

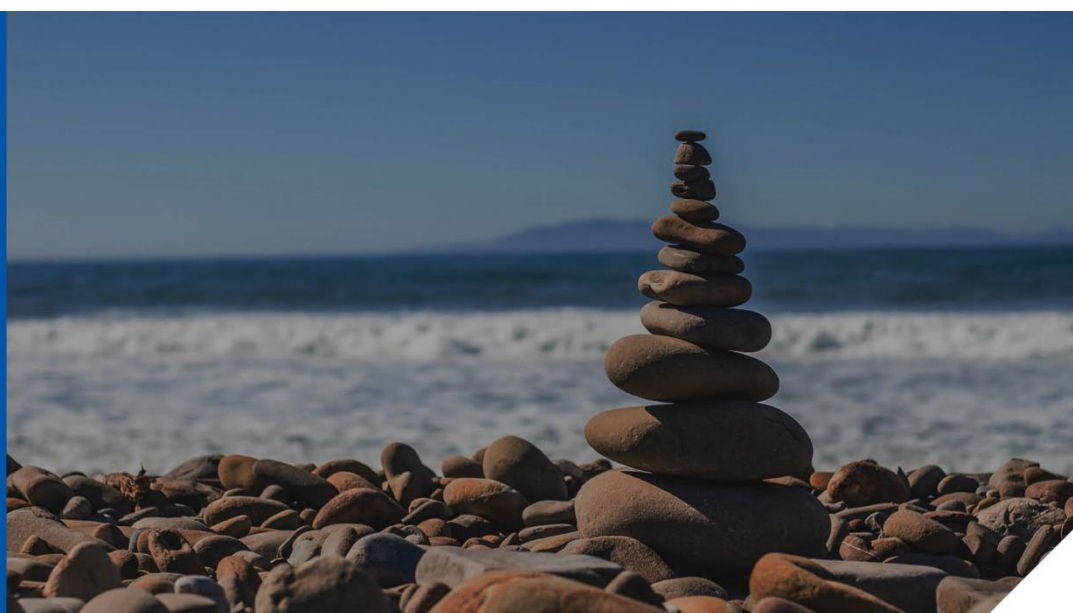


International
Labour
Organization

► Evaluation Office



i-eval Discovery



FINAL INDEPENDENT EVALUATION OF THE PROAGRO PROJECT (PROMOTION OF DECENT WORK IN AGRIBUSINESS) IN ETHIOPIA.

QUICK FACTS

Countries: *Ethiopia*

Evaluation date: *14 July 2025*

Evaluation type: *External*

Evaluation timing: *Final*

Administrative Office: *ILO Country Office in Addis Ababa*

Technical Office: *Employment Unit*

Evaluation manager: *Abderrahim El Moulal, Regional M&E Officer*

Evaluation consultant(s): *Dr. Edwin Ochieng Okul, PhD & Meaza Nega*

DC Symbol: *ETH/20/50/DEU*

Donor(s) & budget: *German/BMZ, US\$ 5,464,123*

Key Words: *Skills Development, Decent Work, Agribusiness, Enterprise, Public-Private Partnerships, Environmental Sustainability*

BACKGROUND & CONTEXT

Summary of the project purpose, logic and structure

The ProAgro Project was conceptualized with the overarching purpose of improving access to decent and sustainable employment in Ethiopia's agribusiness sector, particularly for young people and women. Anchored in the ILO's Decent Work Agenda and funded by BMZ, the project sought to respond to Ethiopia's structural employment challenges by targeting both systemic constraints and sector-specific barriers within agricultural value chains.

The project's intervention logic was structured around two mutually reinforcing outcomes. First, creating an enabling environment for sustainable and inclusive investment in agribusiness; and second, enhancing value chain performance and employment outcomes through targeted skills and enterprise development. These outcomes were pursued through a multi-dimensional strategy that aimed to transform how the agribusiness sector operates, by aligning skills systems with labour market needs, strengthening institutional capacity, promoting entrepreneurship, and fostering private sector investment. ProAgro's strategic structure was organized into four core areas: (1) promoting job-rich, sustainable agribusiness investments; (2) reforming skills governance and improving TVET-industry linkages; (3) supporting enterprise development through incubation and business development services; and (4) facilitating policy dialogue and social partnerships to improve sector governance. This structure allowed for flexibility, responsiveness to evolving conditions, and integration across public and private sectors.

The project was implemented in Addis Ababa, Amhara, and Sidama regions, chosen for their economic potential and alignment with government development priorities. Its management structure was led by the ILO Country Office in Addis Ababa, supported by technical departments at headquarters, and implemented in partnership with local authorities, training institutions, worker and employer organizations, and private enterprises. The governance approach emphasized multi-stakeholder collaboration, evidence-informed planning, and national ownership, ensuring that ProAgro not only created immediate employment opportunities but also contributed to lasting systemic change in Ethiopia's agro-processing sector.

Present situation of the project

The project has made substantial progress in promoting decent work and sustainable employment across Ethiopia's agribusiness sector, particularly in the regions of Addis Ababa, Amhara, and Sidama. These areas were strategically selected based on their agro-industrial potential and socio-economic relevance to national development goals.

Most planned activities have been executed, including institutional capacity building, public-private dialogue facilitation, skills training, and enterprise support targeting youth and women. The project has successfully rolled out reforms in TVET curricula, supported local entrepreneurship through incubation hubs, and strengthened coordination between public authorities, training institutions, and the private sector.

	However, implementation also faced external contextual challenges. The socio-political environment in Ethiopia has been marked by intermittent instability and economic stress, including inflation, youth unemployment, and regional conflicts. Despite these factors, ProAgro has maintained a strong presence through adaptive programming and robust stakeholder engagement.
Purpose, scope and clients of the evaluation	The purpose of this evaluation was to assess the relevance, effectiveness, efficiency, sustainability, and impact of the ProAgro Project in promoting decent work in Ethiopia's agribusiness sector. It covers the entire project implementation period (2020–2025) across Addis Ababa, Amhara, and Sidama regions. The scope includes reviewing achievements against objectives, assessing systemic changes, and identifying lessons for future programming. The primary clients of the evaluation are the International Labour Organization (ILO) and the German Federal Ministry for Economic Cooperation and Development (BMZ), with secondary users including implementing partners, local institutions, and national stakeholders engaged in employment and agribusiness development.
Methodology of evaluation	The evaluation employed a utilization-focused, mixed-methods approach to ensure a comprehensive, inclusive, and actionable assessment of the ProAgro Project. This approach was selected to accommodate the complexity of the intervention, which spanned multiple regions, institutions, and value chain actors. The rationale for using both qualitative and quantitative methods was to capture not only measurable outcomes (e.g., jobs created, training completion rates), but also the perceptions, experiences, and contextual factors influencing project effectiveness, sustainability, and relevance. Primary data collection involved a combination of key informant interviews (KIIs), focus group discussions (FGDs), and beneficiary surveys. KIIs were chosen to gain expert and institutional perspectives on design, implementation, and systemic change, particularly from project staff, government partners, and private sector actors. FGDs were conducted to gather collective reflections from youth, women, and farmer groups, facilitating deeper insights into behavior change, capacity development, and constraints. Secondary data sources included project monitoring reports, baseline studies, training manuals, and policy documents. These supported historical analysis and triangulation. Project documents provided quantifiable evidence on employment outcomes, satisfaction, and service access among direct beneficiaries. Limitations included access restrictions due to security in some areas, language barriers requiring translation, and occasional data gaps. These were mitigated through remote data collection, purposive sampling, and validation workshops to ensure data robustness and inclusivity.

MAIN FINDINGS & CONCLUSIONS

Relevance and Strategic Fit

The ProAgro Project was highly relevant to Ethiopia's national priorities, including employment creation, TVET reform, and agribusiness development. It aligned closely with the ILO's Decent Work Agenda and the development goals of the BMZ. The project addressed critical gaps in labour market participation for youth and women and was responsive to structural challenges in the agro-processing sector, particularly in Amhara and Sidama. Its timing coincided with Ethiopia's policy shifts toward industrialization and job-rich growth.

Coherence

The project demonstrated strong internal and external coherence. It integrated well with other ILO and development partner initiatives in Ethiopia, leveraging synergies with ongoing TVET, green economy, and employment programs. The project's multi-stakeholder approach ensured policy alignment and avoided duplication. Coordination among implementing partners (ILO, local institutions, government, and private sector) was effective, despite occasional operational fragmentation.

Effectiveness

ProAgro largely achieved its intended results. Over 2,400 people were trained in technical and entrepreneurial skills, and various stakeholders confirmed enhanced employability and enterprise productivity. Institutional capacities were strengthened through curriculum reforms, staff training, and social dialogue platforms. However, political instability and COVID-19 restrictions disrupted field operations in some locations. Whereas the ProAgro Project made remarkable strides in achieving its objectives, its effectiveness and sustainability were undermined by institutional gaps in skill alignment, labor relations, disability inclusion, and service continuity.

Outstanding Contributions

One of the project's standout contributions was its role in institutionalizing decent work principles within Ethiopia's agribusiness ecosystem. It introduced outcome-based planning, market systems thinking, and inclusive employment practices. It also contributed to evidence generation and national policy dialogues on youth employment and skills development.

Areas of Underperformance

The project underperformed in several critical areas that affected its overall effectiveness and sustainability. These include failure to meet apprenticeship employment targets, limited disability and vulnerable group inclusion, and weak institutional mechanisms to sustain Employment Services and Business Development Services beyond the project lifecycle. Persistent skill mismatches, insufficient post-placement support, and unresolved labor relations further undermined decent work outcomes, highlighting institutional gaps that must be addressed in future programming.

Efficiency

Despite challenges, the project demonstrated strong resource efficiency. Adaptive planning, use of local capacity, and consortium-based implementation helped maintain momentum. Remote working modalities mitigated delays, and financial management systems ensured cost-effectiveness.

Orientation to Impact

The project laid important foundations for long-term impact, particularly through its systemic approach to value chain development and policy engagement. Outcome harvesting showed early signs of improved incomes, job placements, and business performance. However, scaling impact requires further investment in follow-up support and institutional uptake.

Sustainability

The sustainability outlook is positive, with key institutions adopting project tools and practices. Partnerships with public and private actors have been embedded, but long-term sustainability is contingent on continued government support, funding, and technical assistance.

Cross-Cutting Issues

Gender and youth inclusion were strongly emphasized, with tailored training, accessible learning models, and affirmative action in beneficiary selection. Environmental sustainability was promoted through green business models and climate-conscious TVET curricula. Disability inclusion was initiated but requires further deepening.

RECOMMENDATIONS, LESSONS LEARNED AND GOOD PRACTICES

Main findings & Conclusions

- The ProAgro project has been highly *relevant* to Ethiopia's development agenda and the ILO's strategic objectives, effectively targeting decent job creation in the agribusiness sector.
- The project demonstrated a *coherent* and integrated approach, successfully aligning with national priorities and complementing other development initiatives.
- It has been *effective* in achieving its intended results, particularly in strengthening institutional capacities, improving employability, and supporting enterprise development.
- *Efficiency* was notable, especially in adaptive management and resource utilization, despite external disruptions such as COVID-19 and regional instability.
- The project shows strong orientation to long-term *impact*, though sustaining systemic change will require further consolidation and scaling of interventions.

- *Sustainability* prospects are promising, especially where institutional ownership has been established, though some gains may be at risk without continued support.
- The project incorporated *cross-cutting issues* such as gender, youth, and environmental sustainability, though disability inclusion could be further strengthened.

Recommendations

1. **Mainstream Green Skilling and Eco-Inclusive Enterprise Support:** ILO and development partners should integrate green practices and environmental sustainability into future agribusiness, TVET, and enterprise development interventions.
2. **Expand and Institutionalize Sector Skills Bodies (SSBs):** The ILO and Ministry of Labour and Skills should expand similar models into other agribusiness sub-sectors and regions, ensuring sustained coordination between employers, training institutions, and government actors.
3. **Strengthen National Responsibility for Employment Data and System Ownership:** As these systems mature, responsibility should transition to national institutions for sustainability and long-term ownership.
4. **Replicate and Scale Up Kaizen-Based Workplace Improvement Models:** The ILO and Ministry of Industry should support the integration of Kaizen principles across more SMEs and industrial clusters.
5. **Deepen Engagement of Trade Unions in Value Chain Development:** The Trade Union Federations and Employers' Associations should ensure stronger participation of workers' organizations in sectoral platforms and skills councils.
6. **Enhance the Sustainability of Business Development Services (BDS):** The ILO should work with the Regional Bureaus of Jobs and Skills to promote the financial and institutional sustainability of BDS providers.
7. **Develop an Exit and Transition Strategy for Local Ownership:** The ILO should develop a clear exit and transition strategy for local ownership to sustain project results post-funding.

Main lessons learned and good practices

Lessons Learned

1. *Early and contextualized engagement is critical:* Initial delays highlighted the need for prompt and locally-informed stakeholder engagement during project inception.
2. *Integrated approaches enhance employment outcomes:* Combining value chain development, skills training, and enterprise support proved more impactful than isolated interventions.



3. *Systemic change requires patience and consistent engagement*; Institutional reforms and mindset shifts take time and are best achieved through continuous collaboration and policy dialogue.
4. *Local ownership strengthens sustainability*; Engaging local partners and aligning with national strategies increased the likelihood of sustained results beyond the project's lifespan.
5. *Flexibility enhances resilience*; Adaptive planning and remote implementation allowed the project to navigate disruptions caused by COVID-19 and political instability.
6. *Strong partnerships with private sector actors improve market relevance*; Collaboration with businesses helped align training with labour market needs and improved job linkages.
7. *Outcome-oriented design improves focus and learning*; The use of outcome harvesting and results-based tools supported continuous reflection, learning, and course correction throughout the project cycle.

Good Practices

1. *Outcome-Based and Adaptive Programming*: The project effectively used outcome harvesting and iterative learning to adapt strategies in response to changing conditions and stakeholder feedback.
2. *Integrated Skills and Enterprise Development*: ProAgro successfully linked skills training with enterprise support, increasing the employability and productivity of beneficiaries.
3. *Strong Stakeholder Engagement and Ownership*: Engagement with government institutions, private sector actors, and social partners contributed to strong ownership and alignment with national policies.
4. *Leveraging Existing Local Structures*: The project worked through existing TVETs, business support services, and local government institutions to ensure sustainability and cost-efficiency.
5. *Promotion of Social Dialogue*: Encouraging collaboration between employers, workers, and institutions strengthened governance of the agribusiness sector and embedded decent work principles.
6. *Inclusivity in Design and Implementation*: The project prioritized gender and youth inclusion, ensuring that interventions were accessible and responsive to the needs of disadvantaged groups.
7. *Capacity Building for Systemic Change*: Emphasis on building institutional capacity (e.g., training of trainers, curriculum revision, business coaching) led to broader and more durable results.

