



# Technical Cooperation Progress Report (TCPR)

<As per Approval Minute>:IRIS Project No.

ETH1203HCR: TC Symbol

<As per Approval Minute> :HCR

<As per Project Document> :CO/Addis

Country or Region: Ethiopia

Title: Promoting Livelihood and Durable Solutions in Dolo Ado, Ethiopia

P&B Outcome: Outcome 1 Employment Promotion: More women and men have access to productive employment, decent work and income opportunities

Report: ☐ Annual For projects reporting on an annual basis, all sections must be completed and the report must cover the previous 12 months.  
☒ 6-month For projects reporting twice per year, all sections must be completed and the report must cover the previous 6 months.  
☐ Quarterly For projects reporting on a quarterly basis, every second and fourth report (i.e. twice a year) should complete all sections. The other reports may leave out sections A3 and A4.

Sequence: ☒ 1<sup>st</sup> report ☐ 2<sup>nd</sup> report ☐ 3<sup>rd</sup> report ☐ 4<sup>th</sup> report ☐ 5<sup>th</sup> report ☐ 6<sup>th</sup> report ☐ 7<sup>th</sup> report ☐ 8<sup>th</sup> report ☐ 9<sup>th</sup> report ☐ 10<sup>th</sup> report ☐ 11<sup>th</sup> report

Reporting Information	
Reporting period:	June 2013 to December 2013
Report prepared by:	Temesgen Berisso
Report reviewed by:	Luca Fedi <i>I have reviewed the classifications and agree they are a fair and accurate reflection of progress</i> Reviewer initials: LF
Report approved by:	George Okuto <i>I have reviewed the classifications and agree they are a fair and accurate reflection of progress</i> Approver initials: GO

## Instructions

This is the standard ILO format for extra-budgetary technical cooperation progress reporting. Information submitted in TCPRs will be collected and used by the ILO to monitor progress towards results.

TCPRs must be submitted as per the schedule outlined in the Approval Minute.

Please note this is the format for interim reports only. Final progress reports must use a different template.

## EXECUTIVE SUMMARY

ILO partnered with UNHCR to implement a two year project entitled “*Promoting Livelihood and Durable Solution in Dolo Ado, Ethiopia*”. The project aims to contribute to the promotion of sustainable livelihoods of refugees and hosting communities in the Dolo Ado area of South Eastern Ethiopia, a target population of around 100,000 persons. The project targeted some 50,000 Somali refugees; located in the camps of Hilaweyn and Kobe and promotes wage and self-employment within the camps and in the surrounding areas besides supporting sustainable and decent livelihoods for the host communities. By facilitating economic exchanges and collaboration between hosts and refugees, the project will also contribute to improve social cohesion in the area.

The project commenced its implementation in June 2013 after the funds were released from UNHCR in May 2013. This report accounts for six months of project implementation against the plan.

All the activities conducted and first results achieved by the project have closely involved ARRA, UNHCR and the representatives of the refugee and host communities of the Refugee Coordinating Committees.

### 1) **Baseline identification and assessment studies**

The following assessments were carried out in order to make the programme implementation evidence based. They have been implemented either consecutively or in parallel, but ensuring complementarity between each other to provide a consolidated perspective on the context and feasible options for livelihood promotion in the Dolo Ado area. A consolidated report has also been produced for that purpose.

- The **enterprise and financial services assessment** considered the availability and adequacy of financial services (both formal and informal) in Dolo Ado, including capacity assessment, products provided, access by refugees. The study further reviewed the legal and policy framework that govern refugee’s ability to enterprise and to access financial services in Ethiopia. Recommendations to improve access to financial services both for the refugee and host communities are outlined, and will guide ILO’s work in promoting access to microfinance.
- The **value chain study** has assessed the end-market potential (in Addis, Awasa, Negele, Jalati, Mandera, Garissa and Dolo) of key agricultural products for increase in production or local value addition through transformation. Key constraints for such development and potential solutions are identified. An economic and financial analysis of crops including partial budget analysis, marginal rate of return, net present value, internal rate of return and cost benefit analysis has also been conducted. The study is therefore expected to inform UNHCR and other partners’ agricultural development strategies in Dolo Ado, that would be linked to ILO work on the transformation, market linkages and commercialisation sides.
- While the above study looked at key markets outside of the camps, a third study considered the **unmet demand within the refugee camps**. A participatory assessment identified what commodities and services for which an unmet demand exist, and that therefore can represent opportunity for business development within the camps. The assessment also included a snapshot of the skills available among the respondents. The work conducted by ILO in facilitating the formation/expansion of self-help groups and cooperatives within camps and in surrounding communities takes stock of these findings.

- To consolidate and summarise the findings of these three complementary assessments, a “Livelihoods assessment” report has also been produced.

## 2) Cooperative and self-help groups development

- 28 cooperative promoters (24 from refugee camps and 4 from host communities) in Kobe and Hiloween have been identified and trained on cooperative, savings and credit and self-help group development.
- 60 sessions targeting all blocs within the camps of Kobe and Hilloween, and the host communities were conducted to educate beneficiaries on basic small business management, cooperative, savings and credit and self-help group development. *This allowed to mobilize them into the development of group enterprises.* At this stage, 62 economic groups have been established, with a membership of 1247 members (306 male and 911 female). Aggregate saving has reportedly reached ETB 176130. The cooperative database collected shows that in total 5834 family members (2897 male and 2937 female) are expected to benefit. The cooperative specialist with livelihood facilitators assisted each self help groups and cooperative associations to develop internal control and group governance systems. Each group formed has adopted bylaws, including membership fee, other contributions and distribution of profits, and identified a chairperson and cashier. Finally, basic business plans have been put together by these groups, for submission to the cooperative grants fund.
- NRC, the implementing partner contracted to administer a cooperative grants fund, will shortly commence allocation of grants. A livelihoods committee is to be established, comprising ARRA, RCC, HCR, NRC, ILO. The committee will receive business plans and, based on eligibility and prioritization criteria, competitively allocate available funding.

## 3) Other activities

- A handbook on Local Economic Development (LED) adapted to the local assets and constraints in Dolo Ado has been produced, based on ILO’s approaches in post-conflict local economic support. The approach documented in the handbook has been put in practice in the six first months of the project implementation, throughout extensive community mobilisation and awareness-raising sessions. Over 120 representatives of refugees and host communities were engaged in identifying for themselves the strengths, opportunities, weaknesses and threats that characterise their area. These focus group sessions also allowed local stakeholders to identify potential business development opportunities (ref. Unmet demand survey).
- To complement other HCR activities, the project mobilized host communities in demarcating agricultural land and contributed farm hand tools; women groups were trained on operating the grinding mills installed in both camps
- ILO established a forum where organizations working in the livelihood sector to exchange good practices and successful stories in order to complement and maximize impact;
- A training was organized on approaches to working with refugee and host communities in the Dolo Ado context. It was well attended with a good range of organizations represented and lot of interest in adopting new approaches during the new post-emergency phase. There was also interest in agencies exploring common approaches on how we plan and strategize for the future.

## 1. Budget / Planning Information

Project budget in USD: 1,600,000.00

Project duration in months: 24	Planned	Actual
Project start date:	January, 2013	June, 2013
Project end date:	December, 2014	December, 2014

## 2. NARRATIVE REPORT

### 2.1. Perspectives on current status

<p>Examine the main <b>challenges</b> facing the delivery of outputs and achievement of immediate objectives, and explain <b>corrective actions</b> taken or to be taken</p> <p>These can be issues that have already been encountered or are foreseen.</p>	<ol style="list-style-type: none"> <li>1) The formalization of ILO access to the camps has been quite lengthy and complex. At inception, UNHCR indicated ILO's ability to operate in the camps under the coverage of the UNHCR/ARRA framework of agreement. Various forms of official communication between ILO, UNHCR and ARRA were then successively requested by ARRA. Finally, ARRA requested the signature of a tripartite Memorandum of Understanding. While signed by UNHCR and ILO, this awaits signature by ARRA/Addis. This has occasioned considerable delays and constraints to project implementation, as access to the camps has been denied to ILO staff and consultants on numerous occasions. The sensitivity of the fields of ILO's intervention may account for some of these delays.</li> <li>2) Availability of only one car coupled with strict UN two car movement policies restricted field mobility. The project is awaiting the allocation of one UNHCR vehicle, as per agreement in August 2013.</li> <li>3) The inability to include, as part of the project budget, an international project manager, has certainly capped ILO's ability to provide additional technical value added locally. This has become even more clear as the ILO technical backstopping specialist that supported the initial design of the project and its early phases from his duty station in Addis, has been reassigned by ILO to Cairo. With no replacement for his position in Addis, the specialist was requested to continue backstopping from Cairo, with a reduced ability however to regular monitor and contribute to operations in Dolo. Looking forward at 2015 and beyond, a stable ILO international technical specialist appears as a condition to ensure a more efficient and qualitative ILO contribution to the complex field of livelihoods promotion in Dolo Ado.</li> </ol>
<p>Briefly describe any <b>evaluations</b>, project reviews, self-assessments or undertaken, including follow-up to findings and recommendations.</p>	<p>ARRA has conducted an evaluation of all interventions conducted by partners in the refugee camps and surrounding communities in January 2014. As reported by ARRA's chief of programmes of the Dolo Ado Zonal Office, the evaluation reported positively on the initiatives conducted under ILO's watch. There appeared to be satisfaction with the strategy adopted by the ILO; this is particularly important given the sensitivity of some of the interventions and the innovative dimensions of some of these approaches; disbursing grants in cash can for instance generate considerable tension and discontent if not done in quite an organized, methodical, transparent and equitable manner.</p>

## 3. Summary Outputs

OUTPUT DELIVERY <sup>a</sup>			
Outputs	Percent complete	Output status	Output summary (1000 characters maximum)
<b>Immediate Objective 1: Facilitate access to wage employment</b>			
1.1 Job information services established and operational within HCR's multiservice centers	0%	Delay: not yet started	The multiservice centers have not been constructed by HCR. Therefore job service centres within such are not yet considered.
1.2 The local employment content of aid is increased	30%	Delay: behind schedule	In consultation with HCR and ILO backstopping, ILO's international consultant deployed to the area reported the need to postpone such an assessment to 2014. Consultation and coordination meetings have been facilitated by ILO on livelihood approaches.
<b>Immediate Objective 2: Facilitate access to self-employment</b>			
2.1 Refugees and hosting communities access basic business management and entrepreneurship training	70%	On schedule	28 coop trainers have been trained and about 60 training and awareness raising sessions organised for all blocks of the two refugee camps and the host communities. Topics covered cooperative business principles and values, internal control and group governance, saving and lending procedures, bylaw development processes, market research and small scale business management skills. In addition the project familiarized the refugee population and hosting communities about the potential sector that could generate improved income through disseminating key findings and recommendations from crop market research and unmet demand survey. Project staff made considerable effort in facilitating follow-up discussions to ensure that each self help group start depositing savings, contributing registration fee while crosschecking that necessary documentation are fulfilled (see 2.3.)
2.2 Capacities of service providers for BDS and microfinance enhanced	0%	Delay: not yet started	Due to late start of project implementation the staff focused in formation of cooperative association and self help groups. Additionally absence of microfinance institution and BDS service providers in and around Dolo Ado become the biggest challenge.
2.3 Small enterprises and cooperatives established in each camp	100%	Completed	The project has established 62 self help groups having 1247 members (306 male and 911 female) with aggregate saving reached ETB 176130. The cooperative database collected shows that in total 5834 family members (2897 male and 2937 female) are benefiting.
2.4 Community-level forms of financial mutual assistance promoted	70%	On schedule	The project's strategy includes the formation of self-help / cooperative groups that are formed around two complementary goals: mutual assistance

<sup>a</sup> Based on the project document log frame

			and business creation. The groups have been trained accordingly, and will be eligible to receive grants that may be used partly for the purchase of productive equipment, as well as for the constitution of an insurance pooled fund among the group members. 62 such groups have thus far been documented.
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*Briefly explain the major factors taken into account to justify the output classification and provide any other comments (2000 characters maximum):*

The main national counterpart to the project, the Ethiopian authority for refugees assistance (ARRA) has conducted their own evaluation of all partners' interventions in the Dolo Ado area. They have reported quite a positive evaluation of the interventions conducted by ILO this far. There appeared to be satisfaction with the strategy adopted by the ILO; this is particularly important given the sensitivity of some of the interventions and the innovative dimensions of some of these approaches; disbursing grants in cash can for instance generate considerable tension and discontent if not done in quite an organized, methodical, transparent and equitable manner. This does not suffice however to rate the current progress of the project as satisfactory: the intervention has suffered significant delays, as elaborated under 2.1.

#### 4. Performance issues

*Check key reasons for shortfalls in Output Delivery, Output Quality and Immediate Objective Achievement:*

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| <input type="checkbox"/> Implementing partner (constituents or private entities) performance | <input type="checkbox"/> ILO (Office and staff) performance                  |
| <input type="checkbox"/> Difficulties in inter-agency coordination                           | <input type="checkbox"/> Inadequate cost estimates                           |
| <input type="checkbox"/> Lack of constituent or implementing partner commitment/ownership    | <input type="checkbox"/> Inadequate project design                           |
| <input type="checkbox"/> ILO policy changes  | <input type="checkbox"/> Counterpart funding shortfall                       |
| <input checked="" type="checkbox"/> Budget processing (revision/disbursement etc.) delays    | <input type="checkbox"/> Unexpected change in external environment           |
| <input type="checkbox"/> Community/political opposition                                      | <input checked="" type="checkbox"/> HR difficulties (recruitment, contracts) |
| <input type="checkbox"/> Other - please specify:   |  |