



Evaluation Summaries

ILO/BDS Zambia: Developing Business Service Markets for Micro and Small Enterprises in Zambia Final Independent Evaluation

Quick Facts

Countries: Zambia

Final Evaluation: August 2008

Mode of Evaluation: Independent

Technical Area: Business Development

Evaluation Management: International Labour Office and the Swedish International Development Agency in Lusaka

Evaluation Team: Simon White, Trevor Simumba and Juliet Munro

Project Start: 25 May 2008

Project End: 7 June 2008

Project Code: ZAM-03-MO2-SID

Donor: Swedish International Development Agency

Keywords: Small enterprise development, business services

Background & Context

Summary of the project purpose, logic and structure

The evaluation summary presents the findings of an end-of-project evaluation of the Business Development Services (BDS) Zambia project. Funded by the Swedish International Development Agency this project began its first phase in 2003 and represented one of a new breed of enterprise development projects of its time through its focus on the development of business service markets. Across the international development community, greater importance has been assigned to the markets in which businesses obtain the services

they require. Development agents and the projects they fund were encouraged to consider more systemic responses to the problems small enterprises faced and to address the difficult challenges of ensuring sustainability and increasing impact.

BDS Zambia worked with print, radio and Internet media providers to deliver information that was useful and relevant to micro and small enterprises in Zambia. The ILO oversaw the implementation of the project and sought to ensure the critical elements of the Decent Work agenda were addressed in the project – these elements were later encapsulated in the Decent Work Country Programme for Zambia.

The aim of the evaluation was to assess the intermediate outcomes and impact of the first phase of the project, to evaluate the extent to which outputs for the second phase have been achieved, and to determine whether the initial activities and outputs have been beneficial to the target group. The evaluation sought to ascertain whether the original project strategy, institutional framework and assumptions remain valid. The evaluation also sought to provide the ILO, its social partners and Sida with the feedback and information needed to assess and possibly rework policies, strategies, data collection methods, institutional arrangements, and resources to support the development of agriculture in Zambia. Where possible, the evaluation would provide information on intermediate results, best practices, opportunities for replication, and potential for improving coordination with other projects in Zambia and elsewhere in the world.

Methodology of evaluation

The evaluation centred on a two-week mission conducted by Simon White (international

consultant) and Trevor Simumba (national consultant) from 25 May to 7 June 2008. Prior to the field mission the evaluation team reviewed all the relevant documents on the project. Juliet Munro (national consultant) was an author of the mid-term review of the first phase of the project and assisted with a review of literature on private sector development in Zambia and commented on the first draft evaluation report. During the mission, the consultants interviewed a wide range of stakeholders and informants in Lusaka as well as in the regions. At the conclusion of the field mission, Simon White and Trevor Simumba met with the project staff and discussed their findings. The first draft report was submitted on 14 July 2008. The ILO finalised their comments on the draft on 20 August 2008. The final report was submitted seven days later. While the second phase of the project was due to conclude in July 2008, Sida granted the ILO's request for a no-funds extension to the end of 2008 to complete a number of outputs and to focus on distilling lessons learned.

Main Findings & Conclusions

The evaluation team holds a generally positive view on the performance of the BDS Zambia project. Over the last five years the project has partnered with a wide range of actors in the media and ICT sector and various sub-sectors. It has piloted a number of new products and services in the BDS information arena and has contributed to a much better understanding of the value chains found in the dairy and jatropa sub-sectors. The project has highlighted the importance of engaging private, non-state BDS providers in MSE development and has tested and proven some of the ways this can be done. In addition, the project has emphasised the issues faced by the many thousands of HIV Positive people who own and manage MSEs.

Furthermore, the BDS Zambia project has contributed to the development of media and ICT based products and services that will continue to benefit MSEs beyond the life of the project. It has enhanced that capability of various media and ICT providers to assess MSE needs and respond to these through programmes, articles and other forms of information services. It has also contributed to boosting the advertising revenues of these media and ICT providers, which help these

providers, treat the MSE sector as a market, rather than a passive recipient of information.

A major shortcoming identified within the project was the lack of monitoring and evaluation systems. While efforts were made to establish a system, these were not successful and the project suffered accordingly. The project was also weak in collecting and compiling baseline statistics for monitoring change and measuring impact. While these weaknesses were identified in 2007 mid-term review, it is not apparent that they were addressed sufficiently in the closing stages of the first phase or at any point in the second phase.

Along the way, there have been a number of important lessons learned by the BDS Zambia project. Some of these are lessons that come from trying to establish BDS information using media and ICT; some are lessons from working in agricultural value chains and with agricultural industry groups and farmers associations; and some are lessons from running a project that focuses on all these issues.

Recommendations & Lessons Learned

Main recommendations and follow-up

BDS Zambia has produced a substantial body of experience from which international development and donor agencies, and business development practitioners can learn. The project has been successful in producing new business related information services through a range of media outlets operating in different settings. It has also shown the potential of a value chain approach to assessing MSE development issues. The process of planning and implementing these activities has also produced lessons from which others can learn. Chapter 6 contains a substantial, but non-exhaustive, listing of lessons learned.

There are two kinds of recommendations presented. First are recommendations for last few months of the BDS Zambia project. Second are recommendations for the project promoters.

Recommendations for the BDS Project:

- *Identify and document lessons learned:*

It is recommended that the BDS Zambia project undertake a process of reviewing its activities of the last five years in order to identify key lessons and best practices in the development of business-related media and ICT services.

- *Agriculture sub-sector strategic planning:*

It is recommended that the BDS Zambia project convene two workshops on the development of business related information services in agriculture to focus specifically on strategies for enhancing market information to MSEs in the two sub-sectors.

- *National workshop*

It is recommended that the BDS Zambia project convene a workshop with key PSD actors in Zambia to report on the lessons learned. Recommendations for project sponsors:

- *Monitoring, evaluation and impact measurement*

It is recommended that projects of this kind are designed with a clear logical framework that can be used to inform the formulation of a system for monitoring, evaluating and measuring the impact of the project. Such a system should be based on an assessment of the major priorities facing MSEs, agreed to by the major stakeholders in the field.

- *Embedding interventions among local stakeholders*

It is recommended that projects of this kind contain a set of interventions that are located within one or more existing organisations (i.e., private, public, community based or business membership organisation), rather than as an autonomous project.

- *Institutional assessment of key actors:*

It is recommended that projects of this kind are based on a sound assessment of the institutional framework for MSE development, including the roles and capacities of private, public and community-based agencies.

- *Value chain analysis and interventions:*

It is recommended that projects of this kind adopt a value chain perspective on the development of BDS markets, which includes the role of business-related information requirements along the value chain.

- *Knowledge management:*

It is recommended that projects of this kind ensure they have meaningful and effective mechanisms in place for the generation, management and distribution of knowledge.

- *Engaging social partners:*

It is recommended that the ILO continue to engage its social partners in market-driven BDS

projects as a part of its pursuit of the Decent Work agenda. This requires a commitment to raising awareness and training worker and employer representatives on this topic.

- *Sida's sectoral strategies:*

It is recommended that Sida continue to explore the role of market-driven BDS in its work in the agriculture, energy and health sectors. Specific interventions should be designed to follow-up the work of BDS Zambia in the jatropha and dairy sub-sectors.

- *Greater attention on HIV/AIDS:*

It is recommended that greater attention is given to addressing the impact HIV/AIDS has on the MSE sector through mainstream and specialist service interventions.

- *Greater attention on the impact of gender of MSE development:*

It is recommended that greater attention be given to the influence of gender on the development capacities of MSEs and that specific attention is given to the design of information products that raise awareness of gender bias and provide strategies for dealing with this bias.

- *MSE development services in Zambia:*

It is recommended that continued attention be given to supporting non-state actors in the development of market-based approaches to BDS for the MSE sector in Zambia.