

Reflecting on the Mid-term evaluation of the UEC's MFS II programme

Introduction

In March 2012 SPARK & BiD Network requested Ecorys to carry out the mid-term evaluation (for the period of January 2011- December 2012) of the United Entrepreneurship Coalition's (UEC) MFS II programme. The UEC is set up by two main partners SPARK and BiD Network who together with cooperation partners (such as InfoDev, MDF, Triodos Facet) and local partner organizations in each country. The UEC is an Alliance which aims to alleviate poverty by creating employment opportunities through empowering entrepreneurs. The UEC, through local partners, works in the following fragile states: Kosovo, Occupied Palestinian Territories, Rwanda, Liberia and Burundi. The UEC builds its foundation on the following objectives:

- 1) *To build capacity of the local partners and through them organizations in their networks, to support entrepreneurship and SME development, especially in remote regions and amongst marginalized groups.*
- 2) *To, through local partners, extend support to starting entrepreneurs as well as existing SMEs with a high pro-poor growth potential.*
- 3) *To remove barriers to doing business for the entrepreneurs and SMEs, leading to a (more) enabling environment for private sector development.*

In order to safeguard and evaluate the provisional execution of these objectives, Ecorys conducted the mid-term evaluation over a time span of three months in which conclusions and recommendations were drawn up on the basis of the conducted desk research, country field visits to Rwanda and the Occupied Palestinian territories (OPT), surveys of programme partners and interviews with main stakeholders in The Netherlands and the two selected countries. The mid-term evaluation focused on the evaluation criteria relevance, effectiveness, efficiency and sustainability. The attribution is not covered, as this is usually not included in a mid-term evaluation.

Summary of the Conclusions & Recommendations

Relevance - The UEC works in some of the most 'difficult' countries, due to their post-conflict or fragile nature. The programme addresses the manifested needs of specific target groups which are identified through extensive consultations in the field with local partners and entrepreneurs as well as the experience of SPARK and BiD Network themselves. Interventions are synchronized to the needs and priorities of both country and programme managers. The project proposal of the UEC suggests special interest in women, youth and vulnerable groups whilst in practice not all projects were aimed directly at marginalized groups.

Effectiveness - Two years since its inception, the UEC has achieved most output targets and outcome targets were achieved in addition. Partner organizations and beneficiaries noted that capacity building support strengthened their overall functioning. In most countries the coalition has been successful in selecting suitable partners except for Rwanda where new partners were recently added. The effectiveness of advocacy activities of local partners were unclear, although activities related to this have been undertaken, and output targets have been achieved.

Efficiency - Regarding the planning, the programme was behind schedule. Under spending by BiD Network and SPARK was an issue in respectively Liberia, OPT and Burundi, but improvement was made in 2012. Although the delays suggest too much optimism on the part of both the project partners and the UEC at the start of the programme, it can also be assumed that part of this has to do with unexpected issues arising, especially in the context of a fragile state. Partners were critical about the complexity of SPARK's monitoring and reporting procedures, specifically the many 'monitoring and reporting' tools presented to them. Programme partners very much appreciate the established SPARK country offices as this resulted in frequent interaction with partner organizations. Although the general perception is that country offices have limited capacity.

Sustainability -

Most local partners foresaw financial constraints in the continuation of their activities after the end of the UEC programme. The involvement of other donors is predominantly mentioned as a means to strengthen the financial sustainability of the partners.

Ecorys furthermore observed that although the complementarities of the Alliance has materialized in the implementation of the programme, both partners have a different approach which makes acting as one managing, steering and stimulating body to the partners, difficult. So even though the programme proved valuable to partners, a comprehensive approach and structural planning within the Alliance is missing.

Ecorys finally suggests that SPARK's country offices should increase their capacity as this would benefit the support to and partnerships with local partners. Improvements are to be made in independent monitoring as this would lead to less complexity for partners. Business Start-Up Centre should be made into the core monitoring tool to reduce the monitoring reports required from partners. Increased cooperation between northern partners results in increased effectiveness and efficiency as duplicated trainings are avoided and resources are more effectively utilized. In addition, improvements need to be made in training and support for the implementation of lobby and advocacy activities. UEC should safeguard its full chain approach by a more diversified local partner mix consisting of universities and business support organizations. Considering the partner's long-term vision on capacity building, the project-contracts need to be expanded from one year to multiyear planning. Lastly, Ecorys stressed that UEC should offer more support to partners in identifying sustainable revenue models.

UEC's reflection on the evaluation points

- Relevance
 - The UEC is proud to see that the MTR team acknowledges that the UEC is addressing the manifested needs of the target group.
 - Although not all activities are aimed at marginalized groups, even though that is the programme's goal, the expectation is that through all activities down the chain, marginalized groups will be reached.
- Effectiveness
 - Targets are met on all levels and the UEC is happy to be able to show this on all its levels. In addition, to be able to conclude that the result chain is working, is very promising.
 - The Lobby and advocacy activities have been less impressive in terms of outcomes. The UEC has changed its strategy in this, now concentrating on single issues with 1 partner, collaborating with the other partners. This strategy has been used in

specific cases and was fruitful and will now be copied to the entire strategy in this programme.

- Efficiency
 - The UEC has started its activities with a delay due to the contracting period with the donor. Also due to their own contracting dynamics, the activities with the local partners started with delays.
 - The under expenditure of local partners were initially due to the same issues and challenges.
 - In 2012, and more over in 2013, the delay in activities and the under expenditure should be overhauled. There remains a small delay however which will be crossed in 2014, also with additional new innovative activities to be implemented.
 - Simultaneously, the UEC has reached its targeted results. This is especially impressive keeping in mind the issues causing delays mentioned above.
 - The complexity of the UEC's M&E process is relevant to ensure the value for money of the programme. In addition, the process is a confirmation of the local partners' understanding of the implementation capacity which is very important for the sustainability of the partners.
 - SPARK decided to open country offices to be able to have effective interaction with the local partners. The capacity of the country offices is sufficient for the partners with good implementation capacity. For the partners that need more support sometimes challenges arise.
- Sustainability
 - The UEC is putting attention to the partners' sustainability. This is done through the regulation that the partners need to increase a share of own contribution to the activities to ensure differentiation of income sources. Additionally, SPARK and BiD Network collaborates with partners towards new fundraising.

General conclusions

The collaboration between the alliance partners has been productive for both, despite the differences in approach to the programme. Moreover, the differences have also created opportunities and a broadening factor in terms of services provision and target groups. These differences naturally indicate a lacking comprehensive approach, while this is part of the strategy. The structural planning of the alliance is vulnerable due to these differences. However, in terms of reporting, annual planning, programmatic meetings and other activities, these all work out well and are productive on an expected or even higher level.

Recommendations

The capacity of the country offices is meant to grow over time based on the amount of projects that are under management. In most offices, except for one, the capacity is increased and sufficient for the local partners.

The monitoring of the partners' activities and expenditure will not be moved to independent organisations. This will increase complexity in UEC's view and will increase costs as well. The monitoring of the activities and finance is increased as well at partners that showed challenges with the implementation and record keeping, since the start of 2013. The financial recording is improved already as is the level of implementation.

Since 2013, 4 meetings are organised with the cooperation partners to discuss the progress, implementation, opportunities, and challenges. This is shown to be of great use to all partners. Implementation levels of the cooperation partners are also increased.

UEC, notably SPARK, has decided to increase the coordination on the Lobby and Advocacy activities of the partners to increase effectiveness. SPARK now works with a single partner per country on a predefined strategy. The lead local partner involves other partners as well to widen the outreach to beneficiaries and stakeholders.

The partner spread of the UEC is broadened in 2013 to safeguard the full chain approach after some local partners have left the coalition (in mutual consent). In all countries a fully diversified group of partners is now involved again to ensure the theory of change to be generated.

The cooperation with the local partners has been agreed and manifested in a memorandum of understanding over the full span of the programme, not just one year. However, due to absorption capacity, the contracts remain to be agreed and signed annually. For some well performing partners contracts were signed for a longer period.

The sustainability of the local partners is, as mentioned above, a concerning issue for the UEC. Contracts are signed based on a yearly increasing share of own/external contribution to ensure the diversification of financial resources for the activities. In addition, the alliance partners approach other donors together with the local partners to increase the income opportunities.