



Internal mid-term evaluation for EGY/17/03/EUR

Title of project to be evaluated	BDS4GROWTH - Support the Micro, Small and Medium Enterprise Development Agency and affiliates by developing their capacity to analyse and address business development services needs of MSMEs in manufacturing and traded services
DC Code	EGY/17/03/EUR
Type of evaluation	Internal Mid-term Evaluation
Country	Egypt
P&B outcome(s)	Outcome 4: Sustainable enterprises as generators of employment and promoters of innovation and decent work
SDG(s)	SDG 8: Decent Work and Economic Growth
Date of the Evaluation	March/April 2020
Name of the consultant	Tamer ElFouly
Administrative Unit responsible	ILO Country Office in Cairo
Technical Unit(s) responsible for backstopping the project	ENTERPRISES
Date Project ends	August 2020
Donor: country and budget U\$	European Union Total Budget €1,002,644 (US\$ 1,187,966.825) - EC contribution €899,924 (US\$ 1,066,260.66).
Evaluation Manager	Yasmine Elessawy
Evaluation Budget	USD 4,376
Key Words	Egypt, Micro, Small and Medium Enterprise (MSME), Business Development Services (BDS)

This evaluation classified as an “internal evaluation” in ILO evaluation types’ nomenclature has followed a formalised evaluation process managed by the responsible officer (RO) of the project. The purpose of internal evaluations largely serves organizational learning and the oversight process applied by the ILO Evaluation Office to ensure independence has not been used. The report has not been professional edited.

Table of Content

Executive Summary

Acronyms

1. Project Background
2. Evaluation Background
3. Methodology
4. Main Findings
5. Lessons learned and good practices
6. Conclusions
7. Recommendations

Annexes

I TOR

II Evaluation Question Matrix

III Documents Reviewed

IV. Evaluation schedule

V List of persons interviewed

VI Data Collection Instrument & Questions

VII Lessons learned and Good practices

Executive Summary

INTRODUCTION

The Mid-Term internal Evaluation of the project “BDS4GROWTH - Support the Micro, Small and Medium Enterprise Development Agency (MSMEDA) and affiliates by developing their capacity to analyse and address business development services needs of Micro, Small, and Medium Enterprises (MSMEs) in manufacturing and traded services” in Egypt was carried out by the external evaluator Tamer El-Fouly. The midterm evaluation was managed by Yasmine El-Essawy, project manager.

BACKGROUND AND CONTEXT

The “BDS4GROWTH - Support the Micro, Small and Medium Enterprise Development Agency and affiliates by developing their capacity to analyse and address business development services needs of MSMEs in manufacturing and traded services” project started in September 2018 and is due to run until 31 august 2020. The project is financed by the European Union (EU) where the European Commission (EC) has approved this project with a budget of 1,002,644 (US\$ 1,187,966.825 at the United Nation UN exchange current rate) of which the EC is contributing € 899,924 (US\$ 1,066,260.66).

Project Background and Objectives

The “BDS4GROWTH” project aims at shifting the paradigm of the Business Development Services (BDS) in Egypt, by moving from the traditional approach in providing services to MSMEs to a market-based approach. This should be done by introducing BDS facilitation concept into MSMEDA work approach, in addition to enabling MSMEs in the target sectors, namely Agrifood in Minya and Toursim in Luxor to access high quality BDS in order to enhance their productivity, competitiveness as well as internationalization.

The project overall objective is:

To enable high quality business development services (BDS) provision to Micro, Small, and Medium Enterprises (MSMEs) in the agrifood and tourism sectors in Egypt to boost their contribution towards economic growth and employment.

The project specific objectives are:

1. Enhance the capacity of the Agency to play a facilitative role in enabling governmental and non-governmental institutions to provide quality BDS.
2. Enable MSMEs in target sectors to access BDS to increase their competitiveness, productivity and internationalisation.

The project consisted of three technical program staff in the Cairo office (currently reduced to two) and two field coordinators.

Evaluation Purpose

As per International Labour Organization (ILO) evaluation policy, a mid-term evaluation for EGY/17/03/EUR had to be conducted.

The evaluation assignment conducted with the following specific objectives:

- Assess the relevance and coherence of project's design.
- Assessing to what extent the stated objectives and outputs are being achieved; and to provide an estimate of the status of completion of results (achieved, in progress, pending) and percentage of progress per category (objective, output, activities) Assess the external and internal challenges and opportunities for the timely implementation of the project.
- Review the efficiency and effectiveness of the project implementation framework and management arrangements.
- Assess the relevance of the project in regards of country needs and how the project is perceived and valued by the target groups
- Provide recommendations on how to build on the achievements of the project and ensure that it is sustained by the relevant stakeholders.
- Review and provide recommendations regarding the sustainability strategy of the project for the remaining period, and if possible suggest avenues for additional activities.
- Document lessons learned and good practices in order to maximize the experience gained.

The evaluation used a mixed methods approach (e.g. document analysis, interviews, and direct observations) to ensure the validity and reliability of the findings. In addition, it involved project's key stakeholders such as beneficiaries, ILO staff and strategic partners. The interviews (face-to-face and phone calls) were carried out in March and April 2020. The face-to-face interviews included ILO project staff and MSMEDA representative. The field visit to Minya took place in March 2020 and included 3 interviews with the local stakeholders and trainer. The field visit included Minya city, Malawy and Deir ElBarsha (10&11/03/2020). Due to hurricane weather forecast followed by COVID-19 lockdown the field visit to ElEdwa was cancelled and remaining interviews were conducted via phone calls.

The main intervention planned in Luxor under the tourism sector was planned to take place in June 2020, and hence no activities were to be seen in Luxor.

FINDINGS

Relevance and validity of Design

Relevance

The project activities are addressing the needs of the Egyptian people and are aligned with the Egyptian Sustainable Development Strategy Vision 2030 concerning the economic development. It addresses the MSMEs development as well as creating and or improving jobs in the target sectors and areas (Minya & Luxor). The project is tackling the needs of the

Egyptian small businesses in general and the agrifood as well as tourism sectors in specific to develop their businesses and and increase business owners' income.

The project document did not mention which ILO Outcome it is falling under, nor did the document present its contribution towards Sustainable Development Goal (SDG) and United Nation Partnership Development Framework (UNPDF). But during the conversation with the project staff and ILO representative as well the revision of the documents provided, it can be highlighted that the project is in line with ILO strategy in Egypt “4. Promoting sustainable enterprises”, by developing the Value chain and introducing product diversification and improving the quality of business services provided to MSMEs. By working in rural areas in Minya and Luxor it also supports the development of “5. Decent work in the rural economy”. The project objective also fits within the UNPDF and contributes to the SDG Goal 8: “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”.

Validity of design

The project was designed in a participatory manner. The local partners and beneficiaries are satisfied with the activities provided. In addition, the project supports the Egyptian Small and Medium Enterprises (SME) strategy and the newly set role for MSMEDA as a partial movement for service provider to service facilitator. It has a clear focus on introducing the concepts of Value Chain Development and Business Development Services Facilitation for MSMEs into the Egyptian market.

The ‘theory of change’ is clearly defined and the outputs are causally linked to outcomes, which in turn contribute to the broader development objective of the project. However, the market system analysis conducted showed that financial services, or more precisely access to finance, was not considered as a gap, it was observed that the interest of beneficiaries to loans is very limited, if any, and this was confirmed by the beneficiaries met by the evaluator. In addition, the project design does not meet key elements of the RBM design criteria regarding the indicators and assumptions. The indicators were not consistent with output and outcome levels and do not measure what needs to be achieved. Regarding assumptions, several assumptions are really prerequisites or set at the wrong level.

Project effectiveness

The evaluation assessed to what extent the project has made progress towards achieving its objectives. As discussed under the project design section, the available indicators are not helpful in measuring the progress of the project. Therefore, the evaluator suggested further indicators to be able to assess the project progress.

Based on the suggested indicators, the evaluator can say that the project is making progress towards achieving the specific objectives.

Specific Objective 1: Enhance the capacity of the MSMEDA to play a facilitative role in enabling governmental and non-governmental institutions to provide quality BDS.

Concerning the Business Development Services (BDS) & Value Chain Development (VCD) training, participants were highly satisfied with the training approach. *MSMEDA participants expressed that both trainings are for them a shift in their work approach.* However, they still feel that MSMEDA top management needs to push it further and down to the field. During the interviews held with selected participants, they showed acceptance for the new approach. In a discussion with MSMEDA staff, they expressed that they are now

able to better support the beneficiaries and started to conduct a Value Chain Analysis for selected sectors, unfortunately they could not finalize it now to the COVID-19 lockdown. During the presence of MSMEDA senior management delegation at the International Training Centre of the ILO (ITCILO), they developed an action plan for the newly developed BDS Market Facilitation Strategy.

During the visit of MSMEDA senior management delegation to the ITC/ILO they were able to develop a Market Strategy Facilitation action plan, which started to be implemented throughout the different strategy pillars.

VCD facilitation training participants were very impressed with the training and valued the practical part very much, despite that they felt left-behind by not receiving the final certification results on time, as the process of reports assessments as well as scoring took longer than expected and followed by delays due to COVID-19 outbreak. Another positive aspect here is that the Nile University and the Central Bank of Egypt took an initiative and approached the ILO to develop a certification model for Value Chain Analyst to train primary Banking staff, but also make it available to other sectors. The delay in the announcement of the results, as well as lack of timely communication caused some frustration between the participants.

MSMEDA has already assigned a VCD taskforce to act as VCD experts and champions and spread the knowledge among the other staff.

The evaluator can easily say that the project succeeded in introducing the VCD facilitation approach as well as the concept of BDS facilitation to different potential organizations with acceptance and there are organizations already moving ahead to take over and implement it.

To summarize, the project was able to involve MSMEDA's staff as well as senior management and get their buy-in as well as other national entities to roll out the concepts of BDS and VCD facilitation

Specific Objective 2: Enable MSMEs in target sectors to access BDS to increase their competitiveness, productivity and internationalization.

Six Market systems analysis were conducted for the two target sectors (Agrifood in Minya and Tourism in Luxor) including intervention design of how to overcome and address market failures and gaps in these 6 value chains. 3 interventions were designed for the Agrifood sector, namely Dairy production, Green houses, Garlic, and 3 interventions were designed for the tourism sector, namely Guest house accommodation, Alabaster handicraft, and entertainment (i.e: Felucca, Hantour and local restaurants).

After rigorous attempts to analyse the situation and to assess the feasibility of implementing the designed interventions, the project decided to work on 2 value chains in Minya (green houses and dairy products) and 1 value chain in Luxor (Local restaurants). Under agrifood sector, green houses and dairy products were chosen given that they are not restricted to a specific season like the garlic. As for the Tourism sector, the focus was decided to be on the local restaurants value chain, while the main activity designed and planned for was traditional food festival to take place in June 2020 in Luxor. This festival was supposed to serve as the driving force for the development of a multiple value chains at the same time as it was supposed to boost the demand on all tourism related sub-sectors and activities in the governorate.

The two interventions implemented in Minya governorate under the agrifood sector showed a potential for providing job opportunities in addition to improving the existing jobs. The 3

dairy production units or labs visited showed a potential increase from currently 20 to 25-27 persons, which means around 25% jobs increase, while no concrete statistics are available for the greenhouses, and hence it is too early to anticipate the total number of jobs created and/or improved.

Moreover, the participation of a number of MSMEs in the “FoodAfrica” international exhibition proved to be a successful experience that enabled them to access export opportunities, quality improvement, getting cheaper input supplies and diversifying their production.

Efficiency of resource use

The current project team composition is satisfactory to implement the project. Local coordinators are satisfied with the project management and their approach in running the project, concerning their timely response, openness to feedback from the field, not using bureaucracy as an excuse to delay or postpone activities and support to leave an impact on the beneficiary level.

The beneficiaries are highly satisfied with the training approach, which was much tailored to their needs and to their working conditions. They indicated that, based on their own experience with other donor trainings, this project approach has been more useful and efficient. Either other trainings were conducted in Cairo on equipment not used in their factories/laboratories, or theoretical in one of the upgraded training laboratories, that was later closed and not used. While this training approach was on-the-job and practical in their factories/laboratories with their available equipment and working conditions, this provided a better learning experience and the immediate implementation will have a long-term impact.

The utilization of Information and Communication Technology (ICT) in providing online trainings and remote consultancies during the COVID-19 lockdown was well received by the training participants and gave an opportunity for more participants to interact during lockdown.

As of March 2020 the project had a disbursement rate of 75% of the first tranche (92% including the commitments), which is 44% of the total project budget (53% including the commitments). By reviewing the work plan, the project is on track. Accordingly and out of the evaluators’ experience, he considers this a good expenditure rate and implementation progress.

Impact and sustainability

Positive changes in the working procedures, especially in the dairy production units, can be observed such as adding new products. Owners highlighted that the trainings provided will generate job opportunities, reduce production costs, diversify their products and increase their income and possible profit.

With the development of the BDS facilitation manual, BDS market facilitation strategy, and the BDS as well as the VCD facilitation trainings, the project provided the necessary support to MSMEDA in strengthening their institutional and organisational capacities.

CONCLUSIONS

Based on the evidence available to the evaluator, we can say that the project is on the right track to achieve its overall objective (*To enable high quality business development services (BDS) provision to Micro, Small, and Medium Enterprises (MSMEs) in the agrifood and tourism sectors in Egypt to boost their contribution towards economic growth and employment*). Within

the last 12 month of implementation, the project was able to build a base to implement activities with a focus on achieving the Overall Objective/Impact.

However and taking into consideration the COVID-19 lockdown measures and consequently suspending the field work until further notice, the project will most likely face difficulties to achieve the required progress in due course, as the project has already missed 3 months by the date of this evaluation and it is uncertain when normal working procedures will be resumed.

The following conclusions by evaluation criteria were drawn:

Relevance and Validity of design:

1. The project is highly relevant to the current needs of the Egyptian agrifood sector and has a high potential in creating and /or improving jobs and increase business owners' income.
2. The project is aligned with the Egyptian SME strategy and the newly set role for MSMEDA as a partial movement for service provider to service facilitator.
3. It is also in line with the UNPDF, SDG Goal 8 and ILO Outcome 4.
4. Overall, the project design is very ambitious for the set time frame of the project.
5. Specific objectives, outputs and activities are well defined.
6. Indicator and assumptions were not always well defined for the different levels (same indicators for output/specific objective/overall objective).
7. Some targets are too ambitious (300 new jobs created and 100 business have access to financial services).
8. Indicators and Assumptions need to be reviewed.
9. Output 2.2 is facing difficulties to be tackled within the current project scope and set-up.

Project effectiveness:

10. The implementation partners, consultants and beneficiaries interviewed are satisfied with the project management and activity implementation
11. The training approaches used (on-the-job in-factory/laboratory/field training) are providing a long-term benefit to the beneficiaries
12. ICT utilization for training and consultation during COVID-19 lockdown, provided an opportunity for the continuation of the trainings to enable more farmers and consultants to join the trainings and consultation sessions.

Efficiency and/or resource use

13. The project team is well established to accomplish the project results.
14. The on-the-job training at the beneficiaries factories/laboratories is perceived as a more efficient training approach than out of the work place training.
15. The utilization of ICT in providing online trainings and remote consultancies during the COVID-19 lockdown was well received by the training participants.
16. The expenditure rate of 92% of the 1st tranche (53% of the project budget) is a good expenditure rate.

Impact and sustainability:

17. The project has high potential in creating and/or improving job opportunities. The dairy production sample of three production units showed a potential increase from currently around 20 to potential 25-27 jobs. The green house farmers mentioned that greenhouses employed around 50% more seasonal workers than conventional agriculture.
18. VCD & BDS facilitation concepts were well presented and received good acceptance and intention for implementation on a wider scale by different national stakeholders (Nile University & Central Bank of Egypt).
19. Some of the participants started the initiative to implement the Value Chain Analysis in their geographical areas and working sectors (eg plastic sector, tanning and leather sector in Alexandria and recyclable plastic in Greater Cairo)

SUMMARY OF RECOMMENDATION:

Recommendation 1: Review Project Logframe.

It is highly recommended that the Project team along with the donor and relevant project counterparts review the Project outputs, indicators and assumptions.

Output 2.2, concerning financial services, needs to be revised and if possible removed. It is out of the scope of the VCD & BDS project scope in the current set up and too ambitious to be reached within the current project timeframe. Indicators have to be level oriented and realistically achievable (300 new jobs created and 100 business have access to financial services is too ambitious). This is needed to shape for the remaining period of the project and take into account to request a potential no-cost extension.

As the individuals trained on Value Chain Development/Analysis facilitation expressed further need for mentorship and coaching. It is highly recommended that the project adds coaching/mentorship activities to further shape the skills of the individuals trained, be able to develop high quality studies value chain analysis.

Responsible Units	Priority	Time Frame	Resource implication
EU & ILO	High	Q3 2020	Low

Recommendation 2: Develop No-Cost extension proposal.

Given that the initial project duration was planned for 24 months and started with a 6 months delay in February 2019, with an expenditure rate of 53% of the total budget (within 12 month to date), and most importantly the COVID-19 outbreak, it is highly recommended that the ILO project team develops a No-Cost extension Plan for 4-6 month. This extension will help the project to cover the activities missed during the COVID-19 lockdown, as well as covering the next agricultural cultivation season (until March 2021). In addition, the no-cost extension will allow supporting the beneficiaries in the participation in Food Africa 2020 and implementing the traditional food festival in Luxor.

Responsible Units	Priority	Time Frame	Resource implication
ILO / MSMEDA	High	Q2 2020	Low

Recommendation 3: ICT utilization in remote consultancy

The implementation of online training and consultation (using online meeting tools) during the COVID-19 lockdown, in the greenhouse sector, received positive feedback from the participants, especially the local agriculture consultants. This pilot implementation need to be studied in depth and assessed whether it would be a potential tool to maximize benefits and implemented as a low-cost support to local consultants after the project, especially that the participants interviewed expressed readiness to participate in some of the costs.

Responsible Units	Priority	Time Frame	Resource implication
ILO	Medium	Q2 2020	Medium

Recommendation 4: Cost contribution from beneficiaries

Several beneficiaries expressed their willingness to make a financial contribution in case the project would be extended (concerning greenhouses and dairy). This is a positive sign from the beneficiaries that they value the service provided and it is also a step towards the full cost coverage by beneficiary during 2021/2022 and the participation of the beneficiaries in cost/benefit calculation, for example the participation in FoodAfrica, exhibition.

Responsible Units	Priority	Time Frame	Resource implication
ILO/MSMEDA	High	Q3 2020	Medium

Acronyms

AfDB	African Development Bank
BDS	Business Development Services
BDS4GROWTH	Business Development Services For Growth
CBE	Central Bank of Egypt
CO	Country Office
DJEP	Decent Jobs for Egypt's Young People
EC	European Commission
EU	European Union
FPRW	Fundamental Principles and Rights at Work
GDP	Gross Domestic Product
HQ	Headquarter
ICT	Information and Communication Technology
ILO	International Labour Organization
ILO DW	ILO Decent Work
ILO DWT/CO Cairo	ILO Decent Work Team / Country Office Cairo
ILO RO-Africa	ILO Regional Office Africa
ITCILO	International Training Centre of the ILO
JICA	Japan International Cooperation Agency
M&E	Monitoring and Evaluation
MFI	Micro Finance Institute
MSMEDA	Micro, Small and Medium Enterprise Development Agency
MSMEs	Micro, Small, and Medium Enterprises
NGO	Non-Governmental Organization
OECD/DAC	Organisation for Economic Co-operation and Development's / Development Assistance Committee
PAC	Project Advisory Committee
SDG	Sustainable Development Goal
SFD	Social Fund for Development
ToR	Terms of Reference
TPR	Technical Progress Report
TVET	Technical Education and Vocational Training
UN	United Nation
UNPDF	United Nation Partnership Development Framework
USAID	United States Agency for International Development
VCD	Value Chain Development

1. Project Background

1.1. Country Context:

One of the main challenges of Egypt is its relatively young population, with around 32.8 million between the age of 20 & 39 (~32%). To tackle this workforce the Sustainable Development Strategy (SDS): Egypt Vision 2030 included in its first pillar: Economic development. By 2030, the Egyptian economy is a balanced, knowledge-based, competitive, diversified, market economy, characterized by a stable macroeconomic environment, capable of achieving sustainable inclusive growth. An active global player responding to international developments, maximizing value added, generating decent and productive jobs, and a real GDP per capita reaching high-middle income countries level. This pillar contributes to the SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Within this context and the Governments effort to create a mechanism to support the MSME Sector as a vehicle for job creation and socio-economic development in Egypt, the Micro, Small and Medium Enterprise Development Agency (MSMEDA) was established by the Prime Minister Decree No. 947/2017 in April 2017. The Agency replaced the Social Fund for Development (SFD), which was the former body responsible for drawing up policies and strategic plans for the development of MSMEs and entrepreneurship in Egypt. MSMEDA is now the designated entity responsible for the development of MSME Sector in Egypt.

The establishment of MSMEDA includes a shift in the Business Development Service (BDS) paradigm in Egypt. It will move from the traditional approach in providing services to MSMEs to a market based approach. The older approach was usually dependent on donor support and focusing on building the capacity of the SFD to deliver standardised services directly to their beneficiaries. This approach is found not to be sustainable without continuous subsidy, its outreach is low and often it does not meet the needs of the MSMEs and does not support the new objective of MSMEDA. The new approach has a BDS market development perspective, in which services are delivered on a commercial basis through facilitation to the entire sector not only direct SFD beneficiaries. Donors/government agencies (function as BDS facilitators) and target local service suppliers (referred to as BDS providers) with technical support and incentives, to assist them in offering new services for MSMEs and entering new markets. This is expected to develop local capacity and ownership in designing and delivering services on demand in a sustainable and scalable manner.

Therefore, in this project the ILO is partnering with MSMEDA in order to achieve these objectives and ensure local acceptance and sustainability of the activities undertaken and putting into consideration the new BDS paradigm, this project will support the operationalisation of MSMEDA as a facilitator of BDS provision for the MSMEs in Egypt.

1.2. The Project:

The “BDS4GROWTH - Support the Micro, Small and Medium Enterprise Development Agency and affiliates by developing their capacity to analyse and address business development services needs of MSMEs in manufacturing and traded services” project - EGY/17/03/EUR - started in September 2018 and is due to run until 31 August 2020.

The key objectives and results expected from this project are:

Overall objective/Impact: To enable high quality business development services (BDS) provision to Micro, Small, and Medium Enterprises (MSMEs) in the agrifood and tourism sectors in Egypt to boost their contribution towards economic growth and employment.

Indicators:

- Agency staff successfully complete training in facilitation skills (at least 40% are women)
- Agency and non-Agency staff (at least 40% are women) are trained in VCD
- Partner organisations are reached and piloted business services to MSMEs
- New and improved jobs created (40% for women) through improved operations of businesses in the agrifood and tourism sector.

Specific objective 1: Enhance the capacity of the Agency to play a facilitative role in enabling governmental and non-governmental institutions to provide quality BDS.

Specific objective 2: Enable MSMEs in target sectors to access BDS to increase their competitiveness, productivity and internationalisation.

Outcome Indicators:

- Agency staff(at least 40% women) trained in BDS facilitation
- Agency and non-Agency staff (at least 40% are women) are trained in VCD
- Establishment of intervention models to address the sector constraints
- Partner organisations are reached and piloted business services to MSMEs
- New and improved jobs created (40% for women) through improved operations of businesses in the agrifood and tourism sector.

To achieve these objectives, the following outputs and indicators were identified:

Output 1.1.: Agency staff trained to facilitate BDS provision in Egypt

Output 1.2.: Using the Value Chain Development (VCD) approach, the key strategic entry points with the potential to unlock market bottlenecks towards development of target sectors are identified and a participatory and gender-sensitive intervention model to address key underlying constraints is developed

Output 1.3.: Partner organisations are selected and capacitated to address the needs of the MSMEs

Output 2.1.: Enterprises in the agrifood and tourism sector have access to business advisory and training services

Output 2.2.: MSMEs in target sectors have access to matching financial support

Output Indicators:

- Agency staff trained in BDS facilitation (40% are women)
- Agency and non Agency staff trained in VCD (40% are women)
- Market systems analysis conducted for the two targeted sectors
- Intervention designed
- Partner organisations reached
- Facilitative role of the Agency enhanced

- New and improved jobs created (40% for women) through improved operations of businesses in the agrifood and tourism sector.
- Businesses reached have access to financial services

The project identified the following Activities in order to achieve its objectives:

Activity 1.1.1: Select key staff from the Agency to be capacitated in BDS facilitation. Assess their capacity development needs, and design a BDS Facilitator's Course for selected Agency staff.

Activity 1.1.2: Develop training materials for the BDS Facilitator's Course and implement training.

Activity 1.2.1: Select participants to be trained in the VCD approach

Activity 1.2.2: Conduct VCD Facilitator's Course

Activity 1.2.3: Conduct a market systems analysis for the agrifood sector in Minya highlighting the strengths and constraints faced by the sector

Activity 1.2.4: Conduct a market systems analysis for the tourism sector in Luxor highlighting the strengths and constraints faced by the sector

Activity 1.2.5: Develop models for interventions that address the identified constraints and that can be rolled out with the Agency and relevant value chain stakeholders based on existing incentives.

Activity 1.3.1: Select key market players identified in the market systems analysis of the agrifood and tourism sectors for partnership and capacitated in the provision of BDS

Activity 1.3.2: Consolidate the facilitation role of the Agency

Activity 2.1.1: Market business support services to attract paying clients

Activity 2.1.2: Partner organisations roll out tailor made business management training and other support services to MSME clients

Activity 2.1.3: Partner organisations deliver follow up services

Activity 2.2.1: Identify needs in terms of financial support

Activity 2.2.2: With the Agency support, MFIs/banks support MSMEs with financial products.

The project is financed by the European Union where the European Commission has approved this project with a budget of 1,002,644 (US\$ 1,187,966.825 at the UN exchange current rate) of which the EC is contributing € 899,924 (US\$ 1,066,260.66). The ILO will contribute about €100,000 to this action (equivalent to 10% of the project budget).

As described in the project agreement the following roles for the different stakeholders were defined

ILO: The SME Unit under the Enterprises Department at the ILO's headquarters will provide technical guidance to support the action, especially in devising the quality control and certification system to be facilitated by the Agency. Similarly, the DJEP project team will work closely with the team for this action and the Agency and assist in identifying local experts to execute activities, sharing local networks and stakeholder contacts.

MSMEDA will function in its capacity because it is the core body responsible for MSME development in Egypt and has access to industry associations, membership based business organisations and

chambers of commerce. Its role will be to work through local BDS suppliers in the provision of business support services to MSMEs. And to develop the technical capacity in selling, delivering training and business advisory services of BDS providers directly with the support from the ILO.

Local BDS providers (incl. commercial providers, consulting firms, private NGOs, and public and semi-public organisations, vocational training centres, cleaner production centres and government agencies). As part of this action, the local providers will be capacitated to shift from a traditional approach in BDS provision that relies heavily on subsidies and move to a more market systems facilitation approach.

MSMEs in a cluster or sector: MSMEs under this action will receive indirect support from the Agency and direct support from the local BDS providers and other institutions to access support services that are needed for their growth, competitiveness and productivity. They are considered the beneficiary of this project

According to the agreement, a project team of three persons was to be hired to manage the project (one full time project manager; one full-time national project coordinator; one administrative and finance assistant). The project team will be based in Cairo in the ILO Office. In addition, two local support staff will be available in Minya and Luxor to provide technical guidance to local implementing agencies and monitor their activities under this action. The Director of the ILO Office in Cairo and the Enterprise Specialist will be the responsible ILO officials for the project and will also be accountable for this proposed action. The team will work with the technical support of the SME Unit in the Enterprises Department of the ILO headquarters in Geneva.

MSMEDA will be a key implementation partner under this action.

Furthermore, working relations will be established with a range of local providers of support services to potential and existing MSMEs, including government enterprise support institutions, TVET training institutions, business training institutions, and credit and savings institutions.

The project will follow ILO's established project management and financial disbursement and accounting systems. The ILO project team in Cairo will have the responsibility for ensuring compliance. Technical and financial responsibility for project activities will rest with ILO, as will overall responsibility for technical and financial management and reporting to the relevant ILO departments and thereby to the donor.

2. Evaluation Background

2.1 Evaluation Objectives:

The evaluation had the following specific objectives:

- Assess the relevance and coherence of project's design.
- Assessing to what extent the stated objectives and outputs are being achieved; and to provide an estimate of the status of completion of results (achieved, in progress, pending) and percentage of progress per category (objective, output, activities) Assess the external and internal challenges and opportunities for the timely implementation of the project.
- Review the efficiency and effectiveness of the project implementation framework and management arrangements.
- Assess the relevance of the project in regards of country needs and how the project is perceived and valued by the target groups
- Provide recommendations on how to build on the achievements of the project and ensure that it is sustained by the relevant stakeholders.
- Review and provide recommendations regarding the sustainability strategy of the project for the remaining period, and if possible suggest avenues for additional activities.
- Document lessons learned and good practices in order to maximize the experience gained.

2.2 Clients of the Evaluation:

The primary clients of this evaluation are the ILO management (the ILO DWT/CO Cairo, ILO/ENTERPRISES, and Regional Office for Africa), project staff, MSMEDA and key national stakeholders and the donor (EU).

Secondary clients include other project stakeholders (such as key Ministries, NGO, and the donor community) and ILO that may indirectly benefit from the knowledge generated by the evaluation.

2.3 Evaluation Questions

The Evaluation Questions were developed following the OECD/DAC criteria, covering the following aspects (Relevance, Efficiency, Effectiveness, Impact, and Sustainability).

2.4 Evaluation Description:

The evaluation covers all project activities from the start to March 2020 in Cairo and field locations. The evaluation used a mixed methods approach to assess to what extent the project has achieved its main objective reflected in the project targets.

The evaluator conducted interviews with the Project Team (26/02/2020) and MSMEDA representative (9/03/2020) in Cairo.

A field visit was conducted to Menia and included a training observation at ElAmir Dairy Factory in Minya on 10/03/2020 and dairy lab visits in Malawy and Deir ElBarsha on the 11/03/2020. During

the visit the evaluator had interviews with program participants and beneficiaries including factory and laboratories owners, workers, trainer and project consultant. Unfortunately, due to hurricane weather conditions and followed by the COVID-19 lockdown further field visits to ElEdwa (greenhouses) as well as face to face interviews had to be cancelled.

Therefore further phone interviews were held with EU and ILO representatives, training participants from MSMEDA, private sector and Academia, in addition to greenhouse training beneficiaries.

The main intervention planned in Luxor under the tourism sector was planned to take place in June 2020, and hence no activities were to be seen in Luxor.

3. Methodology

The evaluation questions, mentioned in the TOR, addressed by the evaluation are in line with OECD/DAC evaluation criteria. The questions are the following:

RELEVANCE AND VALIDITY OF THE DESIGN

- Is the project relevant to the achievements of the outcomes in the national development plan, the UNPDF and the ILO DW strategy for North Africa?
- Have the projects addressed relevant needs? Given the current political, socio-economic and financial situation, are the project objectives and design still relevant?
- How well does the project complement and link to activities of other donors/development agencies at local level?
- How does the project align with and support the ILO strategies and priorities in Egypt and the region?
- Is the ‘theory of change/intervention logic behind the project coherent and realistic? Do outputs causally linked to outcomes, which in turn contribute to the broader development objective of the project?
- Have the various ‘change’ assumptions and risks been properly identified and addressed in project design and implementation?
- How appropriate and useful are the indicators described in the project document in assessing the project’s achievements? Are the targeted indicators realistic and can they be tracked?

EFFECTIVENESS

- Is the project making sufficient progress towards its planned objectives? Which percentage of advancement can be estimated for each objective, and for the overall advancement of the project? Is the project likely to achieve its planned objectives by its closing date?
- Were outputs produced and delivered as per the work plan? Has the quantity and quality of project’s outputs been satisfactory? How do the stakeholders perceive them?
- What, if any, alternative strategies would have been more effective in achieving the timely implementation of projects’ activities and outputs?
- Has the project adopted effective and consistent working procedures with implementing partners and relevant ILO units? And has the project and relevant ILO’s relevant units (FPRW, ILO Cairo Programme) made strategic use of coordination and collaboration with other ILO projects and with other donors in the country/region to increase its effectiveness and impact?
- How effective is the communication between the project management and project beneficiaries and partners (MSMEDA, Ministry of Trade and Industry, Federation of Egyptian Industries, etc.)? How effective is the communication between the project management and other ILO units (technical backstopping unit in HQ, the field office (Specialists, Programme Officers) and the regional office)?
- How effectively does the project management monitor project performance and results? What M&E system has been put in place, and how effective is it? Is relevant data systematically being collected and analyzed to feed into management decisions? Is data disaggregated by sex?

-
- How effective has been the technical support offered by CO/Cairo and HQs in ensuring technically sound interventions, international quality standards, alignment with international conventions or policy guidelines?

EFFICIENCY

- Have financial resources of the project been allocated strategically according to the work plan in order to achieve outcomes? Has the project monitored under regular basis financial delivery, and adjusted its future allocations, when necessary? See implementation plan or other activity/output-based budgeting documents.
- Is the composition of the project team considered sufficient, over or under-sized? Has the composition of the project been adjusted to ensure efficiency of resources and expertise?
- Has the implementation of activities been cost-effective? Will the results achieved justify the costs? Could the same results have been attained with fewer resources?

ORIENTATION TO IMPACT

- What are the main intermediate results that can be attributed to the work of EGY/17/03/EUR? Provide a synthetic, reader-friendly write-up of key results achieved that may be of use for wide dissemination;
- Can observed changes (in attitudes, capacities, systems, institutions etc.) be causally linked to the project's interventions?

SUSTAINABILITY

- Has the project successfully built or strengthened an enabling environment (legislation, policies, social capital...) for sustainability? Has the project successfully built or strengthened institutional and organisational capacities in the relevant fields of work?

The evaluation was carried out in accordance with the UN Evaluation Group (UNEG) Norms and Standards (up-dated in 2016), and OECD/DAC's recommendations, as well as the ILO's Evaluation Policy Guidelines. It has also adhered to ethical standards and codes of conduct, when gathering of information in order to protect those involved in the evaluation process.

Based on the above criteria and questions, the evaluator elaborated the data collection and analysis methodology. (see Annexes III, IV & V: List of persons interviewed, Documents reviewed and Schedule of the evaluation).

The evaluation fieldwork was qualitative and participatory in nature. Through discussions with the different participants and beneficiaries, covering the different backgrounds (MSMEDA, Private Sector, Academia, Farmers, Consultants, Factory owners, and workers), the evaluator captured different perspectives to get to certain extend a good picture and convenience with the results concluded. The evaluation was carried out through a desk review, consultations with project staff and national counterpart (MSMEDA) and field visit to the target area in Minya for consultations with beneficiaries, as well as other relevant partner organizations.

The following principles were applied during the evaluation process:

1. Methods of data collection and stakeholder perspectives (MSMEDA participants, factory,

laboratory and greenhouse owners, workers, service providers and consultants) were triangulated to the greatest extent possible.

2. Gender and cultural sensitivity was put into consideration when conducting interviews. The evaluator approached female and male training participants.

The desk review analysed the Project document and other documentation including the approved log-frame, monitoring reports, annual progress report provided by the project management (Annex V: List of Documents reviewed). An inception report was developed including the Evaluation questions matrix (see Annex II)

Quantitative and qualitative data were drawn from project documents including the Technical Progress Reports (TPRs) and other reports to the extent that it is available and verified and updates with the project management where necessary.

The main documents provided by the project as a base for the evaluation were:

- Project Application Form
- Project Interim Report
- Food Africa International Trade Exhibition Report
- MSMEDA BDS Market Strategy – Draft
- BDS Market Facilitation Guide

3.1. Rationale of field locations stakeholder participation

Field locations stakeholders' participation in the evaluation differed according to participation activities:

VCD & BDS training participation: The evaluator was provided with the list of participants and he randomly selected interviewees making sure to have female participants and different backgrounds when possible (eg MSMEDA, consultants, and academia)

Final beneficiary: Dairy training beneficiary list was provided, due to time limitations and availability the following three locations were agreed upon and visited:Minya, Deir ElBarsha and Malawy. Concerning the greenhouse training, the evaluator received the list of participants. Nevertheless, to the large number of participants it was more difficult to randomly select interviewees. With the help of the field coordinator, 3 agriculture consultants and 3 farmers were selected for the phone- interview.

Ethical Considerations and Confidentiality

The evaluator ensured to provide the needed confidentiality related to sensitive information and feedback elicited during the meetings and interviews. To mitigate bias during the data collection process and ensure a maximum independence when the different stakeholders were interviewed, project staff was not present. The exception was a case in which a beneficiary requested the project staff to remain in the interview to support the point of view of the beneficiary and help in providing necessary implementation details (local coordinator was present during the second part of the interview).

3.2. Evaluation Limitations:

The evaluator faced some limitations while conducting the evaluation:

- Hurricane weather influenced the field visit and caused shortening the field visits in Minya. The evaluator was not able to meet the farmers and greenhouse owners for a group discussion. This was replaced by phone interviews.
- COVID-19 lockdown caused the limitations of face-to face interviews and conducting focus group discussions. This had to be replaced by intensive phone-interviews to ensure the validity of the findings.
- The evaluator could not identify female participants at the dairy and the greenhouse trainings. Female participants of the VCD and BDS facilitation trainings were approached and included in the interviews.
- Financial data for the activities and trainings were difficult to be provided segregated by activity and trainings. This limited the evaluation of the efficiency of resource use.

To overcome these limitations, the evaluator conducted as much as possible phone call interviews with service providers, consultants, MSMEDA representatives and greenhouse owners. Unfortunately, this limited the number of persons the consultant could meet, but the persons interviewed to a large extent can confidently support the evaluation findings, conclusions and recommendations.

The stakeholders interviewed during the interview process included:

- ILO Project Team
- Funding Agency (EU)
- Local partner (MSMEDA)
- VCD & BDS Training Participants (MSMEDA, Nile University, Consulting Firms)
- Local field staff
- Beneficiaries (Dairy and Greenhouse)

4. Main Findings

4.1. Relevance and validity of design

The relevance and validity of design was evaluated primary by reviewing project documents provided and then discussed with the project team and relevant stakeholders.

Project Relevance:

The project activities are aligned to the Egyptian Sustainable Development Strategy Vision 2030 concerning the “Reduction of employment rate” as mentioned in its first pillar: “Economic development. By 2030, the Egyptian economy is a balanced, knowledge-based, competitive, diversified, market economy, characterized by a stable macroeconomic environment, capable of achieving sustainable inclusive growth. An active global player responding to international developments, maximizing value added, generating decent and productive jobs and a real GDP per capita reaching high-middle income countries level”. It addresses the MSMEs development as well as creating and or improving jobs in the target sectors and areas (Minya & Luxor). The project is tackling the needs of the Egyptian small businesses in general and the agrifood as well as tourism sectors in specific to develop their businesses and increase business owners’ income. The project was designed in a participatory manner and the local partners and beneficiaries are satisfied with the activities provided. In addition, the project supports the Egyptian SME strategy and the newly set role for MSMEDA as a partial movement from BDS provider to facilitator.

The project document did not mention which ILO Outcome it is falling under, nor did the document present its contribution towards Sustainable Development Goal (SDG) and United Nation Partnership Development Framework (UNPDF). However, according to the documents available and the conversation with the project staff and ILO representative as well the revision of the documents provided, it can be highlighted that the project is contributing to the ILO Outcome “4. Promoting sustainable enterprises”, by developing the Value chain and introducing product diversification and improving the quality of business services provided to MSMEs. By working in rural areas in Minya and Luxor it also supports the development of “5. Decent work in the rural economy”.

The project objective also fits within the United Nation Partnership Development Framework (UNPDF), it contributes to the “The UN aims to support national efforts to adopt inclusive and sustainable development pathways and remain on track to achieve agreed targets for inclusive, sustainable, resilient and job rich economic development by 2022”. It can be seen that several agencies are supporting similar projects with different approaches (e.g. JICA, USAID, AfDB).

It also contributes to the Sustainable Development Goal (SDG) 8: “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”, by creating job opportunities, sustaining business by product diversification and ensuring decent working conditions for workers.

The project has a clear focus on introducing the concept of Value Chain Development and Business Development Services Facilitation for MSMEs in the Egyptian market.

Project Design:

The project was developed in a participatory manner and MSMEDA, participating partner organizations and beneficiaries were satisfied with the project activities. The project was

planned for 24 months, however started with a 6-months delay. Due to the nature of some of the project activities that is to be linked with the agricultural cultivation winter season, the project missed the first agricultural season.

It was highlighted by the project manager that a problem with the project log-frame including the project indicators and assumptions has been identified since the beginning of the project implementation.

Unfortunately, the project does not consistently meet the results based management (RBM) design criteria, especially regarding the indicators and assumptions. The intervention logic needs also some improvement.

Intervention Logic:

Overall objective/Impact: To enable high quality business development services (BDS) provision to Micro, Small, and Medium Enterprises (MSMEs) in the agrifood and tourism sectors in Egypt to boost their contribution towards economic growth and employment.

Specific objective/Outcome 1: Enhance the capacity of the Agency to play a facilitative role in enabling governmental and non-governmental institutions to provide quality BDS.

Output 1.1.: Agency staff trained to facilitate BDS provision in Egypt

Output 1.2.: Using the Value Chain Development (VCD) approach, the key strategic entry points with the potential to unlock market bottlenecks towards development of target sectors are identified and a participatory and gender-sensitive intervention model to address key underlying constraints is developed

Output 1.3.: Partner organisations are selected and capacitated to address the needs of the MSMEs

The project has faced difficulties in relation to the implementation of output 1.3 due to the absence of the BDS providers in the two target areas, the existing entities are just NGOs that are heavily dependent on donors' support and cannot be considered BDS organisations. Accordingly, the project started creating a number of BDS providers and capacitated them as necessary to ensure the presence of BDS network in the future.

Specific objective/Outcome 2: Enable MSMEs in target sectors to access BDS to increase their competitiveness, productivity and internationalisation.

Output 2.1.: Enterprises in the agrifood and tourism sector have access to business advisory and training services

Output 2.2.: MSMEs in target sectors have access to matching financial support

Overall, the intervention logic shows that the outputs are causally linked to the outcomes, which in turn contribute to the broader development objective of the project. However, the evaluator questions how far the project activities are capable to support the achievement of Output 2.2: MSMEs in target sectors have access to matching financial support. The market system analysis conducted showed that financial services, or more precisely, access to finance was not considered as a gap, it was observed that the interest of beneficiaries to loans is very limited, if

any, and this was confirmed by the beneficiaries met by the evaluator. The beneficiaries interviewed highlighted that they prefer to work with their own financial resources and limit their interaction with financial institutions. Either because the cost of utilising the financial services is too high or being afraid of the consequences for not being able to pay back the institutions. The actual timeframe of the project (18 months) limits a proper implementation of finance related activities. The project's objectives' and outputs' indicators are presented as follows:

Indicators

Overall Objective/Impact Indicators:

- IOO1: 10 Agency staff successfully complete training in facilitation skills (at least 40% are women)
- IOO2: 20 Agency and non-Agency staff (at least 40% are women) are trained in VCD
- IOO3: At least 30 partner organisations are reached and pilot business services to MSMEs
- IOO4: At least 300 new and improved jobs created (40% for women) through improved operations of businesses in the agrifood and tourism sector.

Specific objective/Outcome Indicators:

- ISO1: 10 Agency staff (at least 40% women) trained in BDS facilitation
- ISO2: 20 Agency and non-Agency staff (at least 40% are women) are trained in VCD
- ISO3: Establishment of intervention models to address the sector constraints
- ISO4: At least 30 partner organisations are reached and pilot business services to MSMEs
- ISO5: At least 300 new and improved jobs created (40% for women) through improved operations of at least 300 businesses in the agrifood and tourism sector.

Output Indicators:

- IO1: 10 Agency staff trained in BDS facilitation (40% are women)
- IO2: 20 Agency and non-Agency staff trained in VCD (40% are women)
- IO3: Market systems analysis conducted for the two targeted sectors
- IO4: Intervention designed
- IO5: At least 30 partner organisations reached to pilot interventions
- IO6: Facilitative role of the Agency enhanced
- IO7: At least 300 new and improved jobs created (40% for women) through improved operations of at least 300 businesses in the agrifood and tourism sector.
- IO8: At least 30% of the 300 businesses reached have access to financial services

One of the issues, concerning the indicators, is its repetition on the three levels (e.g. agency staff trained is presented as indicator at overall objective, outcome and output level), while an indicator has to be specific to the level that is measured, and consistent with the definition of that level.

Overall, the indicators do not reflect the different levels to be achieved. The indicators a) IO7: At least 300 new and improved jobs created (40% for women) through improved operations of at least 300 businesses in the agrifood and tourism sector, and b) IO8: At least 30% of the 300

businesses reached have access to financial services, need to be revisited and checked on their relevance for the project objective and capability to achieve within the project timeline and the target set. They are beyond the project responsibilities and measure the project achieved changes (outcomes/impacts) rather than project outputs.

In summary, various indicators are not satisfactory, as indicators are simply copied at different levels and not properly addressing each level. Moreover, some of the targets are not realistic; in relation to the scope of the project and project length (e.g. 30% of the 300 businesses have access to financial services and 30 partner organizations reached to pilot interventions).

Assumptions & risks:

The following assumptions and risks have been identified in the PRODOC:

Overall Objective:

- AOO1: Political situation is stable
- AOO2: Continued commitment from local agencies
- AOO3: MSMEs are willing to access and pay for relevant services offered

Specific Objectives:

- ASO1: Continued commitment of the Agency
- ASO2: Organizations with the interest and capacity to roll out training exist and are identified and engaged in partnership
- ASO3: MSMEs in target sectors and location interested in receiving support services and willing and able to take part.

Outputs:

- AO1: Organizations with the interest and capacity to roll out training exist and are identified and engaged in partnership
- AO2: Local research capacity is available in regions of project execution
- AO3: MSMEs in target sectors and location interested in receiving support services and willing and able to take part.
- AO4: MFIs/Banks or non-financial BDS providers have interest and are able to acquire capacity to offer services to entrepreneurs

Activities:

- AA1: Good working arrangement between and among local partners/service providers
- AA2: Local partners confirm to integrated delivery of services
- AA3: Availability of capacity, tools and related materials on business management training and are being used by services providers
- AA4: Existing partnerships with national and local training institutions
- AA5: Willingness and cooperation of target beneficiaries
- AA6: Commitment of the financial institution to support this action

The ‘change’ level assumptions and risks seem more to be a list of challenges/pre-requisites that may face the project. For example the following assumptions on the activity level:

- AA3: Availability of capacity, tools and related materials on business management training and are being used by services providers
- AA4: Existing partnerships with national and local training institutions
- AA5: Willingness and cooperation of target beneficiaries

In order for the project management to start the work, it needs to identify beneficiaries’ interested and willing to work with the project, also it will be working on developing training partnership. The same goes concerning the availability of training materials. These three assumptions with “ASO3 & AO3: MSMEs in target sectors and location interested in receiving support services and willing and able to take part”, are considered a pre-requisite for the project and should already be tackled in the project preparation, therefore should be removed. The later assumption was mentioned twice, once on the Output level and another time on the Specific Objective level.

The same for the assumption “AO1 & ASO2: Organizations with the interest and capacity to roll out training exist and are identified and engaged in partnership” is repeated also on the Output and Specific Objective level.

The Assumptions on the Overall Objective level need to be on a lower level.

To summarize the project is relevant and of importance to all the different project parties, but the design needs to be reviewed, especially if it would be extended for another 6 month to cover the next agricultural winter season (till March 2021).

4.2 Project effectiveness

The project effectiveness was evaluated by reviewing project logframe and progress report provided and feedback received from beneficiaries concerning project activities.

Based on the project current indicators, the project progress can be assessed as follows:

	Outcome/output	Indicator and target	Achieved to date
Specific objective(s):	<ul style="list-style-type: none"> • Outcome 1: Enhance the capacity of the Micro, Small, Medium Enterprise Development Agency to play a facilitative role in enabling governmental and non-governmental institutions to provide quality BDS • Outcome 2: Enable MSMEs in target sectors to access BDS to increase their competitiveness, productivity and internationalisation 	<ul style="list-style-type: none"> • 10 Agency staff(at least 40% women) trained in BDS facilitation • 20 Agency and non-Agency staff (at least 40% are women) are trained in VCD • Establishment of intervention models to address the sector constraints • At least 30 partner organisations will be reached and will pilot business services to MSMEs • At least 300 new and improved jobs created (40% for women) through improved operations of at least 300 businesses in the agrifood and tourism sector. 	<ul style="list-style-type: none"> • 21 medium and senior level MSMEDA staff including 28 % of women) were trained. • 28 participants from government and non-government stakeholders were trained (including 46% of women). • 6 intervention models have been designed on the targeted value chains and 2 have been implemented • 20 partner organisations are reached and capacitated. • 159 improved jobs created in the targeted sector
Outputs	<p>Outcome 1:</p> <p>Op 1.1. Agency staff trained to facilitate BDS provision in Egypt</p> <p>Op 1.2. Using the Value Chain Development (VCD) approach, the key strategic entry points with the potential to unlock market bottlenecks towards development of target sectors are identified and a participatory and gender-sensitive intervention model to address key underlying constraints is developed</p> <p>Op 1.3. Partner organisations are selected and capacitated to address the needs of the MSMEs</p> <p>Outcome 2:</p> <p>Op 2.1. Enterprises in the agrifood and tourism sector have access to business advisory and training services</p> <p>Op 2.2. MSMEs in target sectors have access to matching financial support</p>	<ul style="list-style-type: none"> • 10 Agency staff trained in BDS facilitation (40% are women) • 20 Agency and non Agency staff trained in VCD (40% are women) • Market systems analysis conducted for the two targeted sectors • Intervention designed • At least 30 partner organisations reached • Facilitative role of the Agency enhanced • At least 300 new and improved jobs created (40% for women) through improved operations of at least 300 businesses in the agrifood and tourism sector. • At least 30% of the 300 businesses reached have access to financial services 	<ul style="list-style-type: none"> • 21 medium and senior level MSMEDA staff including 28 % of women) were trained. • 28 participants from government and non-government stakeholders were trained (including 46% of women). • Six market systems analysis were conducted on the targeted sectors; Agrifood and Tourism. • 6 intervention models have been designed on the targeted value chains and two have been implemented • 20 partner organisations are reached capacitated • 159 new and/or improved jobs created in the targeted sector

However, as discussed in the project design section, the indicators available in the project document and logframe do not qualify to assess the project effectiveness. Therefore, the evaluator developed some indicators to assess the project progress. In a further stage, the project should revisit the project log frame and develop relevant indicators for each level.

In the following section, achievements per Outcome and Output are discussed:

Specific Objective 1:

Enhance the capacity of the MSMEDA to play a facilitative role in enabling governmental and non-governmental institutions to provide quality BDS.

Objective 1 included 3 Outputs concentrating on the Capacity Building of MSMEDA and different potential partner organizations and service providers:

Output 1.1.: Agency staff trained to facilitate BDS provision in Egypt

Output 1.2.: Using the Value Chain Development (VCD) approach, the key strategic entry points with the potential to unlock market bottlenecks towards development of target sectors are identified and a participatory and gender-sensitive intervention model to address key underlying constraints is developed

Output 1.3.: Partner organisations are selected and capacitated to address the needs of the MSMEs

In this context the project successfully supported MSMEDA by:

- Training of 15 MSMEDA staff members on BDS facilitation (4 women), and training of 9 MSMEDA staff members on VCD (5 women);
- Developing the MSMEDA BDS facilitation Market Strategy; and the Guide to BDS Market facilitation
- An international exposure visit to Turin, Italy followed by a visit to ILO HQ in Geneva, Switzerland were conducted by MSMEDA senior management delegation to see, discuss, and exchange knowledge and experience with different models of BDS facilitation organizations.
- 20 Partner Organizations were reached and capacitated, and a total of 28 persons were trained on VCD.

The evaluator suggests the following additional indicators to measure project progress

Specific objective indicators:

- I) MSMEDA started implementing the Market Strategy Facilitation implementation plan.

Output's indicators:

1.1.b) MSMEDA developed an action plan for the Market Strategy Facilitation implementation

1.2.a) 80% of participants trained on VCD are capable of conducting a basic Value Chain analysis

Based on the above, as well as on the new proposed indicators, the evaluator can say that the project is making progress towards achieving the specific objective.

Concerning the BDS & VCD training, participants were highly satisfied with the training approach. They found it very much tailored to their specific needs and working conditions. In comparison to other donor trainings (from which they did not benefit as much), the beneficiaries indicated that this individual-oriented approach helped them much more. A participant from Minya stated “I have previously attended similar trainings in groups, but this time – as it was done with my equipment and concentrated on my needs – I benefited much more and I am able to implement the knowledge gained”.

Participants as well as consultants/trainers consider the utilization of ICT during the COVID-19 lockdown a positive experience, it gave an opportunity for more participants to interact, especially through the online meetings, with the experts, as it was easier for them to attend from home, besides it availed a platform for discussing with important business owners and consultants.

Local consultants are requesting to continue this approach beside the field visits, to be able to get timely advice and be continuously updated.

MSMEDA participants expressed that both trainings are of relevance to their work and will help them in the shift of MSMEDA work approach. They also highlighted that MSMEDA top management needs to push it further and down to the field. During the interviews held with selected MSMEDA participants, they also showed acceptance of the new approach. In a discussion with MSMEDA staff, one person expressed that now this person is able to better support the beneficiaries and started Value Chain Analysis for the plastic sector in Alexandria, but unfortunately, the work could not be finalized due to the COVID-19 lockdown.

During the visit of MSMEDA senior management delegation to the ITC/ILO they were able to develop a Market Strategy Facilitation action plan, which started to be implemented throughout the different strategy pillars.

The VCD training participants were very impressed with the training and valued the practical part very much, despite that they felt left-behind by not receiving the final certification results on time, as the process of assessing the different reports and scoring them took longer than expected, and also the lock down has contributed to further delays. This delay in announcing the final results, as well as lack of timely communication on who passed the process caused some frustration among the participants.

Another positive result is that the Nile University and the Central Bank of Egypt (CBE) took over the initiative and approached the ILO to develop a certification model for Value Chain Analyst to train primary banking staff, and to make it available to other sectors.

The project created a number of BDS providers and capacitated them as necessary to ensure the presence of BDS network in the future, which in turn contributes to the market development depending on its own resources.

The evaluator can say that the project succeeded in introducing the VCD and BDS facilitation concepts to different potential organizations with acceptance and there are organizations already moving ahead to take it over and implement it.

Specific Objective 2:

Enable MSMEs in target sectors to access BDS to increase their competitiveness, productivity and internationalization.

Specific Objective 2 included 2 Outputs concentrating on value chain analysis of the agrifood sector in Minya and tourism sector in Luxor and supporting the match of financial services.

Output 2.1.: Enterprises in the agrifood and tourism sector have access to business advisory and training services

Output 2.2.: MSMEs in target sectors have access to matching financial support

However and as previously mentioned, the evaluator suggests the following additional indicators to measure the project progress:

2.1.a) # of businesses participating in the advisory services

On the specific objective, the following indicators are used:

2.1.b) 50% of businesses participating in the advisory services showed production improvement (increase number of products, increase in sales, reduction in input cost, increase in product quality)

Based on the suggested indicators above, the evaluator can say that the project is making progress towards achieving the specific objective.

The project was supposed to do 2 market systems analysis under the 2 target sectors, namely, Agrifood in Minya and Tourism in Luxor, the project succeeded to conduct 6 market systems analysis including intervention design for 6 value chains. After rigorous attempts to analyse the situation and to assess the feasibility of implementing the designed interventions, the project decided to work on 2 value chains in Minya (green houses and dairy products) and 1 value chain in Luxor (Local restaurants).

Under agrifood sector, green houses and dairy products were chosen given that they are not restricted to a specific season like the garlic. As for the Tourism sector, the focus was decided to be on the local restaurants value chain, while the main activity designed and planned for was traditional food festival to take place in June 2020 in Luxor. This festival was supposed to serve as the driving force for the development of a multiple value chains at the same time as it was supposed to boost the demand on all tourism related sub-sectors and activities in the governorate.

The two interventions implemented in Minya governorate under the agrifood sector showed a potential for providing job opportunities in addition to improving the existing jobs. The 3 dairy production units or labs visited showed a potential increase from currently 20 to 25-27 persons, which means around 25% jobs increase, while no concrete statistics are available for the greenhouses, and hence it is too early to anticipate the total number of jobs created and/or improved.

Moreover, the participation of a number of MSMEs in the “FoodAfrica” international exhibition proved to be a successful experience that enabled them to access export opportunities, quality improvement, getting cheaper input supplies and diversifying their production.

From the evaluator’s view, the beneficiaries’ readiness and willingness to contribute to the cost coverage of the trainings and exhibitions is an indication that they are appreciating the value of these interventions. Of course, the cost would be determining this willingness, they asked for the cost of the different activities (e.g. participation cost at FoodAfrica, different trainings or consultations – both online and physical field visits).

It is important here to highlight that this project is applying a market systems development (MSD) approach, which is about influencing market actors through incentives to develop the market and address the market failures/gaps. Such approach if implemented correctly should lead to sustainability as the market develops itself without the need of external intervention. That is why a number of the project initiatives are mainly seeking to involve and influence relevant market actors in different aspects. A good example of this is the involvement of the Central Bank of Egypt (CBE) and other relevant actors who may and can take the lead in addressing existing market gaps.

The project team was able to obtain significant results in the short life of the project so far. The communication channel among project officers, trainers and beneficiaries is satisfactory. The project performance and results are monitored through the data collected by the field officers/consultants. They provide regular training and activity reports to the Project office in Cairo, where the data is stored and kept for monitoring and reporting purposes. It is considered a simple M&E system, which response to the project needs. The data received from the field concerning the trainings and beneficiaries is disaggregated by sex.

The project received the necessary technical support from the CO/Cairo and HQ to implement its activities and meet the beneficiaries’ expectations. The BDS and VCD trainings were implemented with support of these ILO Cairo and HQ offices

4.3 Efficiency of resource use

The efficiency of resource use was evaluated primary by reviewing the work plan provided and progress discussed with the project team and financial data made available.

As of March 2020 the project had a disbursement rate of 75% of the first tranche (92% including the commitments), which is 44% of the total project budget (53% including the commitments). By reviewing the work plan, the project is on track so far. Accordingly and out of the evaluators’ experience, this a good expenditure rate and implementation progress.

However, taking into consideration the COVID-19 lockdown measures and consequently suspension of the field work until further notice, the project will most likely face difficulties to achieve the required progress in due course, as the project has already missed 3 months by the date of this evaluation and it is uncertain when normal working procedures will be resumed.

Regarding the project team, it was supposed to consist of three project staff in Cairo office and two coordinators in the field; however, the project decided to have only 3 project staff in Cairo and use the service of local coordinators from MSMEDA as well as on consultancy basis instead of having full time employees in the evaluator’s view this set-up is sufficient for the project implementation. The local coordinators are satisfied with the project management and their

approach in running the project (e.g. their timely response, openness to feedback from the field, not using bureaucracy as an excuse to delay or postpone activities and support to leave an impact on the beneficiary level). Participants seconded this, mentioning that “the ILO in comparison with other organizations was able to run the project smoothly without unnecessary difficulties”, and highlighted that the training approach was tailored to their needs and their working conditions. On-the-job trainings at the beneficiaries’ factories/laboratories are perceived as a more efficient training approach than out of the work place training. Other donors’ trainings were, either conducted in Cairo on equipment not used in their factories/laboratories or theoretical in one of the upgraded training laboratories that was later closed and not used.

The utilization of Information and Communication Technology (ICT) in providing online trainings and remote consultancies during the COVID-19 lockdown was well received by the training participants and gave an opportunity for more participants to interact during lockdown.

One of the issues mentioned by the trainers and coordinators is the paperwork and bureaucracy that are sometimes time consuming at the start of the process.

According to the evaluator own observations and the interviews conducted, the project team has done good work with the resources available and the project activities can be considered efficient in terms of good delivery.

4.4 Impact and sustainability

The impact and sustainability was assessed mainly through interviews with stakeholders and training beneficiaries.

Intermediate results and potential sustainability can be observed. As mentioned, the VCD & BDS facilitation concepts were well presented and received good acceptance by the participants. If adopted by national institutions will produce positive and sustainable impact on direct beneficiaries

This can be confirmed by the intention for implementation on a wider scale by different local stakeholders (Nile University & Central Bank of Egypt). Moreover, two of the participants stated during the interview that they started to implement a VCD analysis in Cairo and Alexandria on the Tanning and Leather Industry as well as the Plastic and recyclable Plastic industry.

MSMEDA has formed a VCD facilitation taskforce to act as VCD champions in the agency and allow for knowledge transmission.

All of this shows a positive outlook towards the change in attitude and capacities within MSMEDA and other partner organizations; this is one-step towards the sustainability of the implementation and expansion of the BDS and VCD facilitation concepts.

Changes in the working processes of the organizations cannot yet be observed; therefore, it is recommended that the project continue supporting MSMEDA for the implementation of their BDS facilitation action plan. The basis for the plan has been already worked out as a concept in Turin (the Market Strategy Facilitation implementation plan developed at the ILO Turin Centre), and according to MSMEDA, further internal discussions took place in MSMEDA but were interrupted due to COVID-19 lockdown.

On the beneficiaries’ level, positive changes in the working procedures, especially in the dairy production unit can be observed. Owners highlighted that the trainings will provide job

opportunities, reduced production costs, diversify their production, and increase their income and possible profit.

According to the beneficiaries, the project has high potential in creating and/or improving job opportunities. The dairy production sample of three production units showed a potential increase from currently around 20 to potential 25-27 jobs, this is due to the increase of variety of products produced. The green house farmers mentioned that, due to the nature of protective agriculture, greenhouses employ around 50% more seasonal workers than conventional agriculture.

Based on the above, the evaluator states that the project can achieve an impact at the beneficiaries' level, especially if the recommendations from this report are taken into consideration to ensure the sustainability of the project results.

5. Lessons learned and good practices

5.1 Lessons learned:

The main lesson learned is the need for the project design to go through a quality check before proceeding with implementation to ensure it meets the Results based management (RBM) design criteria, especially regarding the indicators and assumptions. **The Project logframe has to be reviewed during the design phase of the project and validated immediately after project start.**

5.2 Good practices:

The evaluator noticed two good practices implemented by the project that have been received positively by the beneficiaries.

- **Providing on-the-job trainings in the factories/laboratories with the available equipment** (Dairy production units/labs – Minya). Beneficiaries have always highlighted that this training approach implemented by the ILO is a key difference in comparison with other trainings by other supporting agencies.

The trainer is conducting the training at the production facility between the facility staff, this was followed by practical implementation by the staff in front of the trainer and then a follow-up visit to ensure product quality and review the capability of staff to implement without supervision.

- **Providing remote technical assistance through online application (Greenhouse technical support during COVID-19 lockdown).** As the lockdown limited the experts travel to the target areas, local consultants needed a means of communication with experts. Online platforms provided an opportunity to continue interaction rather than having a complete communication break, which enabled continuous support from the local consultants to the farmers.

6. CONCLUSIONS

Based on the evidence available to the evaluator, we can say that the project is on the right track to achieve its overall objective. Within the last 12 months of implementation, the project was able to build a base to implement activities with a focus on achieving the overall objective/Impact.

The following conclusions were drawn:

Relevance and Validity of design:

1. The project is highly relevant to the current needs of the Egyptian agrifood sector and has a high potential in creating and /or improving jobs and increase business owners' income.
2. The project is aligned with the Egyptian SME strategy and the newly set role for MSMEDA as a partial movement for service provider to service facilitator.
3. It is also in line with the UNPDF, SDG Goal 8 and ILO Outcome 4.
4. Overall, the project design is very ambitious for the set time frame of the project.
5. Specific objectives, outputs and activities are well defined.
6. Indicator and assumptions were not well defined for the different levels (same indicators for output/specific objective/overall objective).
7. Some indicators are too ambitious (300 new jobs created and 100 business have access to financial services).
8. Indicators and Assumptions need to be reviewed.
9. Output 2.2 is facing difficulties to be tackled within the current project scope and set-up.

Project effectiveness:

10. The different implementation partners, consultants and beneficiaries are satisfied with the project management and activity implementation
11. The different training approaches used (on-the-job in-factory/laboratory/field training) is providing a long-term benefit to the beneficiaries
12. ICT utilization for training and consultation during COVID-19 lockdown, provided an opportunity for the continuation of the trainings to enable more farmers and consultants to join the trainings and consultation sessions.

Efficiency and/or resource use

13. The project team is well established to accomplish the project results.
14. The on-the-job training at the beneficiaries' factories/laboratories is perceived as a more efficient training approach than out of the work place training.
15. The utilization of ICT in providing online trainings and remote consultancies during the COVID-19 lockdown was well received by the training participants.

16. The expenditure rate of 92% of the 1st tranche (53% of the project budget) is a good expenditure rate.

Impact and sustainability:

17. The project has high potential in creating and/or improving job opportunities. The dairy production sample of three production units showed a potential increase from currently around 20 to potential 25-27 jobs. The green house farmers mentioned that greenhouses employed around 50% more seasonal workers than conventional agriculture.

18. VCD & BDS facilitation concepts were well presented and received good acceptance and intention for implementation on a wider scale by different national stakeholders (Nile University & Central Bank of Egypt).

19. Some of the participants started the initiative to implement the Value Chain Analysis in their geographical areas and working sectors (eg plastic sector, tanning and leather sector in Alexandria and recyclable plastic in Greater Cairo)

7. Recommendations

Recommendation 1: Review Project Logframe.

It is highly recommended that the Project team along with the donor and relevant project counterparts review the Project outputs, indicators and assumptions.

Output 2.2, concerning financial services, needs to be revised and if possible removed. It is out of the scope of the VCD & BDS project scope in the current set up and too ambitious to be reached within the current project timeframe. Indicators have to be level oriented and realistically achievable (300 new jobs created and 100 business have access to financial services is too ambitious). This is needed to shape for the remaining period of the project and take into account to request a potential no-cost extension.

As the individuals trained on Value Chain Development/Analysis facilitation expressed further need for mentorship and coaching. It is highly recommended that the project add coaching/mentorship activities to further shape the skills of the individuals trained, be able to develop high quality studies value chain analysis.

Responsible Units	Priority	Time Frame	Resource implication
EU & ILO	High	Q3 2020	Low

Recommendation 2: Develop No-Cost extension proposal.

Given that the initial project duration was planned for 24 months and started with a 6 months delay in February 2019, and with an expenditure rate of 53% of the total budget (within 12 month to date), and most importantly the COVID-19 outbreak, it is highly recommended that the ILO project team develops a No-Cost extension Plan for 4-6 month. This extension will help the project to cover the activities missed during the COVID-19 lockdown, as well as covering the next agricultural cultivation season (till March 2021).. In addition, the no-cost extension will allow supporting the beneficiaries in the participation in Food Africa 2020 and implementing the traditional food festival in Luxor.

Responsible Units	Priority	Time Frame	Resource implication
ILO / MSMEDA	High	Q2 2020	Low

Recommendation 3: ICT utilization in remote consultancy

The implementation of online training and consultation (using online meeting tools) during the COVID-19 lockdown, in the greenhouse sector, received positive feedback from the participants, especially the local agriculture consultants. This pilot implementation need to be studied in depth and assessed whether it is a potential tool to maximize benefits and implemented as a low-cost support to local consultants after the project, especially that the participants interviewed expressed readiness to participate in some of the costs.

Responsible Units	Priority	Time Frame	Resource implication
ILO	Medium	Q2 2020	Medium

Recommendation 4: Cost contribution from beneficiaries

Several beneficiaries expressed their willingness to make a financial contribution in case the project is extended (concerning greenhouses and dairy). This is a positive sign from the beneficiaries that they value the service provided and it is also a step towards the full cost coverage by beneficiary during 2021/2022 and the participation of the beneficiaries in cost/benefit calculation, for example the participation in FoodAfrica, exhibition.

Responsible Units	Priority	Time Frame	Resource implication
ILO/MSMEDA	High	Q3 2020	Medium

Annexes

Annex I: TOR



Terms of Reference

Mid-term internal evaluation for EGY/17/03/EUR

Title of project to be evaluated	BDS4GROWTH - Support the Micro, Small and Medium Enterprise Development Agency and affiliates by developing their capacity to analyse and address business development services needs of MSMEs in manufacturing and traded services
DC Code	EGY/17/03/EUR
Administrative Unit responsible	ILO Country Office in Cairo
Technical Unit(s) responsible for backstopping the project	ENTERPRISES
Type of evaluation	Mid-term Internal Evaluation

1. BACKGROUND

The Internal Mid-term evaluation will consider project EGY/17/03/EUR “BDS4GROWTH - Support the Micro, Small and Medium Enterprise Development Agency and affiliates by developing their capacity to analyse and address business development services needs of MSMEs in manufacturing and traded services”. The project is financed by the European Union.

The project started in September 2018 and is due to run until 31 August 2020. The European Commission EU Delegation to Egypt has approved this project with a budget of 1,002,644 (US\$ 1,187,966.825 at the UN exchange current rate) of which the EC is contributing € 899,924 (US\$ 1,066,260.66).

As per ILO evaluation policy, an internal mid-term evaluation for EGY/17/03/EUR is to be conducted.

The key objectives and results expected from this project, against which this evaluation will be based, are provided in Annex 1. Project documents, progress reports and other key documentation will be provided to the internal evaluator.

2. EVALUATION PURPOSE, CLIENT AND SCOPE

The internal evaluation serves two main purposes:

The evaluation is conducted as per ILO evaluation policy, with the following two purposes:

- i.* Give an assessment of progress to date of the project across all outcomes; assessing performance as per the foreseen targets and indicators of achievements; strategies and implementation modalities chosen; partnership arrangements, constraints and opportunities;
- ii.* Provide strategic and operational recommendations as well as highlight lessons to improve performance and delivery of project results

And the following specific objectives:

- Assess the relevance and coherence of project’s design.
- Assessing to what extent the stated objectives and outputs are being achieved; and to provide an estimate of the status of completion of results (achieved, in progress, pending) and percentage of progress per category (objective, output, activities) Assess the external and internal challenges and opportunities for the timely implementation of the project.

- Review the efficiency and effectiveness of the project implementation framework and management arrangements.
- Assess the relevance of the project in regards of country needs and how the project is perceived and valued by the target groups
- Provide recommendations on how to build on the achievements of the project and ensure that it is sustained by the relevant stakeholders.
- Review and provide recommendations regarding the sustainability strategy of the project for the remaining period, and if possible suggest avenues for additional activities.
- Document lessons learned and good practices in order to maximize the experience gained.

CLIENTS

The primary clients of this evaluation are the ILO management (the ILO DWT/CO Cairo, ILO/ENTERPRISES, and Regional Office for Africa), project staff, key national stakeholders and the donor.

Secondary clients include other project stakeholders (key Ministries, NGO, embassies, etc) and other units within the ILO that may indirectly benefit from the knowledge generated by the evaluation.

SCOPE

The evaluation will consider the full geographical breadth of the project, including both national and localised interventions. The evaluator may determine whether a sample of localised interventions may be appropriate for the evaluation of the project's local involvement. It will consider project implementation from start to the actual timing of the evaluation.

3. EVALUATION CRITERIA AND QUESTIONS

The project will be considered from the perspective of the following criteria:

- Relevance: The extent to which the development intervention has met beneficiary requirements, country needs, global priorities and partners' and donors' policies.
- Development effectiveness: The extent to which the development intervention's objectives and intended results are being achieved.
- Resource Efficiency: The extent with which resources are economically converted into results, including mention of alternative more cost-effective strategies when applicable.
- Preliminary Impact: Positive and negative, intended and unintended long-term effects, recommendations on tools and methods used to maximize impact
- Sustainability: The continuation of benefits and probability of continued long-term benefits after the project has been completed.
- Partnerships: The extent to which the project is contributing to the capacity development of national partners, and how much is it building synergies with similar initiatives
- Lessons learned and good practice: Good practices being identified by the project, key lessons being learned from project implementation, and potential recommendations for similar projects/projects

The evaluation will address the following questions:

Relevance and validity of design

- Is the project relevant to the achievements of the outcomes in the national development plan, the UNPDF and the ILO DW strategy for North Africa?
- Have the projects addressed relevant needs? Given the current political, socio-economic and financial situation, are the project objectives and design still relevant?

- How well does the project complement and link to activities of other donors/development agencies at local level?
- How does the project align with and support the ILO strategies and priorities in Egypt and the region?
- Is the ‘theory of change/intervention logic behind the project coherent and realistic? Do outputs causally linked to outcomes, which in turn contribute to the broader development objective of the project?
- Have the various ‘change’ assumptions and risks been properly identified and addressed in project design and implementation?
- How appropriate and useful are the indicators described in the project document in assessing the project’s achievements? Are the targeted indicators realistic and can they be tracked?

Project effectiveness

- Is the project making sufficient progress towards its planned objectives? Which percentage of advancement can be estimated for each objective, and for the overall advancement of the project? Is the project likely to achieve its planned objectives by its closing date?
- Were outputs produced and delivered as per the work plan? Has the quantity and quality of project’s outputs been satisfactory? How do the stakeholders perceive them?
- What, if any, alternative strategies would have been more effective in achieving the timely implementation of projects’ activities and outputs?
- Has the project adopted effective and consistent working procedures with implementing partners and relevant ILO units? And has the project and relevant ILO’s relevant units (FPRW, ILO Cairo Programme) made strategic use of coordination and collaboration with other ILO projects and with other donors in the country/region to increase its effectiveness and impact?
- How effective is the communication between the project management and project beneficiaries and partners (MSMEDA, Ministry of Trade and Industry, Federation of Egyptian Industries, etc.)? How effective is the communication between the project management and other ILO units (technical backstopping unit in HQ, the field office (Specialists, Programme Officers) and the regional office)?
- How effectively does the project management monitor project performance and results? What M&E system has been put in place, and how effective is it? Is relevant data systematically being collected and analyzed to feed into management decisions? Is data disaggregated by sex?
- How effective has been the technical support offered by CO/Cairo and HQs in ensuring technically sound interventions, international quality standards, alignment with international conventions or policy guidelines?

Efficiency of resource use

- Have financial resources of the project been allocated strategically according to the work plan in order to achieve outcomes? Has the project monitored under regular basis financial delivery, and adjusted its future allocations, when necessary? See implementation plan or other activity/output-based budgeting documents.
- Is the composition of the project team considered sufficient, over or under-sized? Has the composition of the project been adjusted to ensure efficiency of resources and expertise?
- Has the implementation of activities been cost-effective? Will the results achieved justify the costs? Could the same results have been attained with fewer resources?

Impact and sustainability

- What are the main intermediate results that can be imputed to the work of EGY/17/03/EUR? Provide a synthetic, reader-friendly write-up of key results achieved that may be of use for wide dissemination;

-
- Can observed changes (in attitudes, capacities, systems, institutions etc.) be causally linked to the project's interventions?
 - Has the project successfully built or strengthened an enabling environment (legislation, policies, social capital...) for sustainability? Has the project successfully built or strengthened institutional and organisational capacities in the relevant fields of work?

Lessons learned

- What good practices can be learned from the project implementation so far that can be applied in the remaining period of project implementation and/or to similar future projects?
- What should have been different, and should be avoided/changed in the next phase of the project implementation.

4. Evaluation Methodology

Based on the above criteria and questions, the evaluator will elaborate an information collection and analysis methodology.

The evaluation fieldwork will be qualitative and participatory in nature. The evaluation will be carried out through a desk review and field visit to the project sited in Egypt for consultations with ILO management and staff, national counterpart (MSMEDA), as well as other relevant implementing partners, beneficiaries and other key stakeholders. Consultations with relevant units and officials in Geneva, Abidjan and Cairo will be done and the method for doing so will be decided by the evaluator and the evaluation manager. The internal evaluator will review inputs by all ILO and non ILO stakeholders involved in the project, from project staff, national counterpart and a range of partners from the private and civil sectors.

The draft mid-term evaluation report will be shared with all relevant stakeholders and a request for comments will be asked within a specified time (not more than 2 weeks). The evaluator will seek to apply a variety of evaluation techniques – desk review, meetings with stakeholders, focus group discussions, field visits, informed judgment, and scoring, ranking or rating techniques. Subject to the decision by the evaluator and the evaluation manager a guided Open Space workshop with key partners may be organized in Cairo.

The following principles will be applied during the evaluation process:

3. Methods of data collection and stakeholder perspectives will be triangulated to the greatest extent possible.
4. Gender and cultural sensitivity will be integrated in the evaluation approach.

Desk review

A desk review will analyze project and other documentation including the approved log-frame, monitoring reports, annual progress report provided by the project management and Field and HQ backstopping officers.

Quantitative data will be drawn from project documents including the Technical Progress Reports (TPRs) and other reports to the extent that it is available.

The desk review will suggest a number of initial findings that in turn may point to additional or fine-tuned evaluation questions. This will guide the final evaluation instrument which should be finalized in consultation with the evaluation manager. The evaluator will review the documents before conducting any interview.

Interviews with ILO staff

The internal evaluator will undertake group and/or individual discussions with project staff in Cairo. The internal evaluator will also interview ILO staff responsible for financial, administrative and technical backstopping of the project in ILO DWT Cairo and ILO HQ. An indicative list of persons to be interviewed will be furnished by the project management (CTA) after further discussion with the Evaluation Manager.

Interviews with key stakeholders

A first meeting will be held with the ILO Director of DWT Cairo and with the Project Team. After that the evaluator will meet relevant stakeholders including the main national counterpart (MSMEDA staff), project

beneficiaries to undertake more in depth reviews of the respective national strategies and the delivery of outputs and outcomes of the respective components in the country. Around the end of the data collection from the field, the internal evaluator will make a debriefing to the ILO DWT Cairo Director, the project team and the evaluation manager.

Key steps that will be followed during the evaluation:

Step 1: Meet and discuss with the Evaluation manager, ILO Cairo Office and the project team to get a proper briefing about the project and the process of the evaluation.

Step 2: Desk review of all relevant documents and preparation of inception report.

Step 3: On-site interviews with national counterpart, stakeholders, meetings and focus group discussions with CO Cairo, project staff, FPRW, project beneficiaries, and other key stakeholders.

Step 4: A debriefing and preliminary recommendations seminar will be led by the internal evaluator in Cairo, with participation from the project team and Cairo Management, ENTERPRISES/HQ and the key stakeholders, to present and discuss the preliminary findings of the evaluation.

Step 5: Submission of evaluation first draft to the evaluation manager. The evaluation manager will share the draft report with relevant stakeholders and revert to the evaluator with a consolidated comment.

Step 6: The internal evaluator will finalize the report incorporating any comments deemed appropriate and providing a brief note explaining why any comments might not have been incorporated. He/she will submit the final report to the evaluation manager.

Step 7: The Evaluation Manager will forward the final draft report to the Regional Evaluation Focal person for review. Then, the regional Evaluation Focal Person will forward the report to EVAL for approval.

Step 9: The evaluation manager officially forwards the evaluation report to stakeholders and PARDEV.

Step 10: PARDEV will submit the report officially to the donor.

Key stakeholders and sources of information:

Donor

European Union

ILO

ILO/ENTERPRISES team (SME Unit)

ILO Project Staff based in Cairo

Director and relevant officials of the ILO Country Office for Egypt

Government

MSMEDA

Ethical Considerations and Confidentiality

The evaluation mission will observe utmost confidentiality related to sensitive information and feedback elicited during the individual and group interviews. To mitigate bias during the data collection process and ensure a maximum freedom of expression of the implementing partners, stakeholders, communities, and implementing partner staff will generally not be present during interviews.

5. Main deliverables

The expected deliverables are:

- a) An inception report, including work plan and methodology;

b) A concise Evaluation Report 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 for each criterion (responding to the evaluation questions)
- Conclusions
- Recommendations
- Lessons learned and good practices (Using the ILO template – to be provided by the evaluation managers)
- Annexes
 - List of persons met/consulted, description of focus group meetings.

6. Management arrangements

Evaluation Manager

The evaluation team will report to the evaluation manager (Ms. Yasmine Elessawy, elessawy@ilo.org) and should discuss any technical and methodological matters with the evaluation manager should issues arise. The project team will provide the required direct administrative and logistical support for the completion of the evaluation in consultation with the evaluation manager (including transportation, facilitation of contacts, organization of stakeholders workshops).

Work plan & Time Frame

The total duration of the evaluation process is estimated to --- working days for the independent international consultant over a 6 week period from 20 November to 17 February 2014. The international independent consultant will spend at least --- working days in Egypt for data collection and debriefing.

7. Timeframe and payment

The evaluation will be undertaken from 1st of December 2019 to 16th of January 2020.

The evaluation should take place according to the following schedule shall be remunerated for the following working days:

Desk review and inception report	3 days
Field work: Data collection including stakeholders meetings	5 days
Draft evaluation report	5 days
Final evaluation report	2 days
TOTAL	15 days

Annex II: Evaluation Question Matrix:

Evaluation Criteria and Question	Sources of Data	Stakeholder Interviews	Specific Methods
A. Relevance and validity of design			
<ul style="list-style-type: none"> Is the project relevant to the achievements of the outcomes in the national development plan, the UNPDF and the ILO DW strategy for North Africa? 	SDS Egypt Vision 2030 Project Documents SDGs	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> Have the projects addressed relevant needs? Given the current political, socio-economic and financial situation, are the project objectives and design still relevant? 	SDS Egypt Vision 2030 Project Documents SDGs	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> How well does the project complement and link to activities of other donors/development agencies at local level? 	Project Documents SDGs UNPDF	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> How does the project align with and support the ILO strategies and priorities in Egypt and the region? 	Project Documents SDGs ILO Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> Is the 'theory of change/intervention logic behind the project coherent and realistic? Do outputs causally linked to outcomes, which in turn contribute to the broader development objective of the project? 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> Have the various 'change' assumptions and risks been properly identified and addressed in project design and implementation? 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> How appropriate and useful are the indicators described in the project document in assessing the project's achievements? Are the targeted indicators realistic and can they be tracked? 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
B. Project effectiveness			
<ul style="list-style-type: none"> Is the project making sufficient progress towards its planned objectives? Which percentage of advancement can be estimated for each objective, and for the overall advancement of the project? Is the 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews

Evaluation Criteria and Question	Sources of Data	Stakeholder Interviews	Specific Methods
project likely to achieve its planned objectives by its closing date?			
<ul style="list-style-type: none"> Were outputs produced and delivered as per the work plan? Has the quantity and quality of project's outputs been satisfactory? How do the stakeholders perceive them? 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> What, if any, alternative strategies would have been more effective in achieving the timely implementation of projects' activities and outputs? 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> Has the project adopted effective and consistent working procedures with implementing partners and relevant ILO units? And has the project and relevant ILO's relevant units (FPRW, ILO Cairo Programme) made strategic use of coordination and collaboration with other ILO projects and with other donors in the country/region to increase its effectiveness and impact? 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> How effective is the communication between the project management and project beneficiaries and partners (MSMEDA, Ministry of Trade and Industry, Federation of Egyptian Industries, etc.)? How effective is the communication between the project management and other ILO units (technical backstopping unit in HQ, the field office (Specialists, Programme Officers) and the regional office)? 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> How effectively does the project management monitor project performance and results? What M&E system has been put in place, and how effective is it? Is relevant data systematically being collected and analyzed to feed into management decisions? Is data disaggregated by sex? 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> How effective has been the technical support offered by CO/Cairo and HQs in ensuring technically sound interventions, international quality 	Project Documents	Project Team MSMEDA Staff Beneficiaries	Documents review Stakeholder Interviews

Evaluation Criteria and Question	Sources of Data	Stakeholder Interviews	Specific Methods
standards, alignment with international conventions or policy guidelines?			
C. Efficiency of resource use			
<ul style="list-style-type: none"> Have financial resources of the project been allocated strategically according to the work plan in order to achieve outcomes? Has the project monitored under regular basis financial delivery, and adjusted its future allocations, when necessary? See implementation plan or other activity/output-based budgeting documents. 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> Is the composition of the project team considered sufficient, over or under-sized? Has the composition of the project been adjusted to ensure efficiency of resources and expertise? 	Project Documents	Project Team MSMEDA Staff Beneficiaries	Documents review Stakeholder Interviews
<ul style="list-style-type: none"> Has the implementation of activities been cost-effective? Will the results achieved justify the costs? Could the same results have been attained with fewer resources? 	Project Documents	Project Team MSMEDA Staff Beneficiaries	Documents review Stakeholder Interviews
D. Impact and sustainability			
<ul style="list-style-type: none"> What are the main intermediate results that can be imputed to the work of EGY/17/03/EUR? Provide a synthetic, reader-friendly write-up of key results achieved that may be of use for wide dissemination; 	Project Documents	Project Team MSMEDA Staff	Documents review Stakeholder Interviews Observations
<ul style="list-style-type: none"> Can observed changes (in attitudes, capacities, systems, institutions etc.) be causally linked to the project's interventions? 	Project Documents	Project Team MSMEDA Staff Beneficiaries	Documents review Stakeholder Interviews Observations
<ul style="list-style-type: none"> Has the project successfully built or strengthened an enabling environment (legislation, policies, social capital...) for sustainability? Has the project successfully built or strengthened institutional and organisational capacities in the relevant fields of work? 	Project Documents	Project Team MSMEDA Staff Beneficiaries	Documents review Stakeholder Interviews Observations

Annex III: Documents reviewed:

1. Project application Form
2. Interim Narrative Report
3. Revised Project logical framework
4. Updated Workplan
5. List of training participants
6. Food Africa International Trade Exhibition
7. MSMEDA BDS Market Strategy – Third Draft
8. A Guide to BDS Market Facilitation
9. Egypt DWCP Outcome
10. ILO Programme and Budget for 2020–21 Programme of work and results framework

Annex IV: Evaluation Schedule:

Individual face –to-face Interviews (1-9 March 2020):

Yasmeen ElEssawy, ILO, Cairo
Nael Mohamed, ILO, Cairo
Rafaat Abbas, MSMEDA, Cairo

Field visit and face-to-face interviews (10 & 11 March 2020):

Visit to dairy factory and laboratories

Interviews with:

Waleed Shedeed, Dairy Production Trainer, Minya
Essam Abouda, ElAmal Food Company, Minya
Mohamed Abdelhamid , Worker, ElAmal Food Company, Minya
Bahaa Ismail, Dairy Consultant, Minya
Ashraf Waheed, Horus Dairy Laboratory, Malawy, Minya
Basem Nady, ElAmir Dairy Laboratory, Deir ElBarsha, Minya

Phonecall interviews (15 March – 10 April 2020):

Miguel José Solana, Enterprise Development Specialist - Decent Work Team For North Africa - ILO
Concepcion Perez Camaras, Programme Manager - Private Sector Development and Trade - European Union (EU) - Delegation to the ARE
Alaa Fahmy, Enroot
Khaled Hussein, Consultant
Haytham Ahmed Samir, MSMEDA – Minya Office
Gamal Saad, Agriculture Consultant
Hamada Barakat, Agriculture Consultant & Agriculture Input Supplier)
Amira ElSAyed, MSMEDA, International Cooperation
Arafa ElRamly, MSMEDA, Luxor Office
Mohamed Abd ElAboud, ZirconWorld
Ahmed Farouk, Nilepreneurs, Nile University
Hadia Talaat Mohamed, MSMEDA – Alexandria Office
Osama Abd ElAzeem, Greenhouse owner/farmer
Tarek Mohamed, Greenhouse owner/farmer
Osama Ibrahim, Greenhouse owner/farmer

Annex V: List of persons interviewed:

SN	Name	Organization	Mode of interview
1.	Yasmeen ElEssawy	ILO, Cairo	Face-to-face Interview
2.	Nael Mohamed	ILO, Cairo	Face-to-face Interview
3.	Rafaaf Abbas	MSMEDA, Cairo	Face-to-face Interview
4.	Waleed Shedeed	Dairy Production Trainer, Minya	Face-to-face Interview
5.	Essam Abouda	ElAmal Food Company, Minya	Face-to-face Interview
6.	Mohamed Abdelhamid	Worker, ElAmal Food Company, Minya	Face-to-face Interview
7.	Bahaa Ismail	Dairy Consultant, ElMenia	Face-to-face Interview
8.	Ashraf Waheed	Horus Dairy Laboratory, Malawy, Minya	Face-to-face Interview
9.	Basem Nady	ElAmir Dairy Laboratory, Deir ElBarsha, Minya	Face-to-face Interview
10.	Miguel José Solana	Enterprise Development Specialist - Decent Work Team For North Africa - ILO	Phonecall Interview
11.	Concepcion Perez Camaras	Programme Manager - Private Sector Development and Trade - European Union (EU) - Delegation to the ARE	Phonecall Interview
12.	Alaa Fahmy	Enroot	Phonecall Interview
13.	Khaled Hussein	Consultant	Phonecall Interview
14.	Haytham Ahmed Samir	MSMEDA – ElMenia Office	Phonecall Interview
15.	Gamal Saad	Agriculture Consultant	Phonecall Interview
16.	Hamada Barakat	Agriculture Consultant & Agriculture Input Supplier)	Phonecall Interview
17.	Amira ElSAyed	MSMEDA, International Cooperation	Phonecall Interview
18.	Arafa ElRamly	MSMEDA, Luxor Office	Phonecall Interview
19.	Mohamed Abd ElAboud	ZirconWorld	Phonecall Interview
20.	Ahmed Farouk	Nilepreneurs, Nile University	Phonecall Interview
21.	Hadia Talaat Mohamed	MSMEDA – Alexandria Office	Phonecall Interview
22.	Osama Abd ElAzeem	Greenhouse owner/farmer	Phonecall Interview
23.	Tarek Mohamed	Greenhouse owner/farmer	Phonecall Interview
24.	Osama Ibrahim	Greenhouse owner/farmer	Phonecall Interview

Annex VI: Data Collection Instrument & Questions:

The evaluator used a semi-structured guided interview methodology to collect the necessary data required from the different stakeholders. The following questions were asked, but not limited to them.

MSMEDA:

- How far is the project relevant to MSMEDA and current country strategy?
- How far was your and other stakeholders' involvement in the project planning process?
- Are there any other donors funding similar projects at MSMEDA
- How do you see the project implementation and your work relation with ILO?
- How did MSMEDA benefit from the activities?
- What does MSMEDA need from the project in the next period of time?
- What is MSMEDA going to do with the experience gained?
- What are MSMEDA next steps?

Beneficiaries (dairy & greenhouses):

- What activities did you participate in?
- What was your benefit from your participation?
- How do you assess the project activities and its implementation?
- How does this training approach differ from other trainings you attended?
- Would you further participate in similar activities after the project end and are you ready to cover the participation cost?
- How will these trainings influence your business (input cost, production line, jobs, profit and working conditions)?
- What are your recommendations for the project?

Trainees:

- How do you see the importance and relevance of the trainings conducted?
- What did you benefit?
- How was the training implemented? Any feedback?
- How do you see the implementation of the knowledge gained on your day-to-day work?
- What do you need to make sure you are capable of implementing the knowledge gained?
- What are the next steps and your recommendations?

ILO:

- What is the project background? How was it developed?
- How far do you see the project in line with the ILO direction and government direction?
- How do you see relation to MSMEDA and other donors?
- How do you see the project implementation?

EU:

- How do you see the importance of the project?

-
- What is the EU role in the project development?
 - How do you assess the project implementation and its impact on MSMEDA?

Annex VII: Lessons learned and Good practices:

ILO Lesson Learned Template

Project Title: BDS4Growth

Project TC/SYMBOL: EGY/17/03/EUR

Name of Evaluator: Tamer ElFouly

Date: 09 April 2020

The following lesson learned has been identified during the course of the evaluation. Further text explaining the lesson may be included in the full evaluation report.

LL Element	Text
Brief description of lesson learned (link to specific action or task)	Project logframe has to go through a quality check during after the design of the project and validated immediately after project start.
Context and any related preconditions	Indicators were simply repeated on the three levels and therefore don't reflect the different levels to be achieved (eg i- agency staff trained is presented as indicator at overall objective, outcome and output level), when an indicator has to be specific to the level that measure and consistent with the definition of that level. An individual trained is an output indicator, or ii-300 new and improved jobs created, which is beyond the project control and responsibility this is an overall objective indicator). Indicators need to be revisited and checked on their relevance for the project objective and capability to achieve, in relation to the scope of the project and project length.
Targeted users / Beneficiaries	ILO DWT/CO Cairo and other ILO Offices
Challenges /negative lessons - Causal factors	The project design (Logframe) does not meet always the Results based management (RBM) design criteria, especially regarding the indicators and assumptions.
Success / Positive Issues - Causal factors	
ILO Administrative Issues (staff, resources, design, implementation)	<ul style="list-style-type: none"> - Project design has to be reviewed by the M&E officer either to make sure it fulfills the design criteria set - Project officer needs to review the validity of design immediately after project start to ensure the design is still valid and achievable.

ILO Emerging Good Practice

Project Title: BDS4GROWTH

Project TC/SYMBOL:

Name of Evaluator: Tamer ElFouly

Date: 09 April 2020

The following emerging good practice has been identified during the course of the evaluation.

GP Element	Text
Brief summary of the good practice (link to project goal or specific deliverable, background, purpose, etc.)	Providing on-the-job training with the available equipment (Dairy production units – Minya). Beneficiaries always highlighted the training approach implemented by the ILO as a key difference in comparison with other trainings received by other supporting agencies.
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	There is the possibility for applicability and replicability. The only limitation here is the cost of training, but this needs a return on training analysis.
Establish a clear cause-effect relationship	The trainer conducted the training at the production facility in between the facility staff, this was followed by practical implementation by the staff in front of the trainer and then a follow-up visit to ensure product quality and review the capability of staff to implement without supervision.
Indicate measurable impact and targeted beneficiaries	Improve worker skills Provide decent work
Potential for replication and by whom	Possible replication in all production related trainings
Upward links to higher ILO Goals (DWCPs, Country Programme Outcomes or ILO's Strategic Programme Framework)	n.a.
Other documents or relevant comments	n.a.

ILO Emerging Good Practice

Project Title: BDS4GROWTH

Project TC/SYMBOL:

Name of Evaluator: Tamer ElFouly

Date: 09 April 2020

The following emerging good practice has been identified during the course of the evaluation.

GP Element	Text
Brief summary of the good practice (link to project goal or specific deliverable, background, purpose, etc.)	Providing remote technical assistance through online application (Greenhouse technical support during COVID-19 lockdown)
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	There is the possibility for applicability and replicability. Possible limitation is the ICT literacy of staff/farmers, but this can be overcome through ICT introductory and training. Therefore it is recommended to start with field consultants located in the areas and consult experts remotely.
Establish a clear cause-effect relationship	As lockdown prohibited expert travel to the rural area, local consultant needed a mean of communication with experts. The online platform provided an opportunity to continue interaction rather than having a complete communication break. And this supported the continuous support from the local consultants to the farmers.
Indicate measurable impact and targeted beneficiaries	Improve consultant / BDS skills & expertise Providing better consultations to farmers / endusers Provide decent work
Potential for replication and by whom	Possible replication in all expertise related consultations to local consultants.
Upward links to higher ILO Goals (DWCPs, Country Programme Outcomes or ILO's Strategic Programme Framework)	n.a.
Other documents or relevant comments	n.a.