

UNHCR Evaluation Management Response	
<b>Evaluation title:</b>	Decentralized baseline evaluation of the Ikea Foundation Livelihoods and Energy Projects Among Somali Refugees and Hosts in Melkadida (Ethiopia)
<b>UNHCR evaluation reference:</b>	ES/2020/02
<b>Entity that commissioned the evaluation:</b>	Melkadida Sub-Office
<b>Date of Management Response:</b>	28/09/2020

<p><b>General comments on the evaluation:</b></p>	<p>Sub Office Melkadida appreciates support from HQ evaluation service as well as livelihoods and economic inclusion unit. In addressing TANGO baseline recommendations: Sub Office Melkadida with the support of UNHCR Representation in Addis, has taken proactive steps to initiate urgent programmatic actions and analysis on research gaps. Research and information need analysis seeks to identify specific and relevant information needed for targeted intervention. This will ensure redesigning of support to established cooperatives is anchored on a sustainable and market driven approach. The proposed recommendations are timely as the sub office is in the process of reviewing and redesigning the overall interventions including aligning key areas to the livelihoods and economic inclusion strategy. Additionally, the recommendations are aligned to global compact on refugees' provisions under job and livelihoods. Thus, they remain a key strategic priority for Sub Office Melkadida as well as IKEA foundation in ensuring comprehensive and integrated approaches while promoting linkages to markets and overall sustainability; through established cooperative interventions and broader partnerships that include: government, private sector and development actors. Currently discussions are underway to explore sustainability linked to engagement of a broad range of partners with resources that can support scale up of existing interventions for instance IFC and formal Micro Finance Institutions in local context.</p>
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<p><b>RECOMMENDATION 1:</b></p>	<p><b>Identify/support the right partner(s) to boost cooperative capacity in business planning and systems, and to ensure the backbone of business data is available.</b></p> <p>Cooperatives are struggling with long-term planning, administrative procedures, and financial systems. UNHCR should identify/support the partner that can best address these issues in the next phase, and that has the potential to sustain these services after the program ends. TANGO advises that UNHCR consider alternative options (to the previous local NGO IP) to fill this role to ensure the partner(s) both specialises in cooperative/business development and has the capacity or potential to continue to offer these services in the region after the UNHCR programme ends. For instance, the partner approach may include a mix of several implementing and operational partners and government as a business support unit. TANGO suggests this partner approach formally includes the local government cooperative agencies, as this can be an opportunity for building longer-term capacity of these institutions to support the cooperatives in the future.<sup>46</sup> The partners/or partner unit will provide the backbone of business data (balance sheets, audits, member tracking) needed by UNHCR to track progress on key indicators (see Rec. 4).</p>
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	<p>Beyond accounting and financial systems, the partner(s) should also have good capacity to develop basic documents/policies with cooperative management. Some documents are crucial for the cooperatives to have copies in their possession in order to refer to and explain to other members (who may be illiterate) for orientation, to ensure consistency with member and management turn-over, and in case of disputes or misunderstanding; these include: by-laws with role descriptions for all personnel, a long-term business plan, an annual budget, and others. Even with illiteracy among many members, the evaluation team notes the need for this documentation; it should be developed with co-op management and members taking the lead in its formulation to ensure they know and understand what is in their paperwork even if they cannot read or write it fully themselves.</p> <p>Recommended Timing: begin partner search by June 2020 and onboard by January 2021; Issues to be addressed by December 2021</p>				
<b>Management response:</b>	<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Partially agree <input type="checkbox"/> Disagree				
<b>Reasons if partially agree or disagree or N/A if agree:</b>	N/A				
<b>Unit or function responsible:</b>	Jointly by UNHCR Melkadida (Multi-Functional team) and UNHCR Representation in Addis as part of Implementing Partnership Management Committee				
<b>Top line planned actions (1 line per action)</b>	<b>By whom</b>	<b>Comments</b>	<b>Expected completion date</b>	<b>Post 1 Year Progress Follow-Up</b>	
1.1 a. Livelihood partner identification b. Reconstitution of COOP membership based on capacity and commitment c. Ensure ongoing local partner support for COOP management and active engagement in Business Plan development	1.1a. UNHCR Management, Programme and Livelihoods  1.1b&c. UNHCR Programme/Livelihoods and Field	a. Sub Office Melkadida has completed partner selection to support through partner agreement best fit partner to facilitate COOP business development and market linkages b. Sub Office is in the process of supporting Cooperatives to reconstitute membership based on capacity and commitment to undertake cooperative activities c. UNHCR and partner area currently supporting cooperatives in documentation	June 2021	<b>Status</b>	<b>Comments</b>

1.2	<p>a. Research priority mapping to identify key information gaps to inform business development and COOP sustainability</p> <p>b. Targeted assessments, market and value chain research to inform redesigning of cooperative interventions</p>	<p>a. UNHCR SOMEL Multifunctional Team (Programme, Livelihoods, Field, Protection</p> <p>b. Management, Programme and Livelihoods</p>	<p>1.2a. Sub Office Melkadida has established a multi-function task team to unpack and support operationalization of recommendations linked to information needs, research gaps and business capacity development. The task team working closely with Altai consulting has identified 16 areas of research, information needs, and tools needed for business development and COOP Sustainability</p> <p>1.2b. Two crop value chain assessments to support agriculture cooperative and 1 micro insurance feasibility assessment Identified. The assessments to be finalized by end of 2020. Additionally, priority areas identified in 1.2a above have been sequenced overtime and outcomes of 1.2b will contribute to refining the programme towards business development and sustainability</p>	December 2021			
<p><b>RECOMMENDATION 2:</b></p> <p><b>Assess business viability, particularly for Firewood and Cookstoves, and provide vulnerable members the integrated support needed. Viable cooperatives need to ramp up market and value chain linkages.</b></p> <p>There is a conclusion of the recent Oxford RSC study that the Firewood and Cookstove cooperatives may not be able to be profitable enterprises due to numerous challenges they face with reliable inputs, market demand, etc. With UNHCR's study on Prosojis supply planned for this phase, there should be an accompanying study on how to expand</p>							

	<p>the demand for the briquettes and cookstoves. Then, a clear decision will need to be made with KEA Foundation on whether these cooperatives (or others) will be able to become viable businesses under this investment. This decision should also take into consideration the vulnerability status and capacities of those cooperatives' members, and accordingly, the additional training and support that may be needed to strengthen them on par with other cooperatives. If a cooperative is deemed 'unviable for business' during this phase, it may need a re-branding of sorts to focus on women's empowerment and protection outcomes with small supplemental income benefits in order to meet the expectations of members around the potential for it to be a sufficient livelihood. For those cooperatives with real business potential, they need to rapidly establish and expand their own market network and value chain connections. Cooperatives in each camp may be able to learn from and better coordinate with one another to this end, such as from the successes of CAHW in developing their own supplier contacts.</p> <p>Recommended Timing: issues to be addressed June-December 2021.</p>									
<b>Management response:</b>	<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Partially agree <input type="checkbox"/> Disagree									
<b>Reasons if partially agree or disagree or N/A if agree:</b>	N/A									
<b>Unit or function responsible:</b>	UNHCR Meikadida (Energy Project with Senior Leaders), with JWG support									
<b>Top line planned actions (1 line per action)</b>	<b>By whom</b>	<b>Comments</b>	<b>Expected completion date</b>	<table border="1"> <thead> <tr> <th data-bbox="821 149 909 380">Post 1 Year Progress Follow-Up</th> <th data-bbox="821 149 909 579">Status</th> <th data-bbox="821 149 909 1925">Comments</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Post 1 Year Progress Follow-Up	Status	Comments			
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2.1	<p>a. Assigning intervention to relevant units to ensure appropriate support and cross sector linkage</p> <p>b. Rapid assessment on supply and demand of cooking energy fuel and fuel efficient cookstoves including market opportunity mapping</p> <p>c. Redesigning intervention based on 2.1 b findings</p>	<p>2.1 a. SOMEL Management and Programme</p> <p>2.1 b. Programme/ Energy, Field, Protection and Livelihoods</p> <p>2.1 c. SOMEL Management, Programme, Protection, Energy, Field and Livelihoods</p>	<p>2.1 a. Energy and Livelihood unit assigned to support the intervention</p> <p>2.1 b. Assessment to inform targeted action in addressing gaps is planned</p> <p>2.1 c. redesigning of intervention will take into consideration relevant sector linkages comprising energy &amp; environment, livelihoods and protection</p>	June 2021		
2.2	<p>a. Reconstituting Cooperative membership based on capacity</p> <p>b. Capacity development on core technical trainings and business development for market linkages</p>	<p>2.2 a. Programme and Energy unit</p>	<p>2.2 a. Ongoing discussions Environment and Energy partner</p> <p>2.2b. Based on 2.1 b and 2.2 a core technical trainings and business cooperatives with viable business plans and capacity. Additionally, selection criteria will be developed jointly with cooperatives to guide inclusion/ recruitment of additional members in future</p>	<p>2.2.a. Work in Progress</p> <p>2.2 b. December 2021</p>		
<p><b>RECOMMENDATION 3:</b></p> <p><b>Sustainability planning tailored by cooperative should be a high priority early in this phase, for both cooperatives and partners.</b></p> <p>The evaluation team recognises sustainability discussions are ongoing and reiterates the importance of this activity on multiple levels. Only a handful of cooperatives can currently comprehend and articulate their path toward self-reliance. As the findings of this study suggest, there are unique capacity differences across every cooperative. Thus, the sustainability plan cannot be generic, but developed separately with each cooperative. UNHCR may need a sustainability strategy with partners who continue to offer support to the project as well. This strategy should be multi-</p>						

	<p>year and outline the hand-over and phase out of IKEA Foundation and UNHCR support. In some future cases where UNHCR direct support has ended, it may be appropriate for UNHCR to advocate with other donors or co-fundraise for continued funding for the partners. As sustainability is also linked to Government partners (Agriculture, Energy, etc.), these counterparts should be strongly involved in the sustainability planning of this phase.</p> <p>Recommended Timing: ongoing through June 2021.</p> <p>✓ Agree    □ Partially agree    □ Disagree</p>			
<p><b>Management response:</b></p>				
<p><b>Reasons if partially agree or disagree or N/A if agree:</b></p>	<p>N/A</p>			
<p><b>Unit or function responsible:</b></p>	<p>UNHCR Meikadida (Project Management with partners)</p>			
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<p>3.1</p> <p>a. Linking outcome of research studies undertaken including outcome of ongoing workshops with SOMEL task team and outcome of launched assessments (value chain and microinsurance) to sustainability plans of cooperatives and overall sustainability strategy of the programme</p> <p>b. Drafting and operationalizing community engagement strategy aligned to overall sustainability strategy</p> <p>c. Defining and Drafting Exit Strategy linked to Sustainability plan and</p>	<p>3.1 a. SOMEL Task team on TANGO recommendations – Management, Programme/Livelihood s, Energy and Field; in collaboration with Representation in Addis (Livelihoods)</p>	<p>3.1a. SOMEL task team on TANGO recommendations will work collaboratively with Representation in Addis (Livelihoods unit), partners and Altai consulting to refine and finalize overall sustainability strategy linked to cooperative sustainability plan</p>	<p>3.1 a. End of 2021</p> <p>3.1 b. i) Drafting and Validation by June 2021</p> <p>3.1 b. ii) Operationalization on June 2021 – December 2021</p>	
<p></p>	<p>3.1 b. Protection, Field, Programme/Livelihood s &amp; Energy</p>	<p>3.1b. The sustainability strategy will be complemented by Community Engagement strategy to be developed by SOMEL task team and Field. This will ensure in the lead up to exit/phase out a community driven/led approach is pursued in sustaining investments made.</p>	<p>3.1 c. December 2022</p>	

	<p>outcome of workshops; assessments conducted and UNHCR overall strategic priorities on Livelihoods and Economic Inclusion</p>	<p>3.1 c. SOMEL Task team on TANGO recommendations – Management, Programme/Livelihood s, Energy and Field; in collaboration with Representation in Addis (Livelihoods &amp; Development)</p>	<p>3.1 c the outcome and conclusions from assessments undertaken as well as Joint Working Group discussions will and prospects of ongoing advocacy discussions with potential development actors will inform the exit strategy development. Over the course of assessments; sustainability will be operationally defined based contextual realities and linked to the exit strategy to be developed</p> <p>3.2 Currently ongoing advocacy at Representation in Addis in collaboration with Sub Office Melkadida management. Through IFC Engagement; overall objective is to strengthen sustainability of existing IKEA foundation investments in refugee hosting areas including support for scale up and attracting other domestic and international private sector investors. As part of the overall exit strategy; structured advocacy with a broad range of actors will be pursued. Sub Office Melkadida has initiated discussions with IFC for a feasibility assessment of Agriculture in the refugee hosting area and held bilateral discussion with formal MFI in refugee hosting area to expand access to financial services to refugees.</p>	<p>Ongoing to End of 2022</p>		
<p>3.2</p>	<p>Advocacy with broad range of actors (Private sector, Development and government) to attract investments and development resources in refugee hosting area</p>	<p>3.2 Management at SOMEL and Representation in Addis (Management, Livelihoods and Development)</p>				

	<p><b>Enhance monitoring of livelihood project outcomes through business development partner and supplemental qualitative monitoring of indirect outcomes and other elements of cooperative capacity building.</b></p> <p>UNHCR Meikadida needs relevant and actionable monitoring data, including livelihood outcome monitoring to supplement the global Livelihoods Information System. The sub-office information management will need to work closely with the business development partner(s), identified in Rec. 1, to build a standardised accounting, member activity tracking, and Reporting and Analytics system in every cooperative that provides all necessary monitoring data on a monthly basis. This data should allow the sub-office to track progress on the KPI, including average co-op income per member. In addition to the data from cooperative records, the sub-office should outline a strategy to conduct regular participatory qualitative monitoring to explore other indirect outcomes of interest related to protection, access to basic services and education, women's empowerment and decision-making, access to financial services, etc. The participatory monitoring would also seek to follow-up on both unexpected results of quantitative/or cooperative data, as well as monitoring the indicators of the Cooperative Capacity Assessment, such as investigating the discrepancies in this study's results on low levels of reported training among cooperative members, and the lack of cooperative management awareness of their legal status.</p> <p>Recommended Timing: develop and begin enhanced monitoring plan by end of June 2021.</p> <p>✓ Agree    □ Partially agree    □ Disagree</p>									
<p><b>Management response:</b></p>										
<p><b>Reasons if partially agree or disagree or N/A if agree:</b></p>										
<p><b>Unit or function responsible:</b></p>	UNHCR Meikadida (Project Management with partners)									
<p><b>Top line planned actions (1 line per action)</b></p> <p>4.1 a. Establish information management system to capture key data linked to measurement of key livelihood outcomes</p> <p>b. Undertake 2 Monitoring assessments June/July and December/January to examine progress on key performance indicators including:</p>	<p><b>By whom</b></p> <p>4.1 a) Information Management, Field, Livelihoods and Energy</p> <p>4.1 b) Information Management, Protection, Field, Livelihoods and Energy</p>	<p><b>Comments</b></p> <p>4.1a) Information Management together with Livelihoods, Energy and Partners to develop a monthly tracker to capture data on incomes - expenditure; operational assets allocated to the cooperatives or individual members, including stock and production assets such as tools or equipment, production; asset acquisition per coop member or per</p>	<p><b>Expected completion date</b></p> <p>4.1a) Ongoing up to March 2021</p> <p>4.1b) June of 2021</p>	<table border="1"> <tr> <th colspan="2">Post 1 Year Progress Follow-Up</th> </tr> <tr> <th>Status</th> <th>Comments</th> </tr> <tr> <td></td> <td></td> </tr> </table>	Post 1 Year Progress Follow-Up		Status	Comments		
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	<ul style="list-style-type: none"> <li>• Employment and Income increased</li> <li>• Access to financial services bolstered</li> <li>• Business management and technical skills enhanced</li> <li>• Household food security strengthened</li> </ul>		<p>cooperative including livestock; Yield data; access to savings and credit; performance of MFI loans; expansion and diversification of enterprises; employment created per person employed</p> <p>4.1 b) Develop standard tools for Key Performance Indicator monitoring and undertake monitoring</p> <p><i>(Pilot to be conducted using draft tool by December/January 2020 with 1 cooperative)</i></p>			
4.2	<p>4.2a. Develop qualitative monitoring tools</p> <p>4.2b. Undertake qualitative monitoring of indirect outcomes</p>		<p>4.2a. SOMEL task team together with livelihoods and field to develop pilot qualitative monitoring tools – FGD and KII Guides</p> <p>4.2b. Focused Group Discussions and Key Informant Interviews to measure indirect outcomes of interest linked to protection, access to basic services and education, women's empowerment, decision-making, access to financial services</p> <p><i>(Pilot to be conducted using draft tool by December /January 2020 with 1 cooperative)</i></p>	4.2a. and 4.2b.) June 2021		