



## Mid-Term Review of the Sustainable Enterprise Development Facility for South Africa

<b>1</b>	<b>Project title</b>	<b>The Sustainable Enterprise Development Facility for Job Creation in South Africa</b>
<b>2</b>	<b>Country</b>	South Africa
<b>3</b>	<b>Partners</b>	ILO Regional Office, Addis Ababa ILO Decent Work Technical Support Team, Pretoria
<b>3</b>	<b>Project Code (XB – Symbol)</b>	SAF/13/05M/FCA
<b>4</b>	<b>Donor/Support</b>	Government of Flanders
<b>5</b>	<b>Project duration</b>	January 2014 to December 2016
<b>6</b>	<b>Budget</b>	€ 3,305,000 or US\$4,490,489
<b>7</b>	<b>ILO Technical area</b>	Employment promotion through enterprise development
<b>8</b>	<b>Managing ILO Unit</b>	ILO Regional Office, Pretoria, South Africa
<b>9</b>	<b>Collaborating ILO units</b>	Decent Work Support Team for Eastern and Southern Africa, EMP/ENTERPRISE, Green Jobs Programme, International Training Centre, Turin
<b>10</b>	<b>Technical backstopping unit</b>	Decent Work Support Team for Eastern and Southern Africa
<b>11</b>	<b>External implementing partners</b>	<p><i>Provincial:</i> Offices of the Premier; Departments for Economic Development; Departments for Education; Departments for Agriculture and rural Development; Workers' and Employers' organizations and universities in the provinces of the Free State and Kwa Zulu Natal</p> <p><i>National:</i> Department for Trade and Industry (dti), Industrial Development Corporation (IDC), The Business Place (TBP)</p>
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<b>a.</b>	<b>Type of evaluation</b>	Mid-Term
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<b>c.</b>	<b>Name of evaluators</b>	Oladele Arowolo

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## Acronyms & Abbreviations

BCCI	Bloemfontein Chamber of Commerce and Industries
BDS	Business Development Services
BDSP	Business Development Service Provider
BBBEE	Broad based black economic empowerment
BEE	Black Economic Empowerment
CTA	Chief Technical Advisor
DETEA	Department for Economic Development, Tourism and Environmental Affairs
DPW	Department of Public Works
DWCP	Decent Work Country Programme
DFI	Developmental Financial Institutions
EPWP	Expanded Public Works Programme
ETDP	Education and Training Development Programme
FDC	The Free State Development Cooperation
FICA	Flanders International Cooperation Agency
FISA	Free State (SME) Initiative
HoD	Head of Department
HRD	Human Resource Development
ILO	International Labour Organisation
MTR	Mid-Term Review
NAFCOC	National African Federated Chamber of Commerce
NGO	Non-Governmental Organization
NPC	National Project Coordinator
NQF	National Qualification Framework
NSDS	National Skills Development Strategy
NYC	National Youth Commission
NYDA	The National Youth Development Agency
NYP	National Youth Policy
NYDF	National Youth Development Framework
SEDA	Small Enterprise Development Agency
SEDF	Sustainable Enterprise Development Facility
SEFA	Small Enterprise Financing Agency
SETA	Sector Education and Training Authority
SMME	Small, Micro, and Medium Enterprises
SME	Small and Medium Enterprises
ToR	Terms of Reference
UN	United Nations
UNDAF	United Nations Development Assistant Framework
UFS	University of the Free State
WEDGE	Women's Entrepreneurship Development and Gender Equality programme

## Executive Summary

### 1. Introduction

This Mid-Term independent evaluation of the SEDF project was carried out in November 2015 under a conducive environment, and it examined the various aspects of the project: background and justification; its relevance and strategic fit; validity of project design; the effectiveness of the ILO and partner interventions; efficiency of resource utilization for project implementation; effectiveness of the project management arrangements; sustainability orientation of project approaches and activities; ILO and partner cooperation and collaboration and; emerging issues in the project implementation. The MTR report has been based on analysis of project data and documents, and information collected by the evaluator from the ILO management as the executing agency, the government agencies and the collaborating partners in Pretoria and in the two provinces (Free State and KwaZulu Natal).

It is observed overall that, apart from the invaluable approaches and tools developed by ILO under this SEDF project, the organization has executed this project to the highest of standards, ignoring minor management and financial issues that inhibited the achievement of a few set targets for the project indicators. The ILO interventions have been quite effective; coordination and collaboration have been firmly established; finances and materials efficiently utilized and; overall project sustainability ensured through systems of capacity building and long term partnerships.

### 2. Background and justification

The project builds on the ongoing Flemish funded *Free State SME Development Initiative* (SAF/10/01M/FCA), with a budget of US\$6,024,096 from July 2011 to December 2014. Project implementation started in the Free State since January 2011. The project was re-designed and is currently being implemented in the Free State and KwaZulu-Natal, with a planned termination date of December 2016. The Flanders International Cooperation Agency provided funds to this project in the amount of € 3,305,000 or US\$4,490,489. The development objective of the Sustainable Enterprise Development Facility (SEDF) for South Africa is to create decent jobs for men and women in two selected provinces through entrepreneurship promotion and development of small to medium enterprises (SMEs) in sectors and value chains with employment potential. The project objectives are: a) To nurture a culture of entrepreneurship among young men and women; b) To improve the enabling business environment; c) To better match demand for and supply of business development services (BDS) and; d) To stimulate innovation, entrepreneurship and sustainable enterprise development. The Government of South Africa is committed to addressing the severe youth unemployment challenge as evidenced in the New Growth Path and the National Development plan (Vision 2030) where broad-based wealth creation through the promotion of decent work is a policy priority. One of the strategic means identified by the Government to pursue this policy goal is through the promotion of entrepreneurship and small, micro and medium enterprise (SMME) development.

### 3. Purpose, scope & client of evaluation

The MTR serves two main purposes: (i) It provides an independent assessment of progress to date of the project, assessing performance as per the foreseen targets and indicators of achievement at output level; strategies and implementation modalities chosen; partnership arrangements, constraints and opportunities; and (ii) It provides recommendations for the remainder duration of the project in terms of strategies, institutional arrangements, partnership arrangements and any revisions to the results based framework and other areas within which the evaluation team may wish to make

recommendations. In terms of scope, the independent MTR covers all outcomes of the project as implemented in Free State and Kwa Zulu Natal with particular attention to synergies across components. The MTR assesses key outputs produced since the start of the initiative in 2014 and where relevant makes recommendations. The primary clients of the review are the Government of Flanders, as the donor of the initiative, the Government of South Africa, constituents and the ILO office of South Africa, and the Enterprise Development Department at the ILO's Headquarters.

#### **4. Methodology**

The evaluation process applied a variety of evaluation techniques – desk review, meetings with stakeholders, focus group sessions, field visits, informed judgment, and scoring, ranking and/or other rating techniques. The independent evaluator carried out a desk review using project and other documentation provided by the project management in Pretoria; additional materials were obtained from project coordinators in Durban and Bloemfontein. These documents were analyzed and, based on the initial findings, the evaluation questions were fine-tuned in the course of interviews. The evaluator visited South Africa (Pretoria, Bloemfontein, and Durban) for consultations and interviews with ILO management and staff, constituents, Government of Flanders, implementing partners, beneficiaries and other key stakeholders. The independent evaluator/consultant reviewed inputs by all ILO and non-ILO stakeholders involved in the project, i.e., government departments and partners from the private and civil sectors. Time constraint has been the only major limitation of this process: the evaluation encountered too many scheduled meetings within two weeks allowed for field work over three provinces in South Africa.

#### **5. Main Findings:**

##### **5.1 Relevance and strategic fit**

The SEDF programme is relevant to the policies and plans of the government of South Africa to address the challenge of employment through the promotion of SMEs in the economy and society. SEDF is also linked to the ILO's overall strategic framework for delivering assistance to its partners – the Programme and Budget, and through this to the UNDAF's Outcome on sustainable development, and of course, the DWCP which is ILO's main policy and programme guide to support the Government of South Africa. The Facility is also linked to the policy priorities of the Government of Flanders through its programme objective on "Job creation through small enterprise development".

##### **5.2 Validity of design**

The initial project design followed through extensive stakeholder consultations. However, when it became imperative to re-design the project as a result of the pull-out by the Government Job Fund from the pledge to co-fund the project with Government of Flanders to the tune of 70%, the Donor Agency felt that ILO consultations were limited. Otherwise, this evaluation found the project design to be logical, with linkages between the levels of programme performance (impact, outcome, output and cluster of activities) clearly presented in a Logical Framework (LogFrame). Consistent with the LogFrame, the design defines performance indicators at each level and logically relates each indicator to its baseline (where made available) and target for progress monitoring and evaluation. The project document itself has a narrative that describes the development objectives of the project, the immediate objectives (or outcomes), related outputs and their corresponding cluster of project activities. However, the evaluation observed two challenges in operationalizing the LogFrame; namely, impact level expectations which are difficult to determine in terms of the project's contribution, and the absence of baseline data for many of the targets set, which makes it difficult to statistically measure progress. Given the shift in the programme's focus, some of the targets may need to be re-negotiated at a stakeholders' meeting.

The evaluation has noted that the project strategy has shifted with the introduction of more advanced technological capabilities of the project; namely the SMME Register and its link with a SMME Rating system and the development of e-learning modules. These have contributed positively to the project strategy, which can add more value to provincial policy-making bodies given the sophistication, timely and accurate data-gathering methodologies. The introduction of the e-learning modules, which can be completed without cost, has also increased the potential impact of the project on more beneficiaries. The use of social media to improve and accelerate communication among young people has also been extremely beneficial to the project.

### **5.3 Project effectiveness**

The overall project outcome is: ‘Sustainable micro, small and medium enterprises that have created at least 2,500 jobs that meet basic standards of decent work’. Project management is yet to determine the overall number of jobs created under this project since January 2014 in a follow-up survey in 2016, although there are indications that specific outputs on creating the enabling environment for the development of entrepreneurial orientation and capacity building for sustainable SMME activities have largely achieved their respective targets.

**Immediate objective 1:** ‘To nurture a culture of entrepreneurship among young men and women’. The main activity here, in the Free State, is implementing and supporting the roll-out of the StartUP&Go programme in schools. In order to foster ownership and build the sustainability of this arm of the project, the programme works with educators within schools to capacitate them in implementing the programme. So far, as targeted 60 schools are implementing startUP&go, and 1,000 learners are participating in school-based entrepreneurial market days and; 4,140 learners or 82% of the targeted number have received startUP&go. In order to deliver experiential and practical entrepreneurship education, the project has established partnerships with LifeCo Unlimited and the Public Private Procurement for Social Enterprises (PPPSE) Project to contribute and support training young entrepreneurs to develop viable business models based on sustainable social enterprise practices. SEDF project has strengthened the capacity of 86 teachers to deliver startUP&go and management is optimistic about achieving the target of 100 by the end of the project. Finally, the project has surpassed the target of 5,000 of young people participating in entrepreneurship culture campaigns by reaching 18,088 young people through interpersonal campaigns, 23,646 via on-line and millions of people through the media (radio, Television and Newspapers). However, in terms of percentage increase in entrepreneurial intentions of learners and improved awareness of the merits of entrepreneurship, the project is unable to quantify its achievement at this stage of the project.

Given its success in the Free State, the MTR recommends that the ILO should mobilize funds for its replication in KZN province.

**Immediate Objective 2.** ‘To improve the enabling business environment for SMME s to grow and create jobs’. The Facility has focused on research for the development of strategic information for advocacy and evidenced-informed projects and programmes, as well as the development of a SMME Register to facilitate access to such information. The SMME Register that was designed by the SEDF is a tool that can support efforts of improving the enabling business environment for SMME s to grow and create jobs, and is now regarded as the cornerstone of the provision of strategic information. The database provides the national Department of Small Business Development and the two provincial governments with data that can be used to inform policies on SMME development, based on its unique ability to disaggregate information by region, industry and demographic variables. A manual information gathering format has also been developed to enable SMMEs without access to mobile devices or

computers to provide information to business advisors. At the national level, in the Department of Small Business Development the SMME Register has been recognized as the preferred technology for a National SMME Register in South Africa with an opportunity to anchor the SMME Rating initiative. In summary, the online solution provided by the project will assist national, provincial and local governments in developing approaches that aim to reduce red tape and improve the enabling environment for SMEs to develop and grow and will facilitate access to credit for SMME's by encouraging good business practices and compliance (facilitating transition from the informal to the formal economy). This has been a good practice under SEDF implementation identified in the course of this evaluation.

**Immediate Objective 3.** 'To better match demand for and supply of business development services (BDS)'. The SEDF project has improved the supply of BDS to local entrepreneurs. Working with implementing partners the project has supported appropriate BDS interventions to incubate local entrepreneurs; capacitate provincial advisors and/or BDS providers to provide such support. One of the key activities here is the development of the e-learning forum. Here new and existing entrepreneurs can access certified online business modules which seek to help and improve their businesses. In addition, project management has been re-directing funding for the winners of the *enterPRIZE* Challenge to support more awards of training, which is endorsed by recognized certificates and/or through institutions of higher learning that can offer short-courses that benefit targeted beneficiary groups. The expectation being that entrepreneurs will be encouraged to utilize the e-learning modules and achieve "certificates of completion" that are awarded based on a comprehension quiz testing the depth of knowledge transferred through the modules. The e-learning modules also provide information and references that can direct entrepreneurs to other online materials that can help them in their businesses. Overall, the number of entrepreneurs receiving BDS and/or mentorship through the Challenge College has grown; so also the number of secondary school and university graduates receiving BDS and/or mentorship or advisory services has increased, although set targets are far from being achieved. The point should be added that the project has supported emerging entrepreneurs to access financial and non-financial support and after care to create jobs in their businesses.

**Immediate Objective 4.** To stimulate innovation, entrepreneurship and sustainable enterprise development

This objective focuses on the micro-level, the entrepreneurs themselves, and the aim is to create jobs in sustainable enterprises. Through a competition process, entrepreneurs are able to enter an *enterPRIZE* challenge. A number of enterPRIZE Challenges which have both encouraged entrepreneurs to submit innovative business ideas and also to gain access to business development support have been launched by the project, including: A Social Enterprise Challenge in partnership with the Free State Department of Social Development, Central University of Technology, and LifeCo Unlimited; in KZN, the "Youth Innovation Challenge" in partnership with the eThekweni Municipality, IBM and other stakeholder members of Innovate Durban; the Responsible Tourism Challenge was also launched in KZN; a Master Caterers Challenge launched in KZN in partnership with the eThekweni Municipality, Durban University of Technology, Bidvest and Spar.

These challenges provide the entrants with skills and information to develop innovative business plans and implement business ideas. In order to foster the sustainability of the programme the winners and runners up are provided with on-going mentoring. Through the SEDF's partnership with the Department of Small Business Development, the SME Database (now SMME Register) will provide the basis for a National SMME Rating Agency. The Agency will provide SMMEs with a more detailed profile of their businesses, which can be captured online, and can provide a more balanced perspective on the sustainability of the SMME without relying entirely on an SMME's credit history. This, will provide

lending institutions with an SMME rating that can be used to determine an SMME's loan readiness. The aim is to provide banks with a reliable risk analysis of an SMME and enable more SMMEs to access business finance. The project has supported emerging entrepreneurs to access financial and non-financial support and after care to create jobs in their businesses through various approaches that emphasize collaboration with relevant institutions. Overall, the project is on course to achieve the targets for the indicators of this output.

#### **5.4 Project efficiency**

*Finance:* The Free State SME Development Initiative (SAF/10/01M/FCA) upon which this project has been built was reviewed and a Second Phase project extension was agreed to cover the period January 2014 to December 2016, but this time the project was designed to include Kwa Zulu Natal province. The Flanders International Cooperation Agency provided funds to this project in the amount of € 3,305,000 or US\$4,490,489, to cover the cost of personnel and activities. SEDF 2nd phase was accepted by the Donor hoping that the Government of South Africa through its Job Fund would provide co-funding to the tune of 70%, while the Flemish contribution would be 30%. This proposition sounded exciting to the Donor agency; but the Job Fund later withdrew from the process; hence, the project was re-designed. The project faced additional budgetary constraints when it lost close to \$600,000 due to foreign exchange transactions in converting the funds from Euro to US Dollar. While noting these financial constraints, the ILO management is of the view that the Organization's 'technical intervention through its approaches and models that have been brought to bear on the execution of the project are far more rewarding than whatever outputs would have been achieved with the missed funds.

According to the ILO records, financial implementation rate shown below was 100% in 2014. Budget records for the current year 2015 are incomplete, of course because the year end is yet to come; however, as of 8 June 2015, about 62.8% of the total allocated sum of \$1,817,081 had been committed. Given the myriad of ongoing and planned project activities, it is easy to conclude that budget implementation rate for the current year would be 100% as well. This suggests, among others, that the project budget has been tight. The evaluation found out that critical project outputs could not be pursued in KZN namely, the startUp&Go programme aimed at training teachers and learners in school on entrepreneurship so as to change cultural perception at an early age. The evaluation is of the view that it is perhaps not too late to bring up the issue of co-funding with the provincial administrations, and possibly solicit funds for the project from private partners given the expressed interest in the objectives of SEDF.

*Management and governance arrangements:* The ILO is the executing agency, and in support of project execution, it has recruited both international and national staff as follows: 1 International Chief Technical Advisor (CTA) and; 2 National Project Coordinators. The CTA was appointed in July 2014 and operates from the ILO office in Pretoria in managing the SEDF project both in the Free State and KZN. This arrangement appears to be cost-effective but puts some pressure of a logistical nature on the CTA; but so far, she has come on top of the challenge creditably.

In terms of support personnel, however, the ILO has not appointed adequate number of staff, and pressure of work was easy to discern in the course of the MTR with the two NPCs. In the absence of budget limitation, ILO management should 2 Administrative Assistants considered necessary for the achievement of project indicator targets, a good number of which are way behind. The interns supported by the Flanders International Training programme were also available to assist in KZN and this support worked well. It may be worth considering use of more interns, rather than hiring administrative assistants, given the budget constraints.



*Effectiveness of the project monitoring & evaluation framework:* The ILO provides overall and provincial monitoring and evaluation (M&E) function to the project through an M&E Officer appointed in October 2015 and located in ILO Pretoria office, as well as one NPC in each of the two provinces. A draft comprehensive M&E schedule has been developed to capture project data at provincial level, and the monitoring and evaluation processes; project management should consider and approve this scheme for immediate use.

*Administrative support from its national partners and implementing partners:* The Provincial Steering Committee, one for each province, was convened to oversee the operations of both the Private and Public Procurement and Social Economy (PPPSE) project and the Sustainable Enterprise Development Facility (SEDF) project. In the Free State, the PSC is chaired by the HoD of DEDTEA, and information from the field work and records of the project suggest that the project has not received the expected support from government. The work of the PSC is reported to have been hampered by the poor leadership, indifferent human relationship and arbitrary cancellation of scheduled meetings without an alternative date to hold the next one. The ILO should continue its dialogue with government on this and related matters. By contrast, the PSC members in KZN have worked in harmony and provided the expected support to project implementation both at the government level and at the level management.

## **5.5 Project sustainability**

The first sustainability strategy by the project is that it is embedded in the existing relevant government structures and has established partnerships with interested private agencies and NGOs. The project is being implemented at the provincial level in Free State and Kwa Zulu Natal in their Department of Economic Development and through local partner organizations. The other local partner organizations of the project are departments for education and departments for social development and the offices of the Premier and the selected Municipalities and universities. The project has continued working with selected local business development service facilitators such as the local private BDS providers. Through the provincial steering committee, the project has drawn on oversight services of these stakeholders to steer the project implementation progress, and furthermore continue enlisting these stakeholders to partner in the implementation activities on the ground. Furthermore, big firms such as Macro, Nandos, BIVEST, TEPCO, etc. have played a strong role in working with the project by identifying business development opportunities for smaller firms to enter their value and supply chains.

Capacity building is inherent in the strategies adopted for project implementation and this is fundamental to sustainability. In order to achieve the immediate objective 1, the project has been implementing and supporting the roll-out of the StartUp&Go programme in schools. In addition, in order to foster ownership and build the sustainability of this arm of the project in the Free State, the programme works with educators within schools to capacitate them in implementing the programme.

The focus of the immediate objective 2 has been on how to achieve improved provincial business environment on a sustainable basis through enhancing the institutional capacity, including policy, legislative environment and provision of strategic information and tools to the provincial and national departments with the latest trends within the business environment. To this end, SEDF has achieved the development of the SMME data base, which is considered to be the cornerstone of the provision of strategic information. National and provincial departments have come to appreciate the benefit of such a database, and have recently endorsed its adoption. .

The immediate objective 3 is to achieve improved supply of BDS to local entrepreneurs. Working with implementing partners the SEDF project has supported appropriate BDS interventions to incubate local entrepreneurs; capacitate provincial advisors and/or BDS providers to provide such support. One of the key activities here is the development of the e-learning forum, and this has enabled new and existing

entrepreneurs to access certified online business modules which seek to help and improve their businesses.

Finally, objective 4 seeks to stimulate innovation, entrepreneurship and sustainable enterprise development. This objective has been pursued through a competition process in which entrepreneurs have been able to enter an EnterPRIZE challenge. These challenges have provided the entrants with skills and information to develop innovative business plans and implement business ideas. In order to foster the sustainability of the programme the winners and runners up have been provided with on-going mentoring, including linking emerging entrepreneurs with financial institutions. In particular in KZN, the EDTEA has funds in its *Ithala*, a government financial institution with mandate to offer loans to qualified SMME operators and Cooperatives; it also has SEDA which provides non-financial services, including development of business proposals, to aspiring entrepreneurs.

## **6 Lessons learned & good practices**

### **6.1 Lessons learned**

- It is noted by project management that the project strategy has shifted with the introduction of more advanced technological capabilities of the project. This has contributed positively to the project strategy, which can add more value to provincial policy-making bodies through its more sophisticated data-gathering methodologies. However, systems will need to be designed, not only to maintain such platforms and to ensure that these can become sustainable but also to accommodate less-educated young people.
- Challenges with implementing partners in the Free State have emerged over changes among officials within the Department of Economic Development. This has led to a disruption in communication of activities and alignment with provincial activities, and has made organizing Steering Committee meetings more difficult; but through intervention at the Deputy Director level, the situation seems to be improving.

It was mutually agreed at the project design stage that Government through the Job Fund, would co-fund the SEDF 2nd phase to the tune of 70% of the project cost while the Government of Flanders Agency would provide the balance of 30%. However, the evaluation learned that just before the implementation stage of the project, government withdrew its offer of co-funding; this did not only discourage the Donor Agency but also created a large funding gap in the project budget. The lesson learned is that ILO systems in Geneva can sometimes prove too onerous for local partnerships to be developed smoothly.

### **6.2 Good practices**

- a) In terms of promoting a culture of entrepreneurship among young men and women the project has supported the provincial department for basic education in introducing a more practical, life skills oriented and experiential entrepreneurship education packaged called startUP&go, which is built on the ILO's 'Know About Business' (KAB) programme. This programme is being implemented in 60 schools across the province for 5,950 learners in the Free State and includes capacity development of teachers and introduction of a games-based approach to teaching entrepreneurship. The startUP&go programme is regarded as highly successful and the national Human Resource Development Council has recommended a roll-out of this programme to all nine provinces in South Africa.
- b) The main highlight of the project has been the endorsement by the National Department of Small Business Development of the SME database to become the National SMME Register and foundation for a National SMME Rating Agency. This is important for the project because the

investment costs of creating the database have been relatively high, but the sustainability of the investment has far better potential with the support from the National Department of Small Business Development. The SMME Register also has far-reaching relevance for other countries in the region and may provide an important platform for tracking of business and labour migration across and within borders.

## **7. Main recommendations**

- a) Some aspects of project strategy has shifted with the introduction of more advanced technological capabilities of the project, including the establishment of the SMME Database and the development of e-learning modules; therefore, systems should be re-designed, not only to maintain such platforms and to ensure that these can become sustainable but also to accommodate less-educated people.
- b) The EnterPRIZE challenge process has attracted quite a number of promising young entrepreneurs who have been given access to financial and non-financial business development services. However, there is need for sustained mentoring for about two years to build a solid entrepreneurial orientation and practice among these aspiring young business men and women.
- c) The ILO project management should develop a stakeholder management plan that will be more effective in maintaining consistent buy-in especially by government in the Free State for the second half of the project.
- d) The ILO project management should convene a stakeholder workshop at the middle management and operational level within the partner institutions to consider the draft M&E framework, agree on baseline and targets for all the project outcome and output indicators, take stock of achievements to date and to confirm the planned way forward to ensure that expectations at this level are realistic and manageable.
- e) In order to improve the quality and coverage of the delivery of project interventions by the ILO, and in anticipation of possible replication of the SEDF in additional provinces in the country, the ILO should: i) mobilize additional funds from government and private organizations; ii) strengthen the project staff capacity at provincial level by appointing, at least, 1 (one) Project Administrative Assistant (G-Level) or 1 (one) intern each, one in Bloemfontein and one in Durban; these interventions would greatly facilitate the smooth execution of the project by the ILO.
- f) In support of capacity building for sustainability of project approaches and activities, the EDTEAs should consider the immediate secondment of 1 (one) counterpart staff to each of the provincial SEDF project offices to understudy the NPCs.
- g) There is the need to pre-test the materials that are developed with the target audience, especially the e-learning modules.

## 1. Project Background

The project, *Sustainable Enterprise Development Facility (SEDF) for South Africa*, has been based on the Flemish funded *Free State SME Development Initiative (SAF/10/01M/FCA)*, with a budget of US\$6,024,096 from July 2011 to December 2014. Following its evaluation, the project was re-designed and is currently being implemented in the Free State and KwaZulu-Natal, with a planned termination date of December 2016. The Flanders International Cooperation Agency provided funds to this 2<sup>nd</sup> Phase of the SEDF project in the amount of € 3,305,000 or US\$4,490,489.

The purpose SEDF for South Africa is to create decent jobs for men and women in two provinces through entrepreneurship promotion and development of small to medium enterprises (SMEs) in sectors and value chains with employment potential. The creation of jobs and enterprises within these sectors will be achieved through a strengthened collaboration between private and public sector partners to identify gaps in the market where real business opportunities lie.

The immediate project outcomes sought by SEDF include: i) improved entrepreneurial attitudes and increased entrepreneurial intentions among young men and women; ii) an improved provincial business environment; iii) increased uptake and improved impact of BDS for emerging and established entrepreneurs and iv) innovative business ideas and business plans developed and implemented<sup>1</sup>.

### 1.1 Project justification

The population of South Africa is predominantly youthful with almost 60 per cent of the population under the age of 35. This is consistent with the stage of demographic transition which the country is passing through as a result of decades of falling birth and death rates. The Government of South Africa is aware of the implications of demographic transition and related investments for the achievement of demographic dividend in the country.

In the Vision 2030, it is stated that while South Africa is in a position to cash in on a demographic dividend, the challenges of joblessness and HIV/AIDS are a burden on those who are working. In that account, it is noted that South Africans between the ages of 15 and 29 will make up more than a quarter of the total population until 2030. Unless the situation is well managed, this could be potentially dangerous if this cohort is alienated from mainstream society and without decent prospects. The challenge is putting this working-age population to work. (NDP-2030).

Unemployment in South Africa rose to 25.2 per cent in the first quarter of 2013. This translates into 4.5 million people who cannot find employment. The youth – defined as

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<sup>1</sup> Memorandum of Understanding; between LifeCo UnLtd and the Free State Provincial Department of Social Development, Youth Development Unit, and The Sustainable Enterprise Development Facility (SEDF); and The Public and Private Procurement and the Social Economy Project (PPPSE). SEDF and PPPSE are initiatives of the ILO; signed and agreed 18/08/2015.

those between 15-35 years - accounts for 75 per cent of the unemployed representing a national youth unemployment rate of 36.1 per cent.

Of particular concern to government is the high and rising unemployment among young people aged 18 to 29 was estimated at 30 percent in 1994, it rose to 40 percent in 2013; and the number of unemployed youth doubled from 1.3 million to 2.6 million. Joblessness is worst in the former so-called “homelands”, where about a third of the population lived in 2013 (The Presidency, *ibid*). Among the 10.4 million youth aged between 15-24 years of age 3.4 million young men and women, equivalent to 32.9 per cent are neither in employment, education or training (the NEET category) with young women being particularly vulnerable recording a higher youth unemployment rate at 36.1 per cent as opposed to young men with a rate of 29.7 per cent. For the Free State the NEET category is 30.3 per cent and for Kwazulu-Natal it is 33 per cent.<sup>2</sup>

### **1.2 Government’s policy and plan**

The Government of South Africa is committed to addressing the severe youth unemployment challenge as evidenced in the New Growth Path and the National Development plan (Vision 2030) where broad-based wealth creation through the promotion of decent work is a policy priority. One of the strategic means to pursue this policy goal is through the promotion of entrepreneurship and small, micro and medium enterprise (SMME) development.

In order to address the challenges of unemployment especially among the youth, the democratic government since 1994 has implemented various approaches to supporting SMMEs; these include measures to reduce the tax compliance burden for small enterprises; providing dedicated credit facilities; establishing support and extension agencies and incubators; and diversifying procurement towards emerging enterprises where possible. In order to strengthen institutional support to SMMEs, government put in place the National Small Business Act of 1996 (amended in 2003 and 2004); and in 2012 consolidated the various national small business finance agencies into the Small Enterprise Financing Agency (SEFA), which was housed in the IDC. In the process, SEFA saw a doubling of its resources. Despite these measures, the 2009 Global Entrepreneurship Monitor Report ranked South Africa 15th out of 37 countries for start-up activity and 29th in new firm activity.

### **1.4 The Sustainable Enterprise Development Facility (SEDF)**

It is against this background that the SEDF was developed mainly to tackle the youth unemployment challenge in South Africa through a systemic approach which links support interventions aimed at entrepreneurship culture promotion, policy and regulatory reforms and micro-level small business development support. The aim is to reach out to young people by providing access to business development and employment channels found through the growth of SMEs and linkages to the private sector (through partnerships forged through the Challenge and other similar initiatives). These young people will also be better informed through more intensive communication of business opportunities through various electronic media channels.

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<sup>2</sup> Statistics South Africa, Quarterly Labour Force Survey, Q1, 2013.

The development objective of the project for South Africa is to create decent jobs for men and women in two provinces through entrepreneurship promotion and development of Micro, Small and Medium Enterprises (MSMEs) in sectors and value chains with employment potential. The creation of jobs and enterprises within these sectors will be achieved through a strengthened collaboration between private and public sector partners to identify gaps in the market where real business opportunities lie. In doing so the project aims to contribute employment rates towards poverty eradication within these project areas.

### **Target beneficiaries**

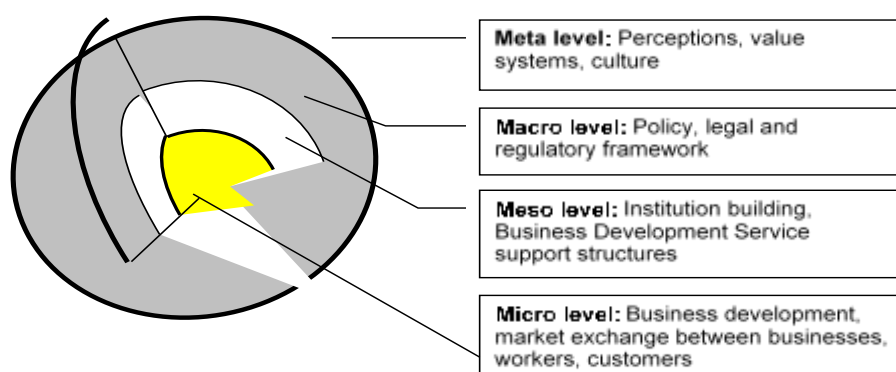
Immediate beneficiaries are institutions capacitated by the project to in turn capacitate the ultimate beneficiaries, including: Provincial Offices of the Premier (policy and strategy); Executive councils of provincial governments (policy and strategy); Provincial department for Economic Development (strategy and direct services); Provincial departments for Education (strategy and direct services); Provincial universities (research & advocacy); Employers' organisations (advocacy and direct services); Workers' organizations (advocacy and direct services); BDS providers and consultants (direct services) and; Schools (direct services).

The ultimate beneficiaries of the initiative are: Potential, emerging and established entrepreneurs – men and women - who wish to start or expand their business to create jobs; unemployed youth who wish to start a business, but lack the skills, capacity and funding to do so; male and female secondary education learners/in-school youth who participate in the startUP&go programme; male and female university students who wish to start a business upon graduation and; Out-of-school young men and women who wish to start a business (including learners who have received entrepreneurship education upon their entry into the labour market).

### **1.5 Project outcomes and outputs**

The project design has been based on a systems theory perspective and project activities are implemented at meta, macro, meso and micro levels, as illustrated in Figure 1.

**Figure 1: The analytical framework underpinning the project design illustrated**



Source: ILO, SEDF Project Document

The link between project immediate objectives and their corresponding outputs and cluster of activities are defined in Table 1. There are strong synergies among the Immediate Objectives or Outcomes, which are all equally important, inseparable and mutually supportive in line with the systemic approach towards enterprise development, which underpins the project strategy.

**Table 1: Relationship between the immediate objectives, outputs and activity clusters**

Immediate Objective	Output	Activity Cluster
1. To nurture a culture of entrepreneurship among young men and women	<b>Output 1.1:</b> Learners in Free State secondary schools have accessed practical and experiential entrepreneurship education to nurture their entrepreneurial talent	<ul style="list-style-type: none"> <li>The startUP&amp;go programme outcomes will continue to be implemented in the Free State with a view to enabling the National Department of Basic Education to continue to roll the programme out more broadly.</li> </ul>
	<b>Output 1.2:</b> Enterprising teachers in the Free State have delivered experiential and practical entrepreneurship education	
	<b>Output 1.3:</b> Young people have been exposed to entrepreneurship promotion culture campaigns for economic growth and job creation	
2. To improve the enabling business environment for SMMEs to grow and create jobs	<b>Output 2.1:</b> Research to inform evidence based advocacy has been undertaken and disseminated	<ul style="list-style-type: none"> <li>Identify thematic research to be done with local, undertake research, capacitate local stakeholders and partners, implement annual SME surveys using data gathered from the data management tool and contributions of the implementing partners; conduct Red Tape surveys in the provinces in conjunction with the Department of Trade and Industry's designated</li> </ul>
	<b>Output 2.2:</b> Public and private stakeholders have	

	jointly identified constraints in provincial business environments to business development and job creation	<p>directorate and sector/value chain studies</p> <ul style="list-style-type: none"> <li>• Organise seminars and workshops with local stakeholders, identify ways and means to improve the business environment</li> <li>• Develop joint action programmes and contribute to advisory centres in provincial districts to improve provincial business environments</li> </ul>
	<b>Output 2.3:</b> Stakeholders have jointly addressed the identified constraints and implemented activities to improve the business environment	
<b>3. To better match demand for and supply of business development services (BDS)</b>	<b>Output 3.1:</b> Priority sectors with growth potential have been identified and have informed the design of BDS interventions to entrepreneurs	<ul style="list-style-type: none"> <li>• Identify provincial priority growth sectors and value chains with local partners, and form part of the larger community of SME development agents through a more collaborative model of BDS provision (e.g., the establishment of BDS hubs and use of a “voucher system” to support demand driven BDS)</li> <li>• Identify with implementing partners appropriate BDS interventions to support and incubate local entrepreneurs; capacitate provincial advisors and/or BDS providers to provide such support</li> <li>• Monitor the implementation of BDS to entrepreneurs and assess the impact on business development and job creation using the CRM tool</li> </ul>
	<b>Output 3.2:</b> A more cost-effective system of BDS provision has been established in addition to BDS providers having been capacitated to deliver innovative and market driven non-financial BDS	
	<b>Output 3.3.</b> BDS providers have delivered BDS to emerging and established entrepreneurs in provincial growth priority sectors	
<b>4. To stimulate innovation, entrepreneurship and sustainable enterprise development</b>	<b>Output 4.1:</b> Information about business development and job creation opportunities in sectors and value chains has been made available to entrepreneurs	<ul style="list-style-type: none"> <li>• Disseminate information about business opportunities to entrepreneurs, identify local provincial partners to run business plan competition with, design business plan competition concepts</li> <li>• Review business plan competition website, mobilise sponsorships for prizes, organise road shows across the provinces, screen and shortlist participants, train participants, judge participants and identify winners, organise prize giving ceremonies</li> <li>• Develop a training tool that enables more “self-learning”, which is both relevant and more cost effective in terms of transferring practical business skills; for high impact entrepreneurs, engage BDS providers to develop tailor made BDS and mentoring /coaching and after-care support program winners and runners-up, provide the BDS to the entrepreneurs, monitor and evaluate the impact</li> </ul>
	<b>Output 4.2:</b> Entrepreneurs have developed business ideas and business plans in response to identified opportunities	
	<b>Output 4.3:</b> Entrepreneurs have accessed financial and non-financial support and after care to create jobs in their businesses	



## 2. Background of Evaluation

### 2.1 Purpose, scope and clients of the Mid-Term Review (MTR)

The MTR serves two main purposes:

- (1) It provides an independent assessment of progress to date of the project, assessing performance as per the foreseen targets and indicators of achievement at output level; strategies and implementation modalities chosen; partnership arrangements, constraints and opportunities; and
- (2) It provides recommendations for the remainder duration of the project in terms of strategies, institutional arrangements, partnership arrangements and any revisions to the results based framework and other area within which the evaluation team may wish to make recommendations.

In terms of scope, the independent MTR covers all outcomes of the project as implemented in Free State and Kwa Zulu Natal with particular attention to synergies across components. The MTR assesses key outputs produced since the start of the 2<sup>nd</sup> phase in January 2014 and where relevant makes recommendations regarding: progress made towards achieving the project outcomes; quality outputs in the project period; likelihood of reaching outcomes within the project period; internal and external factors that influence project implementation; management and coordination of the project, including staff management; the extent of provincial government buy-in and participation in the project; strategic fit of the initiative in the context of the DWCP for South Africa; relevance of the initiative within national development priorities/frameworks; synergies with other SME programmes at provincial level; knowledge management and sharing; results-based measurement and impact assessment systems and; risk analysis and assessment in the political environment of South Africa.

The primary clients of the review are the Government of Flanders, as the donor of the initiative, the Government of South Africa, constituents and the ILO office of South Africa, including the decent work support team, as the executing agency of the initiative; the Enterprise Development Department at the ILO's Headquarters and; other parties involved in the execution of the project.

### 2.2 Evaluation criteria and questions

This evaluation addresses ILO evaluation concerns, such as: a) Relevance and strategic fit; b) Validity of design; c) Project progress and effectiveness; d) Efficiency of resource use; e) Effectiveness of management arrangements and; e) Impact orientation and sustainability as defined in the Office guidelines<sup>3</sup>. In addition, the review addresses certain cross-cutting concerns:

- ❖ Gender equality - The promotion of gender equality has been a key cross cutting concern across system levels and in the various interventions that the project supports.

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<sup>3</sup> Evaluation Guidance – Planning and Implementing Evaluation for Results, ILO Evaluation Unit, June 2009; the details of the evaluation questions are in the ToR attached as Annex 1 to this report.

- ❖ Upgrading to Formality - The belief that businesses and workers in the informal economy are outside the scope of application of international labour standards is a common misconception.
- ❖ Promotion of Green Jobs – the extent to which the project has contributed to the greening of the economy and the creation of green jobs in line with national priorities.

The evaluation has been conducted following UN evaluation standards and norms<sup>4</sup> and the *Glossary of key terms in evaluation and results-based management* developed by the OECD's Development Assistance Committee (DAC). In line with the results-based approach applied by the ILO, the evaluation also focuses on identifying and analysing results through addressing key questions related to the evaluation concerns and the achievement of the outcomes/immediate objectives of the initiative using the logical framework indicators.

### 3. Evaluation Methodology

#### 3.1 Approach and methodology

The evaluation process applied a variety of evaluation techniques – desk review, meetings with stakeholders, focus group sessions, field visits, informed judgment, and scoring, ranking and/or other rating techniques. The independent evaluator carried out a desk review using project and other documentation provided by the project management in Pretoria. Additional materials were obtained from project coordinators in Durban and Bloemfontein. These documents were analysed and, based on the initial findings, the evaluation questions were fine-tuned to facilitate the interviews.

The evaluator visited South Africa (Pretoria, Johannesburg, Bloemfontein and Durban) for consultations with ILO management and staff, constituents, Government of Flanders, implementing partners, beneficiaries and other key stakeholders. In addition, the independent evaluator reviewed reports and inputs by all ILO and non-ILO stakeholders involved in the project, i.e., government departments and partners from the private and civil sectors.

#### 3.2 Persons met/interviewed

Project management provided an indicative list of persons to be interviewed; this was reviewed with the Evaluation Manager and finalised to facilitate the field work<sup>5</sup>. The field work was carried out in Pretoria, Johannesburg, Bloemfontein and Durban. During the field work, the evaluator undertook group and/or individual discussions with project implementers, beneficiaries and service providers, as well as relevant ILO staff, including the CTA, M&E Officer, NPCs and those responsible for financial and administrative support services in the ILO Office, Pretoria.

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<sup>4</sup> ST/SGB/2000 Regulation and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation

<sup>5</sup> The list of persons met and interviewed is in Annex 2 of this report.

## 4. Evaluation Findings

### *4.1 Relevance and strategic fit*

The SEDF programme is relevant to the policies and plans of the government of South Africa to address the challenge of employment through the promotion of SMEs in the economy and society. SEDF is also linked to the ILO overall strategic framework for delivering assistance to its partners – the Programme and Budget, and through this to the UNDAF's Outcome on sustainable development, and of course, the DWCP which is ILO's main policy and programme guide to support the Government of South Africa. The Facility is also linked to the policy priorities of the Government of Flanders through its programme objective on "Job creation through small enterprise development". These linkages are discussed below.

#### **4.1.1 Link to National Development Frameworks**

The SED Facility is directly linked to the achievement of key development frameworks and strategies established by the Government of South Africa to address South Africa's key social and economic challenges.

The project is aligned to the National Development Plan (NDP, Vision 2030) by the National Planning Commission.<sup>6</sup> In Chapter 3 Economy and Employment, it is stated that "Achieving full employment, decent work and sustainable livelihoods is the only way to improve living standards and ensure a dignified existence for all South Africans". Regarding SMEs, the Plan states that small and expanding firms will become more prominent, and generate the majority of the new jobs created.

The SEDF project contributes directly to Presidential Outcome No 4: "Decent employment through inclusive economic growth", which is one of the initial twelve (now fourteen) presidential outcomes. Outcome 4 recognizes that South Africa continues to experience high levels of unemployment compared to other countries at the same level of development. This contributes to high levels of poverty and inequitable distribution of income. In addition, the economy faces a number of structural constraints that impact on its ability to generate growth and support employment creation in the long-term. Addressing the unemployment challenge and the structural constraints of the economy will require active investment and interventions by the state to create an enabling environment to stimulate inclusive growth and support the creation of decent employment on a large scale.<sup>7</sup> Output 6 highlight the need for improved support to small businesses and cooperatives to address the challenges of job creation, economic growth and equity. The outputs stresses that in order to realise the potential of small enterprises to growth and employment support is required to improve both the supply side factors such as finance and technical support, together with finding ways to strengthen market opportunities for small enterprises including cooperatives.

<sup>6</sup> National Planning Commission, November 2011

<sup>7</sup> Delivery Agreement for Outcome 4: Decent Employment through inclusive growth , The Presidency, October 2010

Furthermore, the project supports the priorities identified in the Provincial Growth and Development Strategies (PGDS) for the Free State and for Kwa Zulu Natal Provinces. One of seven strategic goals of the Kwa Zulu Natal PGDS<sup>8</sup> is Job Creation and strategic objective 1.4 “Promoting SMME, Entrepreneurial and Youth Development” is highlighted as one of the means to create more jobs. Similarly, the Free State PGDS has a strategic objective to create jobs for men and women through entrepreneurial promotion and development.

#### **4.1.2 Link to the ILO Programme and Budget (P&B)<sup>9</sup>**

The SEDF project is linked to the ILO P&B Outcome 3: Sustainable enterprises create productive and decent jobs. According to the ILO, the overarching aim of the strategy is to enable ILO Members to support the development and growth of enterprises of all sizes, in particular SMEs and cooperatives, that are productive and competitive, create decent work for women and men, and contribute to social inclusion and sustainable development. The ILO’s strategy for enterprise development rests on three mutually supportive building blocks: (1) an enabling environment; (2) entrepreneurship and business development; and (3) responsible workplace practices.

Specifically in 2014–15, the ILO strategy was designed to focus on: creating an enabling environment for sustainable enterprises; and productivity and working conditions in SMEs. The strategy is founded on relevant international labour standards, specifically those highlighted in the 2007 Conference conclusions, including the Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189), and the Promotion of Cooperatives Recommendation, 2002 (No. 193).

#### **4.1.3 Link to the Decent Work Approach at National Level**

The project is anchored under the following DWCP for South Africa outcome and outputs: Outcome 4: Sustainable and competitive enterprises (including cooperatives) create productive and decent jobs especially among women, youth and persons with disabilities

#### **4.1.4 Link to the United Nations Strategic Cooperation Framework for South Africa (2013-2017)**

The Facility is linked to the United Nations support structure for South Africa, with the ILO leading the employment component of the UN development framework. Specifically, ILO serves as the lead agency for Output 1.2: *Enhanced capacity of government and social partners to develop policies responsive to the decent work principles and to ensure compliance with principles guiding business and human rights, as well as international labour standards at the work place*. Other agencies collaborating with ILO for this output are OHCHR, UNDP and UN Women. In addition, ILO also provides leadership for the UN group (UNDP and UN Women) for the UN Output 1.3: *Capacity of policy makers and sector level management in government is strengthened to develop and implement employment targeted policies at national and sectoral level*.

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<sup>8</sup> Kwazulu Natal Provincial Planning Commission, August 2011

<sup>9</sup> ILO, Programme and Budget for the Biennium 2014-15, Geneva, First edition 2014, see p27.

The project effectively encompasses the four dimensions of decent work distinguished by ILO, namely the promotion of fundamental principles and rights at work, promotion of employment opportunities, the facilitation of access to social protection and an emphasis on social dialogue. These four basic principles of decent work are reflected in the ILO Declaration on Fundamental Principles & Rights at Work from 1998, which combines 8 basic ILO conventions already ratified by South Africa<sup>10</sup>.

#### **4.1.5 Link to the policy priorities of the Government of Flanders**

The project makes a direct contribution to the implementation of the framework agreement signed in November 2000 by the Government of Flanders and the Government of South Africa, and further specified in *County Strategy paper II, Development Cooperation between Flanders and South Africa, 2012-2016*. The general objective of Flemish development cooperation as articulated in these documents is to contribute to the efforts of the Government of South Africa in combating poverty and democratizing and narrowing economic and social inequality, in the context of sustainable and fair economic, social and ecological development. Through the specific objective on “Job creation through small enterprise development” special emphasis of the programme is on facilitating access of the marginalized and poor to the labour market by means of the promotion of decent work, skills development, entrepreneurship training, and the promotion of small enterprise development.

Lastly, the project is relevant to the needs of the beneficiaries. The MTR had focus group discussions with the project beneficiaries, including government implementers and direct beneficiaries and the conclusion is that the project is relevant to their aspirations.

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## **4.2 Validity of design**

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### **4.2.1 Design logic**

This evaluation found the project design to be logical, with linkages between the levels of programme performance (impact, outcome, output and cluster of activities) clearly presented in a Logical Framework (LogFrame). Consistent with the LogFrame, the design defines performance indicators at each level and logically relates each indicator to its baseline and target for progress monitoring and evaluation. The project document itself has a narrative that describes the development objectives of the project, the immediate objectives (or outcomes), related outputs and their corresponding cluster of project activities. That way, it is easy for the project implementers to determine whether a cluster of activities, if carried out effectively, could lead to the achievement of an output, and if the

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<sup>10</sup> *Freedom of Association (Convention No. 87, 1948); Collective bargaining (Convention No. 98, 1949); Forced/Compulsory Labour (Convention No. 29, 1930); Abolition of Forced Labour (Convention No. 105, 1957); Minimum Age for employment (Convention No. 138, 1973); Worst forms of child labour (Convention No. 182, 1999); Equal remuneration (Convention No. 100, 1951); and Discrimination in employment (Convention No. 111, 1958).*

outputs are likely to result in the achievement of a given outcome or immediate project objective.

Project management has noted that project strategy has shifted with the introduction of more advanced technological capabilities of the project. This has contributed positively to the project strategy, which can add more value to provincial policy-making bodies through its more sophisticated data-gathering methodologies. The introduction of the e-learning modules, which can be completed without cost, has also increased the potential impact of the project on more beneficiaries. The use of social media to improve and accelerate communication among young people has also been extremely beneficial to the project.

However, the evaluation found that quite a number of potential beneficiaries may have been inadvertently omitted from the competition selected process because of the rather high level of sophistication of the e-learning modules. Therefore, systems will need to be designed, not only to maintain such platforms and to ensure that these can become sustainable but also to accommodate less-educated young people. In addition, the project should consider capacity strengthening for the school teachers to enable them gain easy access to the ILO website developed for this project and, in turn, take the learners through the technology.

#### **4.1.2 Theory of change**

The indicators in the LogFrame show the assumed chain of cause and effect leading from inputs to outputs and on to immediate objectives and the development objective with selected key performance indicators listed at each level. According to the project document, this is the **theory of change** of the proposed interventions.

A Theory of Change has been defined as “a systematic and cumulative study of the links between activities, outcomes, and contexts of the initiative”<sup>11</sup>. In essence, the assumption that underpins this type of theory of change (an evidence-informed approach to policymaking) is that there are three inter-related elements that are key to achieving the desired change: a) the availability of robust *processes* for the handling of programme evidence in policy making departments; b) a *facilitating environment* for the use of programme data; and c) individuals/stakeholders have the *capacity* to evaluate and use programme information. It seems that these assumptions underpin the choice of project outcomes/immediate objectives. Hence, the claim in the project document that there are strong synergies among the Immediate Objectives (IOs), which are all equally important, inseparable and mutually supportive in line with the systemic approach towards enterprise development, which underpins the project strategy.

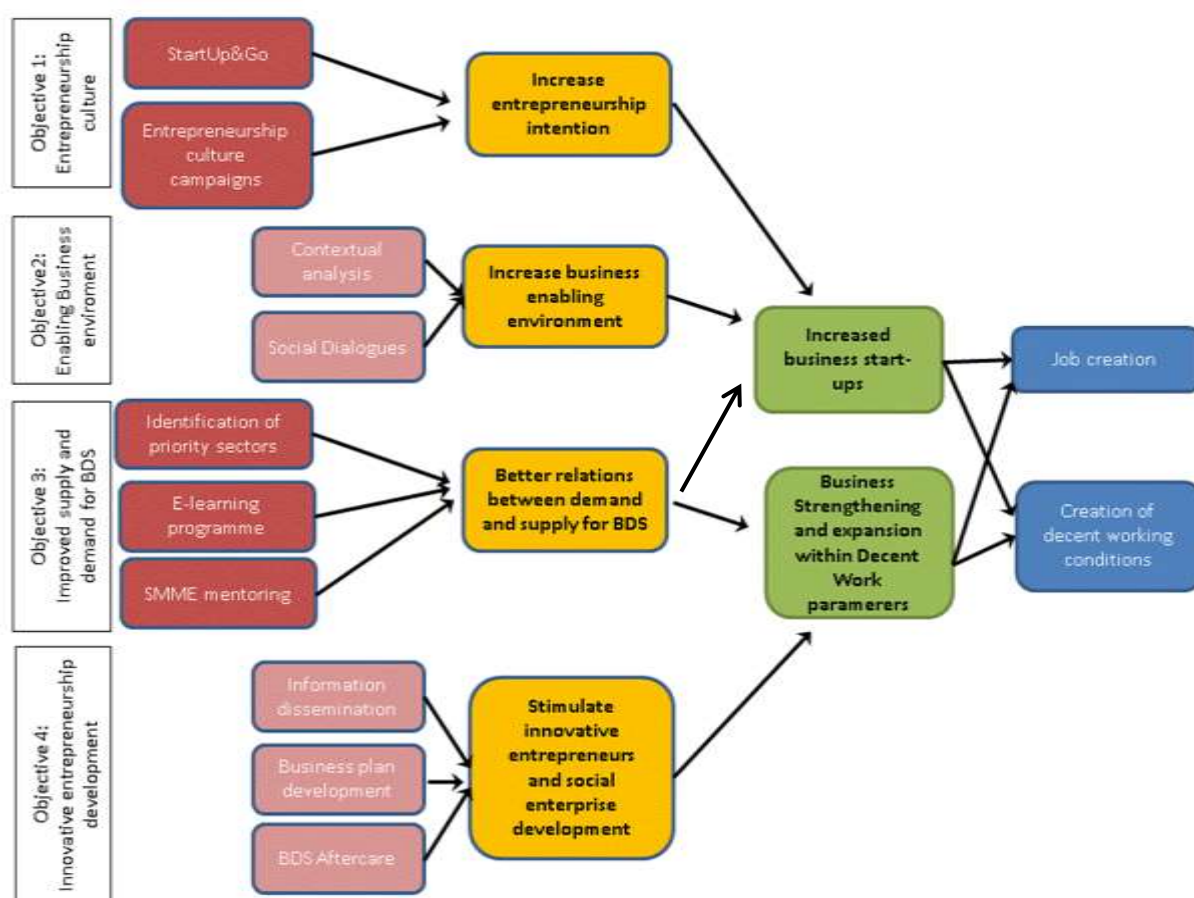
The ILO management has drafted an M&E scheme for the SEDF implementation; and illustrated the project’s ‘Theory of Change’ with Figure 2. However, in finalizing the M&E document, effort should be made to articulate the uniqueness of the ‘Theory of Change’

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<sup>11</sup> Connell, J. and Kubisch, A. 1998. ‘Applying a Theory of Change Approach to the Evaluation of Comprehensive Community initiatives: Progress, Prospects and Problems’, in K. Fulbright-Anderson, A. Kubisch and J. Connell (eds.), *New Approaches to Evaluating Community Initiatives*; vol. 2, Theory, Measurement and Analysis. Washington, DC: Aspen Institute.

adopted, the underlying assumptions for project implementation and the strategy for using project monitoring data to inform management.

Fig. 2: SEDF M&E 'Theory of Change' illustrated



Source: ILO SEDF M&E Document (Draft) ILO Office, Pretoria.

### 4.2.3 Indicators for M&E

In terms of impact indicators, the overall project outcome is sustainable micro, small and medium enterprises that have created at least 2,500 jobs that meet basic standards of decent work; additional indicators are: Job quality improved; Social dialogue improved; Social protection improved; Green Jobs improved. For the impact indicators targets are set but baseline values are not given. In order to remedy this deficiency, the project designers suggest two related and important activities: a) Baseline data prior to interventions; b) Follow-up surveys and longitudinal surveys<sup>12</sup>.

The evaluator was informed that these activities were carried out, but the LogFrame in use by project management is yet to populate the framework with all the baseline information for all the targets set at impact, outcome and output level of the project operation. In addition, targets have been set for the project without distinguishing between the two provinces; it is noted that indicators of progress often split the results by province and it is difficult to determine which province has made a faster progress.

<sup>12</sup> See Column 3 of row 1 of the LogFrame.

#### **4.2.4 Risks and assumptions**

While it is normal to seize opportunities for development through management, risks also require proper management; if ignored, these risks can turn into crises that reverse hard-won gains and endanger the social and economic reforms that produced them.<sup>13</sup> Perhaps for this reason, the project builds into its structure a scheme for monitoring the unfolding realities with reference to the assumptions made in project design, particularly in the realization of targets. The project sustainability, implementation and management assumptions are listed in the project document and the project management has reviewed the current status of the matrix (see Annex 3 of this report). Overall, the risk level for the project outputs ranges from medium to low, which is encouraging.

One major concern which the project has identified and confirmed by the evaluator is the role of the Free State government as the main driver of the Steering Committees tasked with implementing SMME initiatives under this project. The project management has observed that official's commitment to the work of the Steering Committees has been limited and interventions sometimes negative to the intent and purpose of the project. Given the theory of change that underpins the M&E framework for project management, the evaluation suggests that the ILO should continue to dialogue with the Free State government to resolve this and related issues.

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### **4.3 Project effectiveness**

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As already noted above, the overall project outcome is sustainable micro, small and medium enterprises that have created at least 2,500 jobs that meet basic standards of decent work. While the target is measurable and has been the goal of this project, the project also seeks to achieve improved job quality, social dialogue, social protection and more green jobs all of which have not been assigned specific indicators and could be difficult to assess under this project. Nevertheless, the evaluation recognizes the need to pay attention to these qualitative targets and, to the extent possible, factor them in the analysis of results achieved.

#### **Immediate objective 1: To nurture a culture of entrepreneurship among young men and women**

This objective is fundamental to any future programmes intended to increase the participation of young men and women in SMME activities as it focuses on change of attitude in a culture that pays little regard to any work outside wage earning. It is only logical to target young men and women while they are still in school and to expose them to experiential entrepreneurship education. The goal is to improve their attitudes towards entrepreneurship as a career choice and to increase their entrepreneurial intentions

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<sup>13</sup> The World Bank. 2013. Risk and Opportunity – Managing Risk for Development, Overview, Washington, DC.



(promotion of entrepreneurship culture at meta-level). The project has defined three outputs in order to achieve this immediate objective.

Working at a meta-level the project aims to address cultural issues within South Africa. In particular the focus is fostering positive entrepreneurial attitudes, intentions and skills with a specific focus on the youth (outcome). The main strategy here is implementing and supporting the roll-out of the StartUp&Go programme in schools. In order to foster ownership and build the sustainability of this arm of the project, the programme works with educators within schools to capacitate them in implementing the programme.

At the outcome level, two indicators have been defined for the immediate objective 1; their measure and progress made in achieving set targets are as follows:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
<b>Outcome / Immediate objective 1:</b> To nurture a culture of entrepreneurship among young men and women	Indicator 1: % increase in entrepreneurial intentions of learners	Baseline: 0 Target: 50%	15%
	Indicator 2: % improved awareness of the merits of entrepreneurship	Baseline: 0 Target: 50%	Yet to be determined

In all such cases, the M&E scheme for this project should capture the indicators and produce project information on progress made at determined milestones. Through such monitoring, an evaluation such as this would not have data gaps.

***Output 1.1. Learners in secondary school have accessed practical and experiential entrepreneurship education to nurture their entrepreneurial talent.***

The evaluator was informed that Outputs 1.1 and 1.2 were only implemented in the Free State Province due to unforeseen funding constraints; given the prior work in line with these outputs undertaken in the Free State during the first phase of the project it is cost-effective to maintain implementation in one Province. In order to achieve this objective in Free State, SEDF developed the StartUp&Go programme under the previous phase of the project operated only in the Free State province and was funded through a separate pool of funding. Given its direct relevance and promise, the ILO has been implementing the programme during the second phase of the project under the support of the government of Flanders. The aim of this arm of the project, however, continues to be to increase awareness of the benefits of entrepreneurship as a career choice and to increase entrepreneurial intentions of learners and school leavers. Given its success in the Free State, the ILO should mobilize funds for its replication in KZN.

Implementation of the startUP&Go programme requires the initial training of school teachers at relevant grades (10, 11 and 12) who in turn will facilitate the teaching of the subject. The SEDF has finalized the training of Grade 12 teachers and subject matter advisors on the new startUP&go modules, which completes the series from Grade 10 to 12 for implementation in the 2015 school year.

In 2014, educators were trained through 5 workshops, on the next relevant module for grades 10 and 11, as well as how to implement market days in 61 schools; and in June 2015,

4 workshops were held to train educators on the grade 12 modules for 61 schools. Overall, 86% of the teachers have delivered the programme as of November 2015. Considering the difficult school environment under which some of the teachers operate, these achievements are significant. The final startUP&go materials for Grade 12 have been completed and distributed to subject advisors at all 60 schools. The SEDF has trained teachers and subject matter advisors on both the startUP&go materials as well as using market days to promote experiential learning of entrepreneurial business practices.

Some of the teachers interviewed during this evaluation face the challenge of cooperation by the school Principal in delivering the startup&go programme, and the lack of support by fellow teachers, especially those who missed out on the training workshops and have little knowledge of what the programme is all about. All the teachers interviewed acknowledged the usefulness of the equipment provided by the ILO under this project (laptops, projectors and modules/books); however, the need to share one laptop and projector among three or more teachers has proved dysfunctional to the intent and purpose of the programme.

Arising from the above mentioned challenges, it is recommended that a needs analysis should be conducted in the schools to determine the quantity of equipment and materials that seem to be in short supply. In addition, it is necessary for the Department of Education/ILO to organize awareness workshop for school principals, Local Government Directors of Education and teachers so as to enlist their interest in the programme and thereby facilitate the its smooth implementation.

For this output, three indicators have been defined; their measure and progress made in achieving set targets are as follows:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
<b>Output 1.1</b> Learners in secondary school have accessed practical and experiential entrepreneurship education to nurture their entrepreneurial talent.	Indicator 1: Number of schools implementing startUP&go	Baseline: 0 Target: 60	60 Target Achieved
	Indicator 2: Number of learners the received startUP&go	Baseline: 0 Target: 5,000	4,140 or 82%. (Project management has the impression, with justification, that this target is likely to be achieved by the end of the project cycle).
	Indicator 3: Number leaners participating in school-based entrepreneurial market days	Baseline: 0 Target: 1000	100%

Overall, this programme is considered critical to the achievement of change in orientation and towards a positive attitude to self-employment; the few challenges identified notwithstanding, the output holds promise for sustainable capacity building for entrepreneurship promotion.

***Output 1.2 Enterprising teachers in the Free State have delivered experiential and practical entrepreneurship education***

The StartUP&Go programme was developed in the Free State within a previous phase of the project, which included only the Free State province and was funded through a separate pool of funding. The aim of this arm of the project, however, continues to be to increase awareness of the benefits of entrepreneurship as a career choice and to increase entrepreneurial intentions of learners and school leavers.

In order to deliver the teaching of the StartUP&Go programme, in 2014 Educators were trained through 5 workshops, on the next relevant module for grades 10 and 11, as well as how to implement market days in 61 schools. In June 2015, 4 workshops were held to train educators on the grade 12 modules for 61 schools. These were implemented within September and October before the final exams as a means of revision.

The SEDF has finalized the training of Grade 12 teachers and subject matter advisors on the new StartUP&Go modules, which completes the series from Grade 10 to 12 for implementation in the 2015 school year. Once the 2015 year is completed and the learners who started with the Grade 10 modules have entered the higher education and/or workplace, a second study will be undertaken to assess the impact of the StartUP&Go programme.

StartUP&Go also has as strong evaluation element attached and the continuation of the original longitudinal study will be conducted in approximately April 2016. The original sample size was over 10,000 learners, and the second set will be a smaller, but statistically valid, sample in 2016. This will assess the propensity of youth to start their own businesses and whether the experiential training received has given them a better foundation to get started.

A summary of achievement is given below:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
Output 1.2: Enterprising teachers have delivered experiential and practical entrepreneurship	1.2.1: # of teacher capacity development workshops held	Baseline: 0 Target: 9	9 Target Achieved
	1.2.2: # of teachers deliver startUP&go	Baseline: 0 Target: 100	86

***Output 1.3: Young people have been exposed to entrepreneurship promotion culture campaigns for economic growth and job creation***

The SEDF partnered with IBM and the eThekweni Municipality in KZN to promote youth entrepreneurship in the ICT sector. The partners together launched the Youth Innovation Challenge in March 2015, concluding in June with over 100 youth participating in a five-day “Hackathon” to develop and refine their skills and to solve real technology challenges faced by municipalities. All were invited to compete for enterPRIZE Challenge funding with the top four going on to become members of renowned Durban incubator, SmartXChange. The

project continues to support the *Sport For All* youth-owned franchises initiated under the previous Free State SME Development Initiative.

In 2014, through the previous project, teachers in the Free State were trained on how to conduct startUP&go market days and these were implemented among the schools. Exposure to enterPRIZE Challenges has led to the promotion of this innovative business plan competition which took place through the use of existing youth forums; and Radio interviews formed an important part of the awareness raising activities, including live broadcasts from five of the market days and promotion and interviews of the enterPRIZE Challenges across five radio stations in the Free State and three stations in KZN. In addition, SEDF was granted two television interviews on local television stations (EntTV and Trace TV), and space in Newspaper adverts and articles (Mercury and the Metro Egasegagasini).

The project set a target for the number of mass-media based broadcast on provincial radio stations and achieved 287 Radio adverts and 8 interviews. It surpassed the target of 5,000 of young people participating in entrepreneurship culture campaigns by reaching 18,088 young people through interpersonal campaigns, 23,646 via on-line and millions of people through the media (radio, Television and Newspapers). However, in terms of percentage increase in entrepreneurial intentions of learners and improved awareness of the merits of entrepreneurship, the project is unable to quantify its achievement at this stage of the project. The point should be made that it may not be quite appropriate to measure entrepreneurial intentions in a given population by estimating the number of persons reached through media campaigns. A more rigorous measure should be fashioned out by the M&E framework.

Entrepreneurs have begun participating in aftercare training and incubation programmes aimed at promoting sustainable businesses that adopt more formal business practices. The evaluation had discussions with young men and women who have started their businesses following the winning of awards and came to the conclusion that aftercare training or mentoring should also include a strong element of sound business management, especially finance. This is important to reduce the failure rate among emerging enterprises.

The e-learning modules have been developed and are on the final stage to be launched before the end of 2015. Thereafter, project management plans to have the modules widely promoted through the SEDF's Facebook and social networks to encourage youth to learn how to start-up a business, adopt and utilize decent work policies, and develop better financial management skills.

Coupled with the development and official endorsement of the SMME database, this implies that project strategy has shifted with the introduction of more advanced technological capabilities of the project. This has contributed positively to the project strategy, which can add more value to provincial policy-making bodies through its more sophisticated data-gathering methodologies. The use of social media to improve and accelerate communication among young people has also been extremely beneficial to the project. Systems will need to be designed, however, to maintain such platforms and to ensure that these can become accessible and sustainable.

The project defined two indicators for this output; their measure and progress made in achieving set targets are as follows:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
Output 1.3: Young people have been exposed to entrepreneurship promotion culture campaigns for economic growth and job creation	Indicator 1: Number of mass-media based broadcast on provincial radio stations	Baseline: 0  Target: 10	Radio adverts: 287, Interviews: 8. Target Achieved
	Indicator 2: Number of young people participate in entrepreneurship culture campaigns	Baseline: 0  Target: 5,000	Interpersonal: 18,088; Media: (including Radio adverts); On-line: 23,646. In total, the project has achieved this target.

## **Immediate Objective 2. To improve the enabling business environment for SMME s to grow and create jobs**

The expected outcome is improved provincial business environment for young and aspiring business men and women. The focus of the project has been on enhancing the institutional capacity (including policy, legislative environment) and provision of strategic information and tools to the provincial and national departments with the latest trends within the business environment. It is recognised that the SMMEs will play a valuable role in the reduction of unemployment (especially with the youth); therefore, developing a conducive policy and legislative environment is crucial. At the same time it is recognised that the development of this environment can only occur effectively through the engagement of tripartite constituents – Government, Employers and the Workers’ Union.

To this end, SEDF has considered the development of the SMME data base to be the cornerstone of the provision of strategic information. National and provincial departments have come to appreciate the benefit of such a database, and have expressed interest in assisting with the development, and recently endorsed its adoption.

### ***Output 2.1. Research to inform evidence based advocacy has been undertaken and disseminated***

The Facility has focused research on the development of strategic information for advocacy and evidenced-informed projects and programmes, as well as the development of SMME database to facilitate access to such information.

In collaboration with Detea, SEDF conducted research into, a) the Business Act and the implications for entrepreneurs within South Africa and, b) the administrative barriers and regulatory costs for SMME’s in South Africa, 2014, c) on the relevant priority sectors to form the foundational strategic information for the development of enterprises, including informing the relevant selection criteria and; d) smaller research investigations as appropriate, e.g. CUT market research on the viability of the restaurant sector in Bloemfontein. The project target is to produce three research papers; the project exceeded this target by November 2015 having produced four such papers. The project plans to disseminate these research findings and make them available to stakeholders through discussions at various fora and by placing the reports on the project website.

The findings of the “cost of red tape” study completed under the Free State SME Development Initiative has already been presented to this committee, as well as to the DEDTEA with a view to helping inform policies to reduce red tape and improve municipal bylaw compliance. At the national level, the SEDF’s participation in the Red Tape Reduction Steering Committee (housed in the Department of Small Business Development), and through connections made with the DSBD to participate in the conceptualization and design of an SMME Register and SMME Rating Agency has resulted in the DSBD making a formal request to the ILO to provide its SME Database platform as the preferred technology for the SMME Register. This will assist national, provincial and local governments in developing approaches that aim to reduce red tape and improve the enabling environment for SMEs to develop and grow.

The other focus of the project has been on development of SMME database, a tool that will be used to generate relevant reports. The SEDF has designed an SME database platform that has been endorsed by both the Free State and KZN provinces. The database provides the provincial governments with data that can be used to inform policies on SMME development, based on its unique ability to disaggregate information by region, industry and demographic variables. The database has also been designed as a two-way communication system that enables business advisors in the Districts to communicate information about workshops, training and capacity building opportunities, as well as market-intelligence that can benefit the growth of SMEs. SMEs can also request support from business advisors to address specific weaknesses in their businesses or business knowledge. As of November 2015, 36 business advisors in the Free State have been trained on how to use the SMME database. In KZN, training of provincial officials has been conducted by SEDF to enable business advisors to begin entering SMMEs onto the database at upcoming roadshow events. In addition, a manual information gathering format has been developed to enable SMMEs without access to mobile devices or computers to provide information to business advisors.

***Output 2.2. Public and private stakeholders have jointly identified constraints in provincial business environments to business development and job creation***

The objective here is to achieve better synergies and scale effects between SME development initiatives. SEDF considered as important the sharing of *Red Tape Reduction Research* report and provision of strategic information in various forums to enhance a common understanding of red tape reduction issues. Platforms for this information sharing included the national Department of Small Business Development Red Tape Reduction Steering Committee which is comprised of related government departments, e.g., the Department of Trade and Industry (dti) and Department of Economic Development (DED), business associations, the Companies and Intellectual Property Commission (CIPC), South African Revenue Service, the South African Local Government Association (SALGA), and Small Enterprise Development Agency (Seda), and, Provincial Steering Committees on Red Tape, and the National Economic Development and Labour Council (Nedlac).

The project has contributed to the completion of these targets through the participation in and provision of technical assistance in the 3-day SMME *Indaba* in the Free State,

participation in the SMME Opportunity Roadshow, participation in the National Red Tape Reduction workshops (3), input to the National Chamber of Baking Annual General Meeting (AGM) to address challenges for job creation in the sector, and finally input into the “Opportunities for Quad-Helix Cooperation of government, academia, private sector and civil society” held at the Central University of Technology (CUT).

The SMME database is another tool that will be used to disseminate strategic information on the obstacles and constraints within the South African business environment. The SEDF’s work on the SME Database platform has resulted in higher level synergies between different initiatives of the national and provincial governments to promote SMME development through technologies that can capture information about the SMME landscape, assess the needs of SMMEs and to provide interactive support through on-line tools, or through referrals to business development support agents or advisory offices.

The SEDF continues to work with the Free State province to improve its business advisory hubs in each District. It completed training of 36 District Business Advisors on the SMME database platform and these advisors will now be able to use the platform to register SMMEs in their areas and interact with them more effectively through the platform. As the numbers registered on the platform increase, the District advisory offices will be better informed as to the needs of SMMEs in their areas and can develop programmes of support that are driven by actual market demand.

The indicator for this output is: Number of dialogue events with public and private stakeholders. Project management set a target of 18 events but only 7 had been achieved as of November 2015. The possibility of achieving this target is there, barring financial constraints.

***Output 2.3. Stakeholders have jointly identified the constraints and implemented activities to improve the business environment***

In order to effectively address project implementation constraints, SEDF has worked under the auspices of the Red Tape Reduction Programme to jointly undertake prioritized activities aimed at reducing red tape with the objective of improving the business regulatory environment. The indicator for this output is : Number of Joint actions taken by public and private stakeholders. As of November 2015, the project has achieved its target of six joint actions taken.

In this regard, the Central University of Technology has entered into a Memorandum of Understanding with the project to promote collaboration around the establishment of a co-location hub and incubator in conjunction with the Regional Innovation Forum for the Free State. Given the bottlenecks experienced in using the Provincial Steering Committee for oversight purposes, the University has expressed its willingness in the course of this evaluation to provide institutional support to SEDF in addressing the observed management challenges posed by the Government department. Project management is encouraged to take a careful look at this offer by the Central University of Technology, Bloemfontein.

In KZN, the eThekweni Municipality is providing the SEDF with office space with a well-established incubator within an existing SME incubator near the University of Durban-Westville campus. The intention to establish a hub on the campus has not moved ahead as yet, though plans are still in place to provide for a co-location hub later in 2015 or early in 2016.

The SMME database has the capacity to capture information from SMMEs regarding the challenges faced in the business environment as well as linking them to their required or desired support including the design and development of the SMME database, customized per province and national government. A summary of achievement is given below:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
Output 2.3.Stakeholders have jointly identified the constraints and implemented activities to improve the business environment	Number of Joint actions taken by public and private stakeholders	Baseline:  Target: 6	6 or 100% Target Achieved

### **Immediate Objective 3. To better match demand for and supply of business development services (BDS)**

At the meso level, the Facility has improved the supply of BDS to local entrepreneurs. Working with implementing partners the project has supported appropriate BDS interventions to incubate local entrepreneurs; capacitate provincial advisors and/or BDS providers to provide such support. One of the key activities here is the development of the e-learning forum that will provide new and existing entrepreneurs access certified online business modules which seek to help and improve their businesses.

#### ***Output 3.1. Priority sectors with growth potential have been identified and this will have informed the design of BDS provision to entrepreneurs***

Information on priority growth sectors in the provinces has been collected through the latest surveys conducted by the national and provincial governments. From the analysis of the results of these surveys, the Facility plans to identify the priority sectors within South Africa. Here reference is made to Provincial Growth and Development Strategies for guidance on priority areas, as well as research produced by the SMME Monitor. Already six concept notes have been developed and this information will form part of the concept notes and a repository of these relevant documents will be kept at the projects head office.

The SEDF project engaged with public and private sector partners in KZN to design a demand-led business development support linked to the EnterPRIZE Challenges (business plan competitions) hosted in the KZN Province. There have been three enterPRIZE Challenge competitions conceptualized and implemented in KZN in 2015: a) Youth Innovation Challenge, with 'Innovate Durban'/eThekweni Municipality, IBM, Invo Tech, Vodacom; b) eThekweni Master Caterers Challenge with the Department of Economic Development Tourism and Environmental Affairs (EDTEA), eThekweni Municipality Business Support Unit,



Bidvest Bakery Solutions, SPAR, Durban University of Technology – School of Hospitality and Tourism, Fusion Cooking School, Tsogo Sun, SEDA and Invo Tech; and c) Responsible Tourism Challenge, with the uMhlathuze Municipality (Tourism and Waste Departments), Department of Economic Development Tourism and Environmental Affairs (Tourism and Environmental Affairs component), PETCO, SCORE, SECO, NORAD, BMK Partners, Audi and the Responsible Tourism Foundation.

Partners in the Challenges brought both public and private sector knowledge and expertise to the table to support the design of demand-led business development services in the identified priority sectors.

In addition, the following BDS related activities were offered to potential and established entrepreneurs in the Challenges hosted in the Province: Youth Innovation Challenge; eThekweni Master Caterers Challenge; and Responsible Tourism Challenge.

Participants in the Challenges completed a needs analysis questionnaire to inform the development of a demand-led aftercare programme. In addition, the project has developed the Clean and Green Free Campaign booklet.

While aftercare needs have been identified, they are yet to be implemented; the results of the training needs analysis process will be used to design a demand-led aftercare programme to support further development of the entrepreneurs and growth in their businesses. However, the evaluation foresees the possibility of financial impediment, and draws the attention of the Organization to this potential hindrance. A summary of achievement is given below:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
<b>Output 3.1:</b> Priority sectors with growth potential have been identified and this will have informed the design of BDS provision to entrepreneurs	Number of reports with key information on priority growth sectors.	Baseline: 0  Target: 3	6 Target exceeded

***Output 3.2. A cost-effective system to encourage “self-learning-driven” BDS will have been developed, which will enhance training offered by BDS providers with innovative and market driven non-financial BDS***

The SMME database plays a central role in the achievement of this output. Through the database, a system for promoting good business practices has been developed and registered entrepreneurs will be able to see how far they comply or are aligned with these practices. Where there are gaps, the entrepreneurs are referred to BDS service providers to address their challenges, e.g. SARS, business advisors, etc. Regarding the database, however, the evaluation found that there could be more coordinated efforts between the provincial Free State Steering Committee and management of MCCI, one of the main

employer organizations. The evaluation recommends that ILO management should ensure that there are linkages between the SEDF database on SMMEs and that of the Chambers.

Through engagement with public and private sector partners, the SEDF project was able to facilitate and contribute to the design of demand-led BDS training linked to the respective Challenges in the Province. This was enhanced by the contribution of public and private sector role players through on-going dialogue on the design and implementation of demand-led training. Participants in the Challenges completed a needs analysis questionnaire to inform the development of a demand-led aftercare programme.

Over and above this, project management has been re-directing funding for the winners of the enterPRIZE Challenge to support more awards of training, which is endorsed by recognized certificates and/or through institutions of higher learning that can offer short - courses that benefit targeted beneficiary groups. The expectation being that entrepreneurs will be encouraged to utilize the e-learning modules and achieve “certificates of completion” that are awarded based on a comprehension quiz testing the depth of knowledge transferred through the modules. The e-learning modules also provide information and references that can direct entrepreneurs to other online materials that can help them in their businesses. The modules have been designed with lively video and written content and provide users with an opportunity to test their comprehension at the completion of the modules. Users receiving an 80% on a comprehension quiz will be issued with a “Certificate of Completion,” which can later be captured on the SMME Database to acknowledge the SMME’s participation in business management training. However, in line with good practices there should be pre-testing of these videos.

The project design has missed out on defining an indicator for this output; it is recommended that the M&E Officer and the CTA should work out an appropriate indicator for this output, establish a baseline and discuss possible target with the stakeholders.

### ***Output 3.3. BDS providers have delivered BDS to emerging and established entrepreneurs in provincial growth priority sectors***

The aim is to complete a series of Financial Education modules, which provide SMMEs with useful knowledge and information relating to good financial practices, as well as how to save and invest in their businesses and improve their financial management systems.

The project anticipates the development of three other modules aimed at practical business skills, such as Pricing Your Product, Using Social Media to Market a Business, and How to Use Government Incentives to Grow Your Business. In order to ensure that the modules are sustainable, SEDF has developed a generic e-learning brand that can be promoted on any business development support agency’s website and link SMMEs to the ITC-ILO E-Campus to complete the modules. Skills will also be transferred to the partners to enable them to go on to create more modules, specific to their areas of development focus.

The SMME database also addresses this output in the sense that it allows for transferring more cost-effective and demand-driven skills and knowledge to SMME s through both e-

learning and classroom trainings. Similarly, the SEDF e-learning tools and videos developed by SEDF aim to help entrepreneurs develop the necessary business skills to start or grow their business. It is understood that the project plans to develop six modules to build the capacity of the entrepreneurs to more effective business managers and leaders. These modules include: Decent Work, Formalize Your Business module, Marketing, Financial Education and Using Social Networking to Grow Your Business.

A summary of the achievement is given below:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
<b>Output 3.3.</b> BDS providers have delivered BDS to emerging and established entrepreneurs in provincial growth priority sectors	Indicator 1: Number of entrepreneurs receiving BDS and/or mentorship through the Challenge College	Baseline: 0 Target: 1,500	Overall, the project achieved 23% in both provinces put together, and 90 entrepreneurs receiving BDS and/or mentorship (FS), and 192 (KZN).
	Indicator 2 is: Number of secondary school and university graduates receive BDS and/or mentorship or advisory services	Baseline: 0 Target: 750	Put together, as of November 2015, the project has managed to achieve only 17% of the set target; Achieved 67 (KZN) ; overall progress 129 17%.

The prognosis by project management is that both the indicator targets are likely to be achieved by the end of the project cycle. This will demand greater attention and intensification of project interventions. For good reasons, project management argues that since these indicators are related to the e-learning college and modules that are being finalized within the project, and given that the e-learning college will be officially launched in February 2016 and will focus on youth and secondary school learners, it is reasonable to speculate that there is a good likelihood of these targets being achieved.

#### **Immediate Objective 4. To stimulate innovation, entrepreneurship and sustainable enterprise development**

This objective focuses on the micro-level, the entrepreneurs themselves and the aim is to create jobs. Through a competition process, entrepreneurs are able to enter a given enterPRIZE challenge. These challenges provide the entrants with skills and information to develop innovative business plans and implement business ideas. In order to foster the sustainability of the programme the winners and runners up are provided with on-going mentoring.

##### **Output 4.1 Information about business development and job creation opportunities in sectors and value chains has been made available to entrepreneurs**

In terms of processes followed, the evaluation was informed that before the enterPRIZE Challenges are implemented, the project completes research and/or consultation on the relevant priority sectors to inform the focus areas for the Challenge, including the evaluation criteria. Through the Challenges offered in the province, information was disseminated about opportunities in the selected sectors.

The evaluation learned that SEDF has been negotiating partnerships with Absa Bank and the Small Enterprise Finance Agency (SEFA) to provide a combination of grant funding and bank finance. The partnership with ABSA required a substantial financial contribution from the ILO. When the SEDF lost a big amount of money (due to the exchange rate loss) this partnership was put on hold. If the financial situation does not improve the partnership will not be achieved. The SEFA model does not require any substantial contribution from the ILO and will therefore be pursued if the costs (e.g. interest rate) will be acceptable to the entrepreneurs. This model is still intended to be used to support winners and other applicants of the enterPRIZE Challenges. The aim is to provide a combination of this support and financial education, which will also provide entrepreneurs with a track record with a recognized financial institution. To this end, SEDF has is currently negotiating with Sefa on the conditions of this partnership which may be implemented in the context of an existing MoU between Sefa and the ILO. This step is considered critical to the sustainability of new and emerging enterprises that benefit from these awards; and for this reason the evaluation suggests that the ILO should focus on aftercare interventions particularly assisting winners to establish linkage with banks and financial institutions to obtain loans before the award money dries up.

According to the SEDF management, through the SEDF's partnership with the Department of Small Business Development, the SME Database (now SMME Register) will provide the basis for a National SMME Rating Agency. The aim of establishing the Agency is to provide SMMEs with a more detailed profile of their businesses, which can be captured online, and can provide a more balanced perspective on the sustainability of the SMME without relying entirely on an SMME's credit history. This, it has been argued, will provide lending institutions with an SMME rating that can be used to determine an SMME's loan readiness. The aim will be to provide banks with a reliable risk analysis of an SMME and enable more SMMEs to access business finance.

The outcome indicator for this objective is: Number Business start-up and/or expansion; its target is set at 1,000 but level of achievement is yet to be determined by the SEDF management. A summary of achievement is given below:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
Output 4.1: Information about business development and job creation opportunities in sectors and value chains has been made available to entrepreneurs	Indicator 1: Number of enterPRIZE Job Creation Challenges	Baseline: 0  Target: 9	7 Challenges had been addressed by November 2015.
	Indicator 2: Number of enterPRIZE Job Creation Challenge events held in each province	Baseline:  Target: 30	34 (target exceeded)

The evaluation observed that the procedure for attracting potential competitors to these challenges should be carefully re-examined for possible flaws: a) the tendency to inadvertently exclude persons who are relatively disadvantaged (young and without experience, poor education, inability to receive or respond to advertisements, lack of

support to travel to the venues, etc.; b) the tendency of some fraudulent persons to be represented in multiple competitions and even win – persons who have turned themselves into professional award winners; c) some of the competitions do not really address entrepreneurship or business acumen, rather they test skills, say, in cooking/catering.

#### **Output 4.2 Entrepreneurs have developed innovative business ideas and business plans in response to identified opportunities**

The evaluation found that the main activity to support this output has been the enterPRIZE Challenges, which have both encouraged entrepreneurs to submit innovative business ideas, but also to gain access to business development support. BDS is provided to the applicants before they are shortlisted, which assists with the development of innovative business proposals. This continues for all participants (short-listed candidates) following the final determination of winners and runners up.

The other Challenges launched successfully include the following:

- A Social Enterprise Challenge in partnership with the Free State Department of Social Development, Central University of Technology, and LifeCo Unlimited launched in August 2015, which targeted primarily youth-owned social enterprises in the five Districts of the Free State Province with the aim to encourage youth and/or youth groups to employ a creative and entrepreneurial approach to solve real social issues.
- In KZN, the first enterPRIZE Challenge launched was the “Youth Innovation Challenge” in partnership with the eThekweni Municipality, IBM and other stakeholder members of Innovate Durban, which includes other municipal and provincial government representatives, as well as entities such as the Durban Chamber of Commerce and Industries.
- The Responsible Tourism Challenge was also launched in KZN in May 2015. Established tourism businesses (based in the municipality) with ten and more employees have been invited to participate in the Challenge.
- A Master Caterers Challenge was launched in KZN in partnership with the eThekweni Municipality, Durban University of Technology, Bidvest and Spar.

SEDF records indicate that Videos capturing the launch events and awards, as well as case studies of past winners, can be seen on the SEDF’s website, [www.sedafrica.co.za](http://www.sedafrica.co.za).

However, in the course of investigation, the evaluation found that it is possible that a few of the ideas assessed may have been mere superficial presentations. One good practice shown by some DBS providers interviewed is to physically examine the sites of all potential business idea presenters and ascertain their business environment for integrity before scoring them to even compete. That way, unserious contestants and fake ones would have been selected out.

This objective has two indicators against which targets have been set; a summary of achievement is given below:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
Output 4.2: Entrepreneurs have developed innovative business ideas and business	Indicator 1: Number of hits on competition website	Baseline: Target: 1.5 million	1.9 million

plans in response to identified opportunities	Indicator 2: Number of applications received	Baseline: Target: 4,500	983 (22%)
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The view of SEDF project management is that these indicators are unlikely to be achieved during the project cycle. The main reason given for this is that the nature of the challenges have changed since the development of the project document. At the behest of the stakeholders and implementing partners, the applicants partaking in the challenges have been screened to reduce the numbers. The main reason for this request is related to the loss of funding from the Job's fund, amounting to R7.5 million.

The evaluation recommends that at the next stakeholders' (Steering Committee) meeting, this matter should be tabled for discussion and agreement reached on a revised set of targets for this objective.

#### **Output 4.3 Entrepreneurs have accessed financial and non-financial support and after care to create jobs in their businesses**

The SEDF strategy for assisting the entrepreneurs to get funding consists of three approaches:

- i. Collaboration with the Small Enterprise Finance Agency (Sefa) and Siza Capital (an MFI), will ensure that business plans can be put forward to access funding from Sefa, which is a parastatal institution. The evaluation was informed that after the project had reached an agreement with Absa Bank to jointly administer a small business loan fund, this had to be scrapped due to the budget reduction (approximately \$580,000) resulting from the depreciation of the euro against the US dollar.
- ii. Establishment and access to crowd funding mechanism will enable participating SMMEs or business owner/entrepreneurs to develop skills to build their business cases for a crowd funding environment.
- iii. Through a combination of grant finance, business development support and bank finance, entrepreneurs will be provided with a track record, or an opportunity to engage with financial institutions in a rehabilitation process resulting in bank finance.

##### **a) Financial support**

The SEDF records show that the project has launched two enterPRIZE Challenges in the Free State (the 2015 Master Caterers Challenge and the Design Challenge in the medical assistive devices field). The Master Caterers Challenge targeted 55 primarily women-owned enterprises, which were provided a range of different training opportunities through the Central University of Technology. The evaluation learned that the Challenge was branded by the Provincial Department of Economic Development (Destea) and resulted in R4.5m in funding for the participants and winners of the Challenge to use to expand their businesses or to establish a restaurant. Sponsors of the Challenge have provided extensive training and support to the entrepreneurs through regular workshops (held weekly) and providing technical training relating to food service and information relating to formalization of businesses and implementing decent work practices. Trainers from institutions, such as the South African Revenue Service and Department of Labor, and private sector partners, the

Food and Beverage Institute, Nandos Chicken, Makro and the Tsogo Sun, conducted these seminars.

The available evidence shows that the winner of the Master Caterers Challenge was awarded R500,000 to support the establishment of a restaurant in Bloemfontein. The remaining contestants were awarded between R60,000 and R100,000 toward the purchase of catering and cooking equipment. Five winners were awarded an additional R50,000 cash from the SEDF. In a few cases, the evaluation was informed that the time lag between the announcement of an award and actual receipt of the funds could range between 6 and 12 months during which the winner became disillusioned and began developed some negative ideas about the whole process. It is possible that such delays were due to the unexpected financial setbacks which the project experienced; but project management should see to this lapse and try to avoid such in future.

This output has two indicators; a summary of achievement is given below:

Outcome/Output	Indicator	Baseline/Target	Achievement/progress
Output 4.3 Entrepreneurs have accessed financial and non-financial support and after care to create jobs in their businesses	Indicator 1: Number of applications funded for winners and runners-up	Baseline: 0 Target: 450	10
	Indicator 2: Number of winners and runners-up receive non-financial BDS	Baseline: Target: 450	295

Project management is optimistic about reaching these targets by the end of the project cycle, given the fact that: i) additional challenges have already been planned for 2016; ii) it has built up a strong aftercare and mentoring programme for the applicants. It is suggested these and related projections should be discussed at the Steering Committee meetings so as to agree on realistic targets.

#### **b) Non-Financial support**

Non-financial support is being offered to all of those who have taken part in the Challenges and include the following:

- Youth Innovation Challenge (KZN): It is planned that those who completed the Youth Challenge will be offered BDS training through the ILO. The winners of the challenge are also enrolled in a two-year programme at the SmartXchange enterprise incubator in Durban.
- Master Caterers Challenges ((Free State and KZN): All applicants that have been through this training will be provided with BDS training through the ILO.
- Social Enterprise Challenge (Free State): The project plans to provide all applicants with the opportunity to attend BDS training that will be offered in conjunction with the ILO and its partners, Central University of Technology and LifeCo.

The project plans to refer winners and some selected entrepreneurs for further business enhancement and funding with Life-Co. and the Department of Social Development.

## Cross-cutting issues

The project has treated the following as cross-cutting: Gender equality; Upgrading to formality; and promotion of 'Green Jobs'.

Regarding gender equality, the project both at the level of management and implementation, has been gender sensitive. In fact, the promotion of gender equality has been a key cross cutting concern across system levels and in the various interventions that the project supports. The ILO staff on the project consists of men and women selected on the basis of their qualifications and background experience. The selection of service providers has also been mindful of gender. Finally, the beneficiaries are made up of young men and women who went through the selection processes, competed objectively and won awards as deserved. However, in the catering challenge, there seems to be a disproportionate representation of women, understandably because society itself views this specialization as a female domain.

With regard to upgrading to Formality, the project has stated that the belief that businesses and workers in the informal economy are outside the scope of application of international labour standards is a common misconception. It is with the notion that all the new young women and men being introduced into the world of entrepreneurship are taken through training in business registration for business identity and to facilitate transactions with financial institutions.

The project supports the promotion of Green Jobs. However, the extent to which the project has contributed to the greening of the economy and the creation of green jobs in line with national priorities is yet to be assessed.

### Facilitating and Constraining Factors for Programme Implementation

#### **Constraining Factors:**

- a) *Lack of political support to programme resources:* SEDF 2<sup>nd</sup> phase was accepted by the Donor agency on the understanding that the Government of South Africa through its Job Fund would provide co-funding to the tune of 70%, while the Flemish contribution would be 30%. This proposition sounded exciting to the Donor agency; but the Job Fund withdrew from the process; hence, the project was re-designed. The project hit yet another budget snag when it lost close to \$600,000 due to foreign exchange transactions in converting the funds from Euro to US Dollar. While noting these financial constraints.
- b) *Poor attitude of certain government functionary:* Challenges with implementing partners in the Free State have emerged over changes among officials within the Department of Economic Development. This has led to a disruption in communication of activities and alignment with provincial activities, and has made organizing a Steering Committee meeting more difficult, but through intervention at the Deputy Director level, the situation seems to be improving.



- c) *Weak staff support to provincial ILO offices:* The tasks involved in managing the project at provincial level seem to be too much for just one NPC; staff support is needed for routine administrative and time-consuming networking works.

**Facilitating factors:**

- i. *Political will:* The Government is committed to addressing the severe youth unemployment challenge, and one of the strategic means to pursue this policy goal is through the promotion of entrepreneurship and small, micro and medium enterprise (SMME) development.
- ii. *Overwhelming external support to the SEDF project objectives:* Apart from Government's efforts to address the promotion of SMMEs in the country, numerous specialized agencies have been active in supporting three major components of SMME promotion; a) the entrepreneurship education; b) the enabling business environment; and c) the BDS component.
- iii. *ILO's capacity:* ILO has recruited both international and national staff as follows: International Chief Technical Advisor (CTA), 1 M&E Officer, 2 National Project Coordinators and 1 Administrator/Finance Officer; they are highly qualified with relevant professional experience, and the evaluation found from partners and implementers that they have all worked with industrious dedication and commitment.
- iv. *ILO's technical interventions:* The introduction of innovative approaches and models that have been brought to bear on the execution of the project, including the establishment of SMME Database and its effective functioning; the introduction of e-learning modules.
- v. *Effective sustainability strategies:* i) Capacity building is inherent in the strategies adopted for project implementation and this is fundamental to sustainability; ii) the ILO strategy in regard to partnership with relevant government departments, private institutions and bodies; iii) the ILO has also strategically integrated its work on SEDF with related projects within the South Africa Decent Work Programme (DWP) which has already been institutionalized, and into the United Nations framework of assistance to South Africa, thereby drawing on the larger structures of Government and the UN for sustained collaboration.
- vi. *Adequate management arrangements:* Through the Provincial Steering Committee, the project has drawn oversight support from stakeholders (Government, Workers' Union, Employers' Association, Business community, Universities, NGOs and private bodies) to steer the project implementation, and furthermore to continue enlisting the interest of these stakeholders to partner in the implementation of activities on the ground.

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## 4.4 Project efficiency

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This section is based on assessment of the adequacy of the technical and financial resources in addressing project outputs; management and governance arrangement; effectiveness of the project's M&E framework and its application; adequacy of the management and related support by the ILO and Government implementing partners; adequacy of stakeholders participation and; the nature and benefits of collaboration with ILO projects and donors in the country.

### ***Adequacy of available technical and financial resources***

#### *Finance*

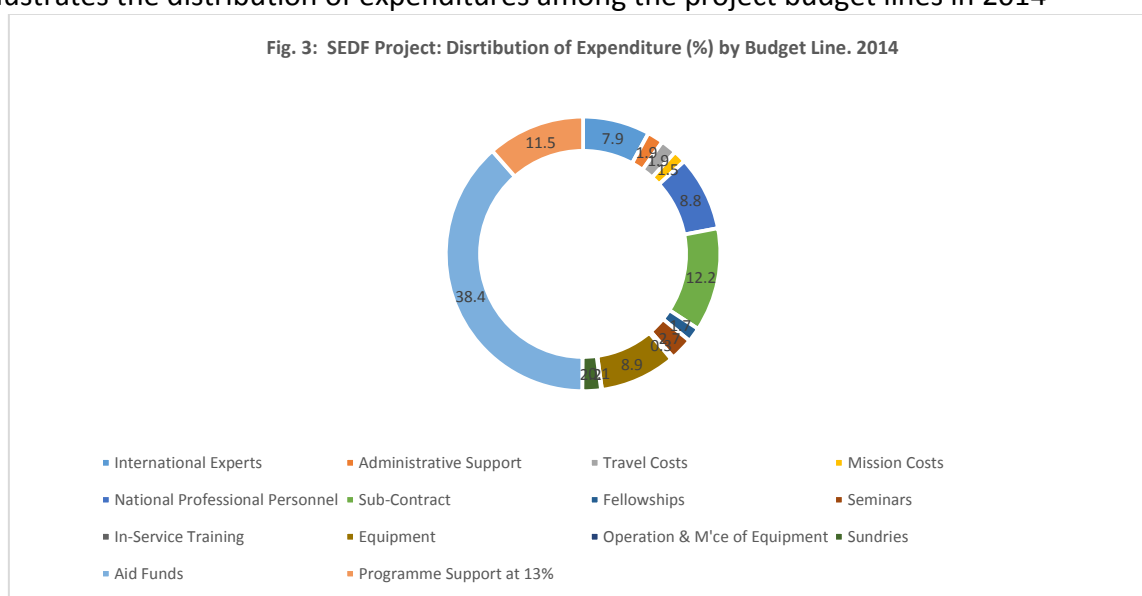
The *Free State SME Development Initiative* (SAF/10/01M/FCA) upon which this project has been built was funded by the Government of Flanders with a budget of US\$6,024,096 from July 2011 to December 2014. Following a review of the project, a Second Phase project extension was agreed to cover the period January 2014 to December 2016, but this time the project was designed to include Kwa Zulu Natal province. The Flanders International Cooperation Agency provided funds to this project in the amount of € 3,305,000 or US\$4,490,489, to cover the cost of personnel and activities. By this extension, the project it seeks to replicate and expand the intervention models introduced by this project in a number of key areas for job creation.

SEDF 2<sup>nd</sup> phase was accepted by the Donor agency on the understanding that the Government of South Africa through its Job Fund would provide co-funding to the tune of 70%, while the Flemish contribution would be 30%. This proposition sounded exciting to the Donor agency; but the Job Fund withdrew from the process; hence, the project was re-designed. The project hit yet another budget snag when it lost close to \$600,000 due to foreign exchange transactions in converting the funds from Euro to US Dollar. While noting these financial constraints, the ILO management is of the view that the Organization's technical intervention through its approaches and models that have been brought to bear on the execution of the project are far more rewarding that whatever outputs would have been achieved with the missed funds.

The evaluation learned that, under the circumstance, the ILO decided to re-design the project but without the expected level of consultations with the Flanders. It probably would have been better not to extend the project to KZN given reduced funding. While this position appears logical, the project has performed reasonably well in both provinces and the evaluation is of the impression that this has been due to financial prudence by the executing agency. For illustration, the enterPRIZE Challenge has been issuing awards of small cash amounts, but has compensated for this by accessing support from government partners and private sector sponsors. In addition, records show that the two interns funded by the Government of Flanders have provided invaluable support to the project and reduced the overall cost of designing the e-learning modules. This has greatly reduced the amount of funding that would otherwise have had to be allocated to this activity and has made it possible for entrepreneurs to gain access to e-learning modules through a cost-

effective online platform. However, as will be seen below, the project has fallen short of the planned ILO input in the area of project personnel, possibly due to the observed financial constraint.

Besides the reference to the lump sum provided by the Flanders, the project document has no budget section that should have provided the project budget summary as well as budget justification. This would have allowed an appraisal of the reasoning behind resource allocation among the different budget lines for project execution between the two provinces by the ILO. It is only through the ILO financial management that the evaluation got a glimpse of the budget and its disbursement during the period of this review. Figure 3 illustrates the distribution of expenditures among the project budget lines in 2014



It is obvious from the distribution of expenditures that Aid Funds consumed the bulk of the budget, a total of \$444,610 or 38.4% of the total allocation, followed by Sub-contract 12.2% and ILO Programme Support 11.5%. Overall, the budget has been prudently managed in accordance to the long-established rules and procedures of the Organization. In order to improve project implementation covering all the outputs in the two provinces ILO should mobilize additional resources, for example to introduce startUp&Go programme in KZN, as well as strengthen the staff capacity at the provincial offices.

ILO produced annual financial statements on the SEDF project, covering 2014 and 2015. According to the ILO records, overall financial implementation rate shown below was 100% in 2014. Budget records for the current year 20-15 are incomplete, of course because the year end is yet to come; however, as of 8 June 2015 about 63% of the total allocated sum of \$1,817,081 had been committed. Given the myriad of ongoing and planned project activities, it is easy to conclude that budget implementation rate for the current year would be 100% as well.

BL	Pos	Description	Alloc.\$	Commit.\$	Com/All %	Expend.\$	Exp/All %
TOTAL			1,157,180.00	1,157,180.00	100.00 %	1,157,180.00	100.0 %

This suggests, among others, that the project budget has been tight. The evaluation found out that critical project outputs could not be pursued in KZN namely, the startUp&Go programme aimed at training teachers and learners in school on entrepreneurship so as to change cultural perception at an early age. Part of the problem was the last-minute withdrawal of the Job Fund 70% co-funding promised and the loss of about US\$600,000 by the project to foreign exchange market fluctuations in 2015 to which reference has been made.

It is perhaps not too late to bring up the issue of co-funding with the provincial administrations, and possibly solicit funds for the project from private partners given the expressed interest in the objectives of SEDF.

### *Equipment*

The project acquired a number of equipment and put them to good use; these include the following: Laptops (7 Nos.); Dell Screen (7Nos.); Computer Printers (11 Nos.); Dell Docking Stations 8 Nos.); and Projectors (2 Nos.). All the items (see Annex 4 of this report) are in a satisfactory condition.

### ***Adequacy of the management and governance arrangements***

To a large extent, the SEDF has adopted the management and governance arrangements clearly defined in the project document. The ILO is the executing agency, and in support of project execution, it has recruited both international and national staff as follows: International Chief Technical Advisor (P5 level) and; 2 National Project Coordinators (NO-B level). The CTA responsible for project management initially was placed in Bloemfontein in the Free State but at the end of the first phase he was moved to the ILO Office in Pretoria on a different assignment. In his place, another CTA was appointed in July 2014 but placed in Pretoria ILO office to manage the SEDF project in the Free State and KZN. This arrangement appears to be cost-effective but puts on her the pressure of time and other resource allocation in attending to both provincial project offices as well as Head Office coordination in Pretoria. So far, in spite of the stress of the implied logistics, she has come on top of the challenge creditably.

In terms of support personnel, due to financial constraint, the ILO has not provided adequate number of staff, and pressure of work is easily discernible with the two NPCs. While the project document suggests the appointment of 2 Project Administrative Assistants (G-level) for each province (KZN and Free State), both positions remain unfilled. In addition, instead of the recommended appointment of 2 Finance and Administrative Assistant (G-level), only one has been appointed and she is located in the ILO office in Pretoria.

The evaluation found that the two projects actually need staff support, at least one in each province, at the level of Administrative Assistant (G-level) as proposed in the project document, or an intern.

### ***Effectiveness of the project monitoring & evaluation framework***

The ILO provides overall and provincial monitoring and evaluation (M&E) function to the project through an M&E Officer appointed in October 2015 and located in ILO Pretoria office, as well as through the NPCs in the two provinces. A draft comprehensive M&E schedule has been developed to capture project data at national and provincial level, report

progress in achieving indicator targets to the respective Steering Committees for project management and monitor the operation of the project's feedback mechanism within the context of the project's 'Theory of Change'.

The design and development of an SMME Database and Performance Management System has been completed to capture the landscape of the SME environment in each province and will provide data that can be used to support policies and interventions that will benefit entrepreneurs. The database should also inform the M&E scheme and serve as a veritable source of information for project monitoring and evaluation. To its credit, the project SMME database has been endorsed by the National Department of Small Business Development to become the National SMME Register and foundation for a National SMME Rating Agency.

The project is expected to undertake a self-evaluation in month 12 of the implementation phase; an independent external evaluation in month 18 and a final independent external evaluation in month 36. The draft M&E scheme proposes a periodic reporting structure to be managed by the NPCs and collated for 6 monthly reporting by the CTA. So far, only a six-month internal evaluation has been compiled in an interim report, yet to be submitted officially, prepared by the CTA; it was made available to the evaluator during this exercise. Regarding independent external evaluation, this has been achieved through this Mid-Term exercise carried out in November 2015, and facilitated by the newly appointed M&E officer with support by the CTA and the NPCs.

#### ***Adequacy of administrative, technical and political support from the ILO***

The CTA is based in Pretoria and has carried out her functions, as required, under the overall supervision and guidance of the director of the ILO Pretoria Office for Botswana, Lesotho, Namibia, South Africa and Swaziland. The CTA has been technically backstopped by the senior enterprise specialist in the Decent Work Support Team, also based in Pretoria.

It was expected that during the first 6 months of the project start-up phase (January-June 2014) these arrangements would be finalised; but the CTA did not assume duty until September 2014. The ILO has appointed an M&E Officer, but he assumed duty only in October 2015 and has been able to produce a draft SEDF M&E framework which is yet to be approved for use by management.

In sum, the appointed ILO technical personnel are competent, highly qualified and experienced. They have worked with industrious dedication and this has largely made up for whatever shortfall observed in achieving a full project staff compliment and delay in their appointment.

#### ***Adequacy of political, technical and administrative support from its national partners and implementing partners***

##### ***Institutional strengthening***

In support of capacity building/skills transfer, the NPCs are expected to be based with provincial Department of Economic Development Tourism and Environmental Affairs (DEDTEA) in each province. In the Free State, the project is housed in the (DEDTEA), but in KZN, it is the eThekweni Municipality that readily provided accommodation support to the

project office while the provincial government was going through red tape. Again the evaluation found this arrangement to be in the interest of the government and the executing agency.

In support of skills transfer, it was also proposed in the project document that each of the provincial implementing counterparts will make a full-time staff member available to work on project activities in order to also transfer capacity to the counterpart. However, only in KZN was such a secondment honoured but just for two months (February/March 2014). In KZN no official has yet been seconded to understudy the NPC. The evaluation is of the view that this might be a lost opportunity; ILO should take this up with the government departments in the two provinces to remedy the situation.

#### *Oversight by the Provincial Steering Committee (PSC)*

The Provincial Steering Committee, one for each province, was convened to oversee the operations of both the Private and Public Procurement and Social Economy (PPPSE) project and the Sustainable Enterprise Development Facility (SEDF) project. In support of this management arrangement, it was argued that since the two projects are funded by the Government of Flanders through the International Labour Organization (ILO) and implemented in collaboration with DEDTEA and other stakeholders in the two provinces, it was considered appropriate to constitute them into a single Provincial Steering Committee in the Free State and KZN.

In the Free State, at the start of the 2nd Phase, the PSC was thereby re-constituted and comprising the following members: DEDTEA (Chair); Department of Social Development (DSD); Department of the Premier; the five 5 District Municipalities in Free State and the Central University of Technology. Other members of PSC include Small Business Development Agency (SEDA); National Empowerment Fund; Small Enterprise Funding Agency (SEFA); NAFCOG; Mangaung Chamber of Commerce and Industry (MCCI); Government of Flanders; Black Management Forum; and ILO. Given the similarities between the two ILO projects (SEDF and PPPSE), the Free State PSC has been serving the two ILO projects since Jan 2015.

Guided by a ToR, the Chair of the PSC is expected to convene meetings quarterly, but the PSC has met only once since Jan 2015. In the Free State, records show that staff changes at the official level has made organizing a Steering Committee meeting more difficult, but through intervention at the Deputy Director level, the situation seems to be improving and a Steering Committee meeting will go forward. Nevertheless, the project found and this evaluation confirms that the Free State government has been less cooperative around Steering Committee meetings and engaging with the project.

The extent to which Provincial implementing counterparts have made both financial and non-financial inputs<sup>14</sup> to the SEDF implementation is summarised as follows:

S/N	Financial and non-financial inputs	Status
1	The provincial implementing counterparts (to be decided during inception phase) will provide office space for project staff (2 staff in each province as well as an international expert in one of the provinces)	Done

<sup>14</sup> As defined in the Project Document

2	Provincial implementing counterparts will provide financial and in-kind contributions to project activities , which should be aligned with economic/enterprise development priorities of the counterpart	Partially done
3	The hosting provincial implementing counterpart will make 1 full-time professional staff member available to work on project activities with the NPC based in the hosting institution	Poor
4	Departments for basic education will cost-share the implementation of the startUP&go programme and the entrepreneurship market days (Free State)	Done
5	National Treasury will provide financial contributions to the SME Observatory to the conclusion of the present TMS contract	Poor
6	Private sector corporations will provide cash sponsorships, equipment and time to the implementation of the enterPRIZE Job Creation Challenge and for identifying business opportunities in their value and supply chains	Done
7	Employers and workers organisations will provide human resources for judging in the enterPRIZE Job Creation Challenge and for coaching and mentoring of young entrepreneurs	Done
8	SME support programmes and BDS providers will provide time and human resources for coaching and mentoring of young entrepreneurs	Done
9	Radio stations will cost-share entrepreneurship culture campaigns	Done

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## 4.5 Effectiveness of management arrangements

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### Institutional Framework

The first sustainability strategy by the project is that it is embedded in the existing relevant government structures. The project is being implemented at the provincial level in Free Sate and Kwa Zulu Natal in their DEDTEA and through local partner organizations. The other local partner organizations of the project are departments for education and departments for social development and the offices of the Premier and the selected Municipalities and universities. The project has continued working with selected national business development service facilitators such as the local private BDS providers. Through the provincial steering committee, the project has drawn on oversight services of these stakeholders to steer the project implementation progress, and furthermore continue enlisting these stakeholders to partner in the implementation activities on the ground. Furthermore, larger private sector such as firms such as Macro, Nandos, BIVEST, TEPCO, etc. have played a strong role in working with the project in identifying business development opportunities for smaller firms to enter their value and supply chains.

### Management arrangements

The SEDF is managed by an international Chief Technical Advisor (P5 level) who reports to the Director of the ILO office in Pretoria. As the executing agency, under the Flanders project funds the ILO appointed the CTA in September 2014 and she is based in Pretoria; two national advisors were also appointed as National Project Coordinators (NO-B Level) one is based in Bloemfontein (Free Sate) and the other in Durban (Kwa Zulu Natal). The NPC in Bloemfontein is placed at DESTEA for effective communication with the government and ease of skill transfer. For the purpose of skill transfer, government seconded an official to the project but only for three months (April – June, 2015), although the MoU stipulates that the secondment will be for the entire duration of the project.

In order to manage the project in KZN, one NPC was moved from the project office in Bloemfontein to Durban in January 2015. The two NPDs report to the CTA in Pretoria and

receive administrative and financial management support from the Administrative and Financial Assistant located in the Pretoria Office of the ILO.

Although the project proposed to appoint two Project Administrative Assistants (G-level) for each province (KZN and Free State), this is yet to be done. The evaluation has examined the work schedules of the 2 NPCs and recommends that the two ILO project provincial offices should have appointed, at least, 1 (one) Project Administrative Assistant (G-Level) each, one in Bloemfontein and one in Durban in order to facilitate the smooth execution of the project by the ILO.

### **Monitoring and Evaluation as a management tool**

As already noted above, the ILO provides overall and provincial monitoring and evaluation (M&E) function to the project through an M&E Officer appointed in October 2015 and located in ILO Pretoria office, as well as the 2 NPCs in the two provinces. A draft comprehensive M&E schedule has been developed to capture project data at provincial level, report progress in achieving indicator targets to the respective Steering Committees for project management and monitor the operation of the project's feedback mechanism within the context of the project's 'Theory of Change'. The draft M&E document draws upon the LogFrame of the project document as a monitoring and evaluation framework. ILO project management should discuss and approve the framework before it is put in operation.

### **Knowledge sharing**

The project management has systematically documented the information generated during the project implementation process, and, to the extent possible, disseminated it among local stakeholders nationally and provincially. The project management has furthermore shared this information with other ILO initiatives in Southern Africa, and ILO field offices in the region, the UN system in South Africa and ILO Headquarters. The CTA and NPCs have furthermore participated in knowledge sharing events organized by ILO, by local stakeholders and by other development partners, including event market days.

The project management information system (the SMME Database) mentioned above is another important building block in the knowledge management information strategy of the project since it allows for the cross-comparison of the efficiency and effectiveness of employment creation through enterprise development strategies in the project portfolio of the ILO.

Specific knowledge to be generated by the project and shared consists of thematic research in sectors and value chains with growth potential; contributions of the implementing partners to job creation, knowledge transfer and business management skills; case study research on the efficacy of provincial advisory centres of innovation hubs; research on entrepreneurship education outcomes; and job creation impact of the project.

This knowledge has been shared through publications; national and provincial workshops, seminars and knowledge sharing events; Newspapers; e-mail distribution lists; startUP&go website ([www.startupandgo.co.za](http://www.startupandgo.co.za)); business competition website



([www.enterprizejobchallenge.co.za](http://www.enterprizejobchallenge.co.za)); ILO Pretoria website ([www.ilo.org/pretoria](http://www.ilo.org/pretoria)); and Provincial websites of the offices of the Premier.

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## *4.6 Impact orientation and sustainability*

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Capacity building is inherent in the strategies adopted for project implementation and this is fundamental to the sustainability of project approaches and interventions. Equally critical to sustainability is the ILO strategy in regard to partnership with relevant government departments, private institutions and bodies; the aim is to embed the SEDF works into the governments' Integrated Development Plans (IDPs). The ILO has also strategically integrated its work on SEDF with related projects within the South Africa Decent Work Programme (DWP) which has already been institutionalized, and into the United Nations framework of assistance to South Africa, thereby drawing on the larger structures of Government and the UN for sustained collaboration.

### ***Capacity building***

The main strategy activity in support of the immediate objective 1, which is to achieve positive entrepreneurial attitudes, intentions and skills with a specific focus on the youth, is implementing and supporting the roll-out of the StartUp&Go programme in schools. In order to foster ownership and build the sustainability of this arm of the project in the Free State, the programme works with educators within schools to capacitate them in implementing the programme. The target is to reach 60 schools implementing startUP&go programme; this target has been reached by November 2015. Although progress achieved on the other indicator target has been slow, the evaluation found that there is sufficient enthusiasm among the educators to make considerable progress in achieving the indicator target for this outcome by the end of the project cycle.

The focus of the immediate objective 2 has been on how to achieve improved provincial business environment through enhancing the institutional capacity, including policy, legislative environment and provision of strategic information and tools to the provincial and national departments with the latest trends within the business environment. To this end, SEDF has achieved the development of the SMME data base, which is considered to be the cornerstone of the provision of strategic information. National and provincial departments have come to appreciate the benefit of such a database, and have assisted with its development, and recently endorsed its adoption.

The immediate objective 3 is to achieve improved supply of BDS to local entrepreneurs. Working with implementing partners the SEDF project has supported appropriate BDS interventions to incubate local entrepreneurs; capacitate provincial advisors and/or BDS providers to provide such support. One of the key activities here is the development of the e-learning forum, and this has enabled new and existing entrepreneurs to access certified online business modules which seek to help and improve their businesses.

Finally, objective 4 seeks to stimulate innovation, entrepreneurship and sustainable enterprise development. This objective has been pursued through a competition process in which entrepreneurs have been able to enter an EnterPRIZE challenge. These challenges have provided the entrants with skills and information to develop innovative business plans and implement business ideas. In order to foster the sustainability of the programme the winners and runners up have been provided with on-going mentoring, including linking emerging entrepreneurs with financial institutions. In particular in KZN, the EDTEA has funds in its *Ithala*, a government financial institution with mandate to offer loans to qualified SMME operators and Cooperatives; it also has SEDA which provides non-financial services, including development of business proposals, to aspiring entrepreneurs.

### ***Cooperation & Collaboration***

Apart from Government's efforts to address the promotion of SMMEs in the country, numerous specialized agencies have been active in supporting three major components of SMME promotion; a) the entrepreneurship education; b) the enabling business environment; and c) the BDS component.

In support of the entrepreneurship education component key partners include the Provincial Departments for Basic Education; Provincial chapters of chambers of commerce and business associations who support the entrepreneurship market days. Partner support to the enabling business environment component has been drawn from various institutions including the Central University of Technology in Free State; University of the Free State; University of Kwa-Zulu Natal; Offices of the Premier; Provincial departments for economic development; Provincial chapters of Chambers of Commerce and Industry; Employers' Organization; and Workers' Organization.

The project has broadened the circle of partners in SMME promotion to include larger private sector firms to play an active role including sponsoring the DBS competition, offer market intelligence with regards to business development opportunities in their value and supply chains and to subsequently offer after-care support to winners and runners-up. In addition, larger companies have been encouraged to get involved with research and development leading to the creation of new products.

Finally and perhaps most important, the Provincial Steering Committee structure together with the ToR, if managed as expected (or say, as is the case in KZN) is an institution that has the promise of ensuring the sustainability of SEDF project approaches. The PSC is an amalgamation of the PPPF and SEDF Advisory Committee and membership has been drawn from a wide range of related government departments and other ILO constituents (Workers' Unions and Trade Unions), private bodies, parastatals and NGOs. The evaluation found sufficient evidence to assure sustained government interest in promoting SMMEs and continued support by collaborating private companies and agencies to the Committee's work as well as project activities on the ground.

### ***Related ILO works***

As already noted in the sections above, the SEDF project is linked to the following ILO works: Outcome 3 of the ILO Programme and Budget - *Sustainable enterprises create productive*

*and decent jobs*; the DWCP for South Africa outcome 4 and outputs 4.1 – 4.3 with focus on achieving sustainable and competitive enterprises; the United Nations Strategic Cooperation Framework for South Africa (2013-2017) in which ILO serves as the lead agency (other agencies include OHCHR, UNDP and UN Women) to achieve the framework's Output 1.2, which focuses on capacity enhancement of government and social partners to create an enabling environment for the achievement of the DWP objectives in general. In addition, SEDF encompasses the four basic principles of decent work reflected in the ILO Declaration on Fundamental Principles & Rights at Work from 1998, which combines 8 basic ILO conventions already ratified by South Africa.

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## ***4.7 Lessons Learned and Good Practices***

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### ***4.7.1 Lessons learned***

Deriving from the evaluation of the 1<sup>st</sup> phase of the SEDF project in the Free State, the project document has identified a few lessons learned which are still valid under the 2<sup>nd</sup> phase.

The 2<sup>nd</sup> phase evaluation has identified the following additional lessons learned, as follows:

- i. The project strategy has shifted with the introduction of more advanced technological capabilities of the project. This has contributed positively to the project strategy, which can add more value to provincial policy-making bodies through its more sophisticated data-gathering methodologies. The introduction of the e-learning modules, which can be completed without cost, has also increased the potential impact of the project on more beneficiaries. The use of social media to improve and accelerate communication among young people has also been extremely beneficial to the project. Therefore, systems will need to be designed, not only to maintain such platforms and to ensure that these can become sustainable but also to accommodate less-educated young people. In addition, the project should consider capacity strengthening for the school teachers to enable them gain easy access to the ILO website developed for this project and, in turn, take the learners through the technology.
- ii. Challenges with implementing partners in the Free State have emerged over changes among officials within the Department of Economic Development. This has led to a disruption in communication of activities and alignment with provincial activities, and has made organizing a Steering Committee meeting more difficult, but through intervention at the Deputy Director level, the situation seems to be improving.
- iii. It was mutually agreed at the project design stage that Government through the Job Fund, would co-fund the SEDF 2<sup>nd</sup> phase to the tune of 70% of the project cost while the Government of Flanders Agency would provide the balance of 30%. However, the evaluation learned that just before the implementation stage of the project,

government withdrew its offer of co-funding; this did not only discourage the Donor Agency but also created a large funding gap in the project budget. A lesson learned is that more disciplined written communications need to be made with the Department to memorialize discussions and agreements made. This will help to honor commitments and maintain continuity of discussions when changes in department staff take place.

- iv. The new approach of the SEDF to the enterPRIZE Challenge has resulted in more ownership on the part of the implementing partners, who have begun to brand the Challenges under their own departmental banners. This has meant that the provincial staff takes more ownership of the Challenges and sponsors and increases the potential for sustainability of the programme in the future.

#### **4.7.2 Good practices**

- c) In terms of promoting a culture of entrepreneurship among young men and women the project has supported the provincial department for basic education in introducing a more practical, life skills oriented and experiential entrepreneurship education packaged called startUP&go, which is built on the ILO's *Know About Business* (KAB) programme. This programme is being implemented in 60 schools across the province for 5,950 learners in the Free State and includes capacity development of teachers and introduction of a games-based approach to teaching entrepreneurship. The startUP&go programme is being regarded as highly successful and the national Human Resource Development Council has recommended a roll-out of this programme to all nine provinces in South Africa.
- d) The main highlight of the project has been the endorsement by the National Department of Small Business Development of the SME database to become the National SMME Register and foundation for a National SMME Rating Agency. This is important for the project because although the investment costs of creating the database have been relatively high, the sustainability of the investment has far better potential with the support from the National Department of Small Business Development. The SMME Register also has far-reaching relevance for other countries in the region and may provide an important platform for tracking of business and labour migration across and within borders. This particular success story is comprehensively documented by the evaluator in the 'Good Practices' report on SEDF using the ILO format and separately presented.

## **5. Conclusions**

### **Relevance**

Given the challenge of a large army of the unemployed and the rising rate of unemployment in South Africa especially among young men and women, a project such as SEDF will continue to be in demand not just in the two selected provinces (Free State and KZN) but in all the other provinces as well. It is this understanding that has attracted such a wide range of government departments, private institutions and NGOs to contribute to the implementation of this project since 2014. In the process, the project has created a Provincial Steering Committee that combines the PPPSE with the SEDF, both ILO projects,

under the same committee for efficiency and sustainability. The evaluation found that, apart from isolated issue of poor political support in the Free State, the interest and enthusiasm in the SEDF goes well beyond the end of the project cycle in 2016.

### ***Project design***

The SEDF project design is logical, with linkages between the levels of programme performance (impact, outcome, output and cluster of activities) clearly presented in a Logical Framework (LogFrame). Consistent with the LogFrame, the design defines performance indicators at each level and logically relates each indicator to its baseline and target for progress monitoring and evaluation. However, the evaluation observed two challenges in operationalizing the LogFrame; namely, impact level expectations, and the absence of baseline data for many of the targets set. While challenge of impact seeking for a small project within a big government programme environment is not peculiar to SEDF, the gap created by absence of most baselines for the targets set should be addressed by project management. Moreover, the M&E framework should articulate its 'Theory of Change' before finalization.

### ***Approaches and tools developed***

Perhaps critical to SEDF implementation are the approaches, models and tools that the ILO in collaboration with local partners have brought to bear on this project.

First is the the StartUp&Go programme in schools, which aims at increasing the participation of young men and women in SMME activities through change of attitude in a culture that pays little regard to any work outside wage earning. The programme works with educators within schools to capacitate them in implementing the programme; and within the short time since the project started, the project has observed a 15% increase in entrepreneurial intentions of learners; over 4,000 learners have received startUP&go in all the 60 schools offering the programme. Given its success in the Free State, the ILO should mobilize funds for its replication in KZN.

Second, the SMME Database designed by the SEDF has worked towards improving the enabling business environment for SMMEs to grow and create jobs, and is now regarded as the cornerstone of the provision of strategic information. The database provides the provincial governments with data that can be used to inform policies on SMME development, based on its unique ability to disaggregate information by region, industry and demographic variables. A manual information gathering format has been developed to enable SMMEs without access to mobile devices or computers to provide information to business advisors. At the national level, the Department of Small Business Development this SMME Database platform has been recognized as the preferred technology for the SMME Register in South Africa. This will assist national, provincial and local governments in developing approaches that aim to reduce red tape and improve the enabling environment for SMEs to develop and grow.

Third, the Facility has improved the supply of BDS to local entrepreneurs. Working with implementing partners the project has supported appropriate BDS interventions to incubate local entrepreneurs; capacitate provincial advisors and/or BDS providers to provide such

support. One of the key activities here is the development of the e-learning forum. Here new and existing entrepreneurs can access certified online business modules which seek to help and improve their businesses.

Lastly, SEDF has focused on stimulation of innovation, entrepreneurship and sustainable enterprise development through a competition process in which entrepreneurs are able to enter the EnterPRIZE challenge. These challenges provide the entrants with skills and information to develop innovative business plans and implement business ideas. In order to foster the sustainability of the programme the winners and runners up are provided with on-going mentoring, including linkage with financial institutions for business expansion.

### **Overall**

Apart from the invaluable approaches and tools developed by ILO under this SEDF project, the agency has executed this project to the highest of standards, notwithstanding the minor management issues and the budget gaps experienced. The ILO interventions have been quite effective; coordination and collaboration have been firmly established; money and materials have been efficiently utilized and; overall project sustainability supported through systems of capacity building.

## **6. Recommendations**

- h) Some aspects of project strategy has shifted with the introduction of more advanced technological capabilities of the project, including the establishment of the SMME Database and the development of e-learning modules; therefore, systems should be re-designed, not only to maintain such platforms and to ensure that these can become sustainable but also to accommodate less-educated people.
- i) The EnterPRIZE challenge process has attracted quite a number of promising young entrepreneurs who have been given access to financial and non-financial business development services. However, there is need for sustained mentoring for about two years to build a solid entrepreneurial orientation and practice among these aspiring young business men and women.
- j) The ILO project management should develop a stakeholder management plan that will be more effective in maintaining consistent buy-in especially by government in the Free State for the second half of the project.
- k) The ILO project management should convene a stakeholder workshop at the middle management and operational level within the partner institutions to consider the draft M&E framework, agree on baseline and targets for all the project outcome and output indicators, take stock of achievements to date and to confirm the planned way forward to ensure that expectations at this level are realistic and manageable.
- l) In order to improve the quality and coverage of the delivery of project interventions by the ILO, and in anticipation of possible replication of the SEDF in additional provinces in the country, the ILO should: i) mobilize additional funds from government and private organizations; ii) strengthen the project staff capacity at provincial level by appointing, at least, 1 (one) Project Administrative Assistant (G-Level) or 1 (one) intern each, one in Bloemfontein and one in Durban;

these interventions would greatly facilitate the smooth execution of the project by the ILO.

- m) In support of capacity building for sustainability of project approaches and activities, the EDTEAs should consider the immediate secondment of 1 (one) counterpart staff to each of the provincial SEDF project offices to understudy the NPCs.
- n) There is the need to pre-test the materials that are developed with the target audience, especially the e-learning modules.

## ANNEXES

### Annex 1: Final terms of Reference

#### Terms of Reference

#### Mid-Term Review of the Sustainable Enterprise Development Facility for South Africa

September 2015

Project Code	SAF/13/05M/FCA
Title	The Sustainable Enterprise Development Facility for Job Creation in South Africa
Country	South Africa: Free State and KwaZulu Natal provinces
P&B Outcome	Outcome 3, outcome indicators 3.1, 3.2, 3.3
DCWP Outcomes	ZAF 101: Sustainable and competitive enterprises create productive and decent jobs especially among women, youth and persons with disabilities
Donor	Government of Flanders
Project duration	January 2014 to December 2016
Evaluation Period	1 January 2014 to 1 July 2015

#### Introduction and rationale for the Mid-Term Review

This term of reference (TOR) is designed for an independent mid-term evaluation of the Sustainable Enterprise Development Facility for Job Creation in South Africa. This evaluation forms part of the International Labour Organisation's (ILO) strategic practice of ensuring that projects and programmes are adequately evaluated.

The project builds on the ILO's previous programme funded by Flanders SAF/10/01M/FCA, with a budget of US\$6,024,096 from July 2011 to December 2014. After this initial programme was completed, the project was re-designed and is currently being implemented in the Free State and KwaZulu-Natal, with a planned termination date of December 2016.

#### Project rationale

South Africa is an exceedingly young nation with almost 60 per cent of the population under the age of 35. Unemployment in South Africa rose to 25.2 per cent in the first quarter of 2013. This translates into 4.5 million people who cannot find employment. The youth – defined as those between 15-35 years - accounts for 75 per cent of the unemployed representing a national youth unemployment rate of 36.1 per cent.

Among the 10.4 million youth aged between 15-24 years of age 3.4 million young men and women, equivalent to 32.9 per cent are neither in employment, education or training (the NEET category) with young women being particularly vulnerable recording a higher youth unemployment rate at 36.1 per cent as opposed to young men with a rate of 29.7 per cent. For the Free State the NEET category is 30.3 per cent and for Kwazulu-Natal it is 33 per cent.<sup>15</sup>

The Government of South Africa is committed to addressing the severe youth unemployment challenge as evidenced in the New Growth Path and the National Development plans where broad-based wealth creation through the promotion of decent work is a policy priority.. One of the strategic means to pursue this policy goal is through the promotion of entrepreneurship and small, micro and medium enterprise (SMME) development.

#### **Project internal logic and strategy approach**

The SEDF seeks to tackle the youth unemployment challenge through a systemic approach which links support interventions aimed at entrepreneurship culture promotion, policy and regulatory reforms and micro-level small business development support. The aim is to reach out to young people by providing access to business development and employment channels found through the growth of SMEs and linkages to the private sector (through partnerships forged through the Challenge and other similar initiatives). These young people will also be better informed through more intensive communication of business opportunities through various electronic media channels.

The development objective of the Sustainable Enterprise Development Facility (SEDF) for South Africa is to create decent jobs for men and women in two provinces through entrepreneurship promotion and development of Micro, Small and Medium Enterprises (MSMEs) in sectors and value chains with employment potential. The creation of jobs and enterprises within these sectors will be achieved through a strengthened collaboration between private and public sector partners to identify gaps in the market where real business opportunities lie. In doing so the project aims to contribute employment rates towards poverty eradication within these project areas.

#### **Project Activities:**

The project aims to work within a systems theory perspective and applies activities at meta, macro, meso and micro levels. These levels help to structure the discussions of the project's objectives, the key outcomes, outputs and activities, outlined below:

#### **Immediate objective 1: To nurture a culture of entrepreneurship among young men and women**

Working at a meta-level the project aims to address cultural issues within South Africa. In particular the focus is fostering positive entrepreneurial attitudes, intentions and skills with a specific focus on the youth (outcome).

The main activity here is implementing and supporting the roll-out of the StartUp&Go programme in schools. In order to foster ownership and build the sustainability of this arm of the project, the programme works with educators within schools to capacitate them in implementing the programme. Educators attend workshops and other training sessions which provide skills and knowledge to implement the classroom discussions and economic education cultural campaigns.

#### **Immediate objective 2: To improve the enabling business environment**

Working at a macro level, the project aims to improve provincial business environment (outcome). This is achieved through providing strategic information and tools to the provincial and national departments with the latest trends within the business environment. Recognising the SMMEs will play a valuable role in the reduction of unemployment (especially with the youth) developing a conducive policy and legislative environment is crucial. At the same time it is recognised that the development of this environment can only occur effectively through the engagement of tripartite constituents.

The development of the SMME data base forms the cornerstone of the provision of strategic information. National and provincial departments see the benefit of such a data based and have expressed interest in assisting with the development. This would provide them with up-to-date information on the trends within the

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<sup>15</sup> Statistics South Africa, Quarterly Labour Force Survey, Q1, 2013.



provinces on which sectors are saturated or under supported, obstacles that hinder business development, etc. These findings are discussed with tripartite constituents and other relevant stakeholders in workshops and seminars to find solutions and strategies to improve these working environments.

**Immediate objective 3: To better match demand for and supply of business development services (BDS)**

Moving down towards the meso level, the programme seeks to improve the supply of BDS to local entrepreneurs. Working with implementing partners appropriate BDS interventions are supported to incubate local entrepreneurs; capacitate provincial advisors and/or BDS providers to provide such support. One of the key activities here is the development of the e-learning forum. Here new and existing entrepreneurs can access certified online business modules which seek to help and improve their businesses.

**Immediate objective 4: To stimulate innovation, entrepreneurship and sustainable enterprise development**

This objective focuses on the micro-level, the entrepreneurs themselves and the aim is to create jobs (outcome). Through a competition process, entrepreneurs are able to enter a EnterPRIZE challenge. These challenges provide the entrants with skills and information to develop innovative business plans and implement business ideas. In order to foster the sustainability of the programme the winners and runners up are provided with on-going mentoring.

**Target audiences**

The ultimate beneficiaries of the project are:

- Potential, emerging and established entrepreneurs – men and women - who wish to start or expand their business to create jobs
- Unemployed youth who wish to start a business, but lack the skills, capacity and funding to do so
- Male and female secondary education learners/in-school youth who participate in the startUP&go programme
- Male and female university students who wish to start a business upon graduation
- Out-of-school young men and women who wish to start a business (including learners who have received entrepreneurship education upon their entry into the labour market)

**Alignment to the South Africa's Decent Work Country Programme:**

The project is anchored under the South African Decent Work Country Programme outcome and outputs:

**Outcome 4:** Sustainable and competitive enterprises (including cooperatives) create productive and decent jobs, especially among women, youth and persons with disabilities

- Output 4.1: Facilitated access by SMMEs to markets
- Output 4.2: Support for a coherent and enabling policy environment for the promotion of sustainable enterprises
- Output 4.3: Support for the upgrading and promotion of social economy enterprises (including cooperatives)
- Output 4.4: Support for the growth of rural based small and medium scale businesses

**Alignment to National Development Plan**

Alignment to the “National Development Plan – Vision for 2030”, occurs within Chapter 3 which focuses on Economy and Employment which highlights that achievement of full employment, decent work and sustainable livelihoods is the only way to improve living standards and ensure a dignified existence for all South Africans. The NDP highlights the important role of small and medium enterprises for employment creation and project the SME sector to be the largest creator of new jobs until 2030, despite low levels of total early stage entrepreneurial activity in South Africa.

**1. Purpose, scope and clients of the Mid-Term Review (MTR)**

The Mid-Term evaluation assignment will analyse progress made towards achieving project outcomes, identify lessons learned, challenges faced and propose recommendations for improved delivery of quality outputs and achievement of the outcomes. The evaluation will also provide the opportunity to take stock, reflect, learn and share knowledge and facilitate improvements in the implementation and monitoring of progress and also make adjustments to the results based framework to ensure that tangible results are achieved by 2016.

The MTR serves two main purposes:

- (3) It provides an independent assessment of progress to date of the project, assessing performance as per the foreseen targets and indicators of achievement at output level; strategies and implementation modalities chosen; partnership arrangements, constraints and opportunities; and
- (4) It provides recommendations for the remainder duration of the project in terms of strategies, institutional arrangements, partnership arrangements and any revisions to the results based framework and other area within which the evaluation team may wish to make recommendations.

### Scope

The independent MTR will cover all outcomes of the project with particular attention to synergies across components. The MTR will assess key outputs produced since the start of the initiative and where relevant make recommendations regarding:

- Progress made towards achieving the project outcomes
- Quality outputs in the project period
- Likelihood of reaching outcomes within the project period
- Internal and external factors that influence project implementation
- Management and coordination of the project, including staff management
- The extent of provincial government buy-in and participation in the project
- Strategic fit of the initiative in the context of the DWCP for South Africa
- Relevance of the initiative within national development priorities/frameworks
- Synergies with other SME programmes at provincial level
- Knowledge management and sharing
- Results-based measurement and impact assessment systems
- Risk analysis and assessment in the political environment of SA

### Clients

The primary clients of the evaluation are the Government of Flanders, as the donor of the initiative, the Government of South Africa, constituents and the ILO office of South Africa, including the decent work support team, as the executing agent of the initiative, and the Enterprise Development Department at the ILO's Headquarters. The evaluation process should be participatory. As such, the ILO office, the tripartite constituents and other parties involved in the execution of the project may use, as appropriate, the evaluation findings and lessons learned.

## 2. Evaluation Criteria and Questions

The evaluation will address ILO evaluation concerns, such as:

- (1) Relevance and strategic fit
- (2) Validity of design
- (3) Project progress and effectiveness
- (4) Efficiency of resource use
- (5) Effectiveness of management arrangements and
- (6) Impact orientation and sustainability as defined in the Office guidelines<sup>16</sup>

Gender concerns will be based on the ILO Guidelines on Considering Gender in Monitoring and Evaluation of Projects (September 2007). The evaluation will be conducted following UN evaluation standards and norms<sup>17</sup> and the *Glossary of key terms in evaluation and results-based management* developed by the OECD's Development Assistance Committee (DAC). In line with the results-based approach applied by the ILO, the evaluation will focus on identifying and analysing results through addressing key questions related to the evaluation concerns and the achievement of the outcomes/immediate objectives of the initiative using the logical framework indicators.

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<sup>16</sup> Evaluation Guidance – Planning and Implementing Evaluation for Results, ILO Evaluation Unit, June 2009

<sup>17</sup> ST/SGP/2000 Regulation and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation

## Key Evaluation Questions

The evaluator shall examine the following key issues: Relevance and strategic fit;

- a. Project relevance to national development plans, Decent Work Country Programme (DWCP) and United Nations Development Action Framework (UNDAF)
  - b. How well it meets the needs of the beneficiaries
  - c. How well it complements ILO strategic framework and other ILO programmes in South Africa
  - d. Strategic fit with the Flanders country strategy for South Africa
- (2) Validity of design
- a. Adequacy of the design process, e.g. is the project design logical and coherent and based on relevant evidence
  - b. Whether the activities and outputs are causally linked to the intended outcomes that in turn link to the broader development objectives
  - c. Whether the targets and indicators have been realistically and sufficiently defined for the project
  - d. Considering the results that were achieved so far, whether the project design was realistic
  - e. Has the design and implementation adequately considered cross cutting issues like gender?
- (3) Project effectiveness
- a. To what extent the outputs and outcomes have been achieved or likely to be achieved
  - b. To what extent the outputs produced and delivered so far follow the work plan, considering also the quantity and quality of the outputs and whether they are satisfactory (stakeholders should be interviewed to gauge how they perceive them; consideration should also be given to whether the benefits accrue equally to men and women)
  - c. The effects on the project of those aspects developed in the design phase and not implemented, e.g. lack of support from the SA jobs fund
  - d. The effectiveness of the backstopping support provided so far by the various units in the ILO to the project
  - e. Have the project activities and impact been evenly distributed across the geographic areas
  - f. Are there any unintended results of the project
  - g. What internal and external factors may have influenced the ability of the ILO to meet the project targets
- (4) Efficiency of resource use
- a. Have the available technical and financial resources been adequate to fulfil the project work plan
  - b. Have the management and governance arrangements of the project been adequate; is there a clear understanding of roles and responsibilities
  - c. How effectively has the project management monitored the project performance and results; is a monitoring and evaluation system in place and how effective is it; is relevant information systematically collected and collated; is data disaggregated by gender and other relevant demographics
  - d. Has the project received adequate administrative, technical and – if needed – political support from the ILO Pretoria office and technical specialists and the responsible technical units in headquarters
  - e. Is the project receiving adequate political, technical and administrative support from its national partners/implementing partners
  - f. Is the project collaborating with other ILO programmes and with other donors in the country/region to increase its effectiveness and impact, e.g. PPPSE
  - g. Are the relevant stakeholders involved in an appropriate and sufficient manner
- (5) Impact Orientation and Sustainability
- a. Is the programme strategy and programme management steering towards impact and sustainability
  - b. Has the project started building the capacity of people and national institutions or strengthened an enabling environment (laws, policies, people's skills, attitudes, etc.)
  - c. Do the project activities appear sustainable; what steps can be taken to enhance the sustainability of project components and objectives

- (6) Lessons learned
- a. What good practices can be learned from the project that can be applied in possible future phases and to similar future projects
  - b. For a possible third project phase, what are the ILO, the donor and partners' opinions about the following questions:
    - i. What works well?
    - ii. What does not work well?
    - iii. What would do the same?
    - iv. What would you do differently

### 3. Methodology

The evaluation will be carried out through a desk review and visit to South Africa (Pretoria, Bloemfontein, Durban and Richards Bay) for consultations with ILO management and staff, constituents, Government of Flanders, implementing partners, beneficiaries and other key stakeholders. The independent evaluation team will review inputs by all ILO and non-ILO stakeholders involved in the project, i.e., government departments and partners from the private and civil sectors.

The draft evaluation report will be shared with a select group of key stakeholders requesting for comments within a specified timeframe. The evaluation team will seek to apply a variety of evaluation techniques – desk review, meetings with stakeholders, focus group sessions, field visits, informed judgment, and scoring, ranking and/or other rating techniques. Subject to the decision by the evaluation team, an evaluation knowledge sharing workshop with key partners may be organized.

#### Desk Review

A desk review will analyse project and other documentation provided by the project management. The desk review will suggest a number of initial findings that in turn may point to additional or fine-tuning of the evaluation questions. This will guide the inception report and the final evaluation instrument, which should be finalized in consultation with the evaluation manager. The evaluation team will review the documents before conducting any interviews.

#### Interviews with ILO staff

The evaluation team will undertake group and/or individual discussions with relevant ILO staff, including project staff. The evaluation team will also interview key ILO staff responsible for financial, administrative and technical backstopping of the facility in ILO Pretoria. An indicative list of persons to be interviewed will be suggested by the project management, upon further discussion with the Evaluation Manager.

#### Interviews with key stakeholders in Pretoria and other project regions

A first briefing and discussion will be held with ILO senior management in Pretoria prior to visiting the project sites. Travel to the project sites will allow the evaluation team to undertake more in-depth interviews with local partners, reviews of the national strategy and the outputs and outcomes of the respective components. Following the visit to the project sites, a debriefing session will be held with senior management in Pretoria.

### 4. Main Outputs

The evaluator will prepare the following reports in the course of executing his/her assignment:

1. An inception report
2. First Draft report
3. Final Report incorporating comments
4. An evaluation summary according to the ILO's template for summaries of independent evaluation reports

The Evaluation Report should be presented as per the proposed structure in the ILO Evaluation Guidelines:

- Cover page with key project and evaluation data
- Executive Summary
- Acronyms
- Description of the project

- Purpose, scope and clients of the evaluation
- Methodology
- Clearly identified findings by criterion
- Conclusions
- Recommendations
- Lessons learned and good practices
- Annexes
  - Terms of Reference
  - Project Work Plan
  - List of Meetings and Interviews
  - Any other relevant documents

All draft and final outputs, including supporting documents, analytical reports and raw data should be provided in electronic versions compatible with Microsoft Office. Use of the data for publication and other presentation can only be made with the agreement of ILO Pretoria. Key stakeholders can make appropriate use of the evaluation report in line with the original purpose and with appropriate acknowledgment.

## 5. Management arrangements, work plan and timeframe

### Composition of the evaluation team

The consultant or evaluation team should have the following qualifications:

Required

- Masters Degree in business, development management, or related graduate qualifications
- A minimum of ten years of professional experience in evaluating in mid-term, final or post-project evaluations and/or impact assessments of externally funded projects
- Experience in enterprise development
- Proven experience with logical framework approaches and other strategic planning approaches, M&E methods and approaches (including quantitative, qualitative and participatory), information analysis and report writing

Desirable:

- Knowledge and experience of the UN System/s
- South African country experience
- Experience in evaluating projects with ILO in Africa

### Management arrangements

The evaluation team will report to the Evaluation Manager (Mr Darryl Crossman), who will work closely with the regional evaluation focal point in the regional office and with the Director managing the project. The Evaluation Manager will draw on the support of the project manager for all logistical arrangements related to the evaluation exercise.

### Work Plan and timeframe

The following is a schedule of tasks and anticipated duration of each output. The first draft report will be sent to the Evaluation Manager by the 13<sup>th</sup> of October 2015, who will circulate it to the relevant stakeholders for comment. A final report will be completed by 22<sup>th</sup> of October 2015, taking into account the comments received.

Days	Dates	Activity	Prof	DSA
Thurs - Fri	27- 30 Oct	Document review	4	-
Sat - Sun	1 Nov	Travel Namibia-JHB/PTA	2	1
Mon - Tues	2 - 3 Nov	Key ILO interviews: Director, CTA, Micro-finance specialist, Evaluation Manager, M&E Officer	2	1
Tues	03-Nov	Afternoon travel to FS	1	1

Wed - Sat	04 - 07 Nov	Interviews Free State: NPC and other relevant staff in the Free State	4	3
Sun	08-Nov	Travel to Durban	1	1
Mon – Thurs	09 - 12 Nov	Interviews: NPC and other relevant staff in the Kwa-Zulu Natal	4	3
Thurs	12-Nov	Afternoon travel to Namibia	-	
Mon - Fri	16 - 20 Nov	Draft Report	5	-
Fri	20-Nov	Draft Report submitted	-	-
Mon - Fri	23 - 27 Nov	Review by Constituents	-	-
Mon - Fri	30 Nov - 4 Dec	Finalize report	3	-
	04-Dec	Submit final report	-	-
Total number of days			26	10

## Annex 2: List of persons met for interview/discussion

S/N	Name	Official Position	Organization
1	Mr. Joni Musabayana	Deputy Director	ILO, Pretoria
2	Ms. Valerie Flanagan	CTA	--do---
3	Ms. Anjali Patel	Jnr. Technical Adviser	--do---
4	Ms. Judith van Doorn	Microfinance Expert	--do---
5	Mr. Darryl Crossman	M&E Officer	--do---
6	Ms. Viola Seane	Finance Administrator	--do---
7.	Ms Moitse Modise	Programme Office	---do---
8	Dr. Geraldine Reymanants	General representative	The Government of Flanders, Johannesburg
9	Ms. Katrien De Jongh	Delegate	---do---
10	Mr. Willy Reed	Training Manager	Bidvest Bakery Solutions, 31 Nguni Drive, Longmeadow West, Modderfontein
11	Ms. Belinda Booker	PETCO	Unit 3, Parade on Kloof, 132 The Parade, Oriell, Bedfordview
12	Ms. Winnie Sereeco	ILO (SEDF) Free State	ILO, Landbou Building, No 78 Zastron street , Westdene, Bloemfontein
13	Mr. Angus Peterson	Mangaung Metro Municipality (Tourism Unit)	President Brand Avenue (Opposite the Magistrate Court) Visitors Information Centre, Bloemfontein
14	Ms. Nancy da Sousa	Mangaung Chamber of Commerce	32 President styne street, Westdene, Bloemfontein
15	Mr. Vivian Stadhauer	Department of Education	Medfontein building, St Andrews Street Bloemfontein
16	Ms. Lee Martins	SARS	Landbou Building, No 78 Zastron street , Westdene, Bloemfontein
17	Ms. Ria De Villiers	Jika Training &	80 Donald Murray

		Communications	Park West Bloemfontein, South Africa 9301, Bloemfontein
18	Mr. Bongo Nazo	Director of Youth Development	DSD, Bloemfontein
19	Ms. Ekaete Benedict	Director, MD Designs	Award Beneficiary, Bloemfontein
20	Ms Elaine Murison	Director, Moods and Flavors	---do---
21	Ms. T. Tumelo	Director, Wellness Care	---do---
22	Ms Sello Leine	Matrimonio Tech.	---do--
23	Mr. Stadhaner Vivia	Provincial Coordinator	Start UP&Go, Dept. of Education, Bloemfontein
24	Mr Ryk Lues	Lecturer	Central University of Technology, Bloemfontein
25	Prof Piet Le Roux	Professor	Hotel School, Central University of Technology, Bloemfontein
26	Ms Jarine Mostert	Trainer	FBI, Bloemfontein
27	Ms. Nthabiseng Lemphane	Marketing Assistant	MACRO, Bloemfontein
28	Tuabiso Moloi	Co-Director	NANDOS, Bloemfontein
29	Ms Gloy Twala	General Manager	Manguaung Municipality, Bloemfontein
30	Mr. Wynand Redelinghup	Consultant	Small Business Consulting, Bloemfontein
31	Mr. Piet Craig	Consultant	Private, BDS, Bloemfontein
32	Ansa Teblanche	Consultant	Private, DBS, Bloemfontein
33	Ms K.E. Lekutu	Teacher	Kaelang Secondary School, Bloemfontein
34	Ms S.J. Wesi	Teacher	Mpatleng High School, Bloemfontein
35	Ms LG Macpherson	Teacher	District Bplock SSS
36	Ms S. Kotoyi	Teacher	Tsoseletso Secondary School, Bloemfontein
37	Ms. S. Xalisa	Teacher	Kagisho CSS, Bloemfontein
38	Mr M.S. Umuz	Subject Advisor	Motheo District, Bloemfontein
39	Julie Williamson	ILO National Project Coordinator	ILO Office, 31 Harry Gwala Road, Cato Manor, Durban
40	Mr Vuyo Shembe	Founder	Wealth World Holidays, Durban
41	Mr Sandile Khanyile	Founder	SK Innovations, Durban
42	Mr Fezile Zama	Founder	Wosi Creations (Pty) Ltd, Durban
43	Mr Dalisu Ngubo	Founder	Workerbee Solutions, Durban
44	Ms DK Maponya	Founder	Workerbee Solutions, Durban
45	Mr Jonathan Naidoo	Programme Officer	SmartXchange, 5 Walnut Road, Durban
46	Mr Muntu Dube	Snr Manager, Econ. Dev	EDTEA, Durban
47	Mr Nonku Mthembu	Business Support Manager	Ethekwini Municipality Business Support, Tourism and Marketing, Durban
48	Mr Nons Khanyile	Invo Tech Incubator	41 – 43 ML Sultan Road, Durban
49	Mr Rodney Premall	Manager	IBM Commercial, 1C Frosterley Park, Frosterley Crescent, La Lucia ridge, Durban
50	Dr. Mguni Ronelle Kok	Lecturer	Durban Univeristy of Technologyl School of

			Hospitality and Tourism, Durban
51	Ms Phindile Khuzwayo	Director	Beneficiary of the 2015 eThekweni Master Caterers Competition, Durban
52	Ms Candice Pillay	Owner	---do---
53	Ms Lindokuhle Mhlungu	Director	---do---
54	Ms Ntobeko Mvelase	Manager	---do---

### Annex 3: Reviewed status of project's risks and assumptions

Key Assumptions	Risk level		Describe current risk and any mitigation measures (1000 characters maximum)
	Start-of-project / previous reporting period	Current	
Development Assumptions			
The Governments of the Free State and KZN Provinces continue to assign highest level political priority to the promotion of decent work for young people through, among others, the development of small enterprises	Green (low risk)	Green (low risk)	The risk level remains unchanged
Resources from both provinces will be committed to the new SME Database and Performance Management system	Green (low risk)	Green (low risk)	The risk level remains unchanged
Provincial level stakeholders support the notion of leveraging SME support programmes to achieve common goals of job creation and enterprise development support.	Green (low risk)	Green (low risk)	The risk level remains unchanged
Implementation Assumptions			
Institutional banks will partner with the ILO and sign formal Grant Agreements to disburse a combination of grant funding and bank finance.	Green (low risk)	Green (low risk)	The risk level remains unchanged
Provincial level and municipal level policy makers/implementers are committed to refine the existing policy, legal, regulatory and administrative framework for SME development	Green (low risk)	Green (low risk)	The risk level has remains unchanged
Provincial bodies will provided dedicated human resources to build capacity within the relevant departments to absorb SME Database and Performance Management system	Green (low risk)	Green (low risk)	The risk level remains unchanged
Provincial bodies will be the main drivers of Steering Committees tasked with implementing SME development initiatives	Green (low risk)	Yellow (medium risk)	The Free State government has been less cooperative around Steering Committee meetings and engaging with the project.
Local BDS providers have the capacity to absorb the capacity building effort on a fee-based system, and are committed to collaborate with the project	Green (low risk)	Green (low risk)	The risk level remains unchanged
Higher learning institutions will collaborate with the ILO and promote innovation and entrepreneurship among their students and faculties	Green (low risk)	Green (low risk)	The risk level remains unchanged

### Annex 4: SEDF Project Inventory of Equipment (November 2015)

<b>Laptops</b>	<b>Dell Docking Stations</b>
Dell Latitude E7440 Corei5 Vpro s/n: CFVGVZ1	00453915076694403370
Dell Latitude E7440 Corei5 Vpro s/n: 20MOXZ1	00453915076694401291
Dell Latitude E7440 Corei5 Vpro s/n: 7NM0XZ1	00453915076694402755
Dell Latitude E7440 Corei5 Vpro s/n: 5DL0XZ1	00453915076694404834
Dell Latitude E7440 Corei5 Vpro s/n: 9QR0P12	00453915076694403639



Dell Latitude E7440 Corei5 Vpro s/n: 2ZM0XZ1 Dell Latitude E7440 Corei5 Vpro s/n: G3L0XZ1	Dell docking Station: CN-OHJVX1-E2899-15G-0318-A00 DELL OPTIPLEX 7010MT i5 s/n 3SJHD02 DELL OPTIPLEX 790 i5 s/n CN-OP86NM-74445-17K-1005
<b>Computer Printers</b> HP Laser Jet P3015 printer s/n: VNBQC3Y0MD HP Laser Jet P3015 printer s/n: VNBQC3Y0QD HP Laser Jet P3015 printer s/n: VNBQC3Y0QG HP Laser Jet P3015 printer s/n: VNF8G5Q5GJ HP Laser Jet P3015 printer s/n: VNC8FD9FDY HP Laser Jet P3015 printer s/n: VNC8FD9F8K HP Laser Jet P3015 printer s/n: VNF8G5Q5QL HP Laser Jet P3015 printer s/n: VNF8G5Q59B HP Laser Jet P3015 printer s/n: VNF8G5Q5H1 HP Laser Jet P3015 printer s/n: VNF8G5Q58H HP Desk Jet Ink Advantages 4625 s/n: CN28V21057	<b>Dell Screens</b> Dell Screen: CN0NVX7M72872417AF1B Dell Screen: CN-OP86NM-74445-17K-0855 Dell Screen: CN-OP86NM-74445-17K-0865 Dell - Screen: CN_OC729C-71623-088-3288 Dell - Screen: CN_OP86NM-74445-17K-1005 Dell Screen : CN-0C729C-71623-08B-3292  <b>Projectors</b> Acer Projector: EYJD005003143005228401 DLP Projector: 211 CTCV0C051

Source: ILO Office, Pretoria

## Annex 5: References

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