the implementation modalities and comparative advantages of UNIDO.</p> <p>- Maluku Development Project: The projects were relevant to the selected target groups affected by the conflicts in Maluku as they provided them with improved entrepreneurial skills, processing equipment and technologies, and market access to improve their livelihoods. However, the relevance of the capacity building for the selected local government representatives and partners from collaborating universities and institutions was questionable.</p>
<b>- Cooperation, collaboration, ownership</b>	<ul style="list-style-type: none"> <li>- CSF as bundle of largely unconnected single projects</li> <li>- Limited collaboration with other UN agencies</li> <li>- No real sense of country ownership over the country services framework was apparent.</li> <li>- All the funded projects were implemented and managed as stand-alone projects with little synergy among them.</li> <li>- The five projects did not have much in common, which also contributed to their minimal synergy effects.</li> <li>- The projects covered different geographical areas which were far away from each other;</li> <li>- The target groups were not the same.</li> <li>- The types of project were different or were not related;</li> <li>- And the projects were managed by different project managers, except the Aceh and Maluku projects.</li> </ul>
<b>- Efficiency</b>	<p>Overall, project overran by four years, lasting six instead of two years. But this was largely due to the unrealistically short timeframe imposed by the donor, a series of delays at the government counterpart agency, and the turbulence caused by the tsunami/ earthquake that could not have been foreseen.</p> <p>(1) The efficiency of the Nias hydro power plant and ICT community development centres (CDC) project was modest. The project overran by two years, with a 70% increase on the original budget. The initial diversion of funds to the community</p>

<b>Country / Name of project</b>	<b>INDONESIA: CSF Phase II – Component 3: Recovery and rehabilitation of communities in tsunami affected areas and post-conflict areas</b>
	<p>development centres and to ICT equipment made the project nearly fail to achieve its main objective, which was to provide the rural community in Nias with SHP-generated electricity for productive uses. The small hydro power plant and its distribution system were completed with additional funding.</p> <p>(2) The efficiency of the Aceh Skills Development Centre project was low. The project was implemented in two years instead of in three months as planned, at a cost increase of 25% of the original budget. The project activities were put on hold for three or four months until the bridging funds arrived. The theft of the wood processing equipment and mismanagement by the Local Project Coordinator were major constraints in achieving the expected results.</p> <p>(3) The two projects (phases I and II) in Maluku have been efficiently implemented, and have produced relatively cost-efficient results in a reasonably timely fashion. The success of these projects has led to the approval of a \$2.1 million follow-up project, which will be implemented by UNIDO in coordination with International Labour Organization (ILO) and by the UN Trust Fund for Human Security (UNTFHHS).</p>
<b>- Effectiveness</b>	<p>Nias: The overall project effectiveness is moderate. But if the community is mobilized and strengthened and could take over the SHP from the project and run the plant smoothly on its own, the project effectiveness would increase. Additional funding is being sought to address these issues.</p> <p>Aceh: Effectiveness of the project was low as the achievement of the end results was modest.</p> <p>Maluku: The projects have clearly contributed to the development of sago and eucalyptus oil in Maluku. They have significantly contributed to the revitalization of sago, which used to be the main staple food of the local population.</p>
<b>- Impact</b>	<p>- No concrete figures</p> <p>- Some anecdotal evidence, particularly for Maluku</p>
<b>- Sustainability</b>	<p>Nias: The Nias SHP and CDC project has achieved modest results and its post-project sustainability is still very uncertain.</p> <p>Aceh: The lack of linkages with local initiatives and existing services appeared to be one of the major elements that hampered the sustainability of UNIDO's assistance.</p> <p>Maluku: The Maluku Technology Centre (MTC) was set up by the project and has been functioning as an independent entity whose staff and operating costs are paid by the project. Although the project management has made great efforts to</p>

<b>Country / Name of project</b>	<b>INDONESIA: CSF Phase II – Component 3: Recovery and rehabilitation of communities in tsunami affected areas and post-conflict areas</b>
	collaborate closely with other governmental agencies, the centre is not likely to be sustainable when the project is completed.
<b>Lessons learned</b>	<p><i>Overall project strategies/ project planning + design</i></p> <ul style="list-style-type: none"> <li>- Plan only projects with genuine government support</li> <li>- Sustainability as issue, handing over strategies required</li> </ul> <p><i>Project implementation, structure, Monitoring and Evaluation</i></p> <ul style="list-style-type: none"> <li>- Clear M&amp;E system, based on good LFA</li> <li>- Delegation to national office/decentralisation of management, including funding for this task</li> </ul>
<b>Key recommendations</b>	<p><i>Overall project strategies and project planning/ design</i></p> <ul style="list-style-type: none"> <li>- UNIDO needs clear strategy for post-crisis and post-disaster assistance</li> <li>- No hardware without clarity on local ownerships/handing over strategy</li> <li>- First do sound needs assessment before planning</li> <li>- No pilots without up-scaling/replication strategy</li> </ul> <p><i>Project implementation, structure, Monitoring and Evaluation</i></p> <ul style="list-style-type: none"> <li>- Decentralisation</li> </ul>