



# Evaluation Summaries

## *Projet Croissance économique pro-pauvres*

### Operationalizing Pro Poor Growth - Component I: Building a common policy understanding (Madagascar)

#### Quick Facts

**Country:** Madagascar

**Final Evaluation:** November 2008

**Mode of Evaluation:** independent

**Technical Area:** Employment

**Evaluation Management:** EMP/INVEST

**Evaluation Team:** Agnès Deshormes (team leader), Mamy Ratolojanahari, Kaj Thorndahl

**Project Start:** March 2006

**Project End:** December 2008

**Project Code:** RAF/05/62/SID RAF/05/63/SID, RAF/05/64/SID

**Donor:** Sweden

**Keywords:** *Poverty alleviation, economic growth, road transport, labour intensive employment*

#### Background & Context

##### **Summary of the project purpose, logic and structure**

The project overall goal was to promote the integration of employment in national policies for economic growth and poverty reduction. Project immediate objectives were organised in two levels. At the national level, the objective was to build a common strategic vision and to develop action tools to support the implementation of the National Employment Policy (NPE) (component 1). At the local level, the project aimed at promoting decent job creation by developing professional training, supporting micro and small enterprises (component 2) and using labour-

intensive approaches for the construction of rural roads and of a few socio-economic facilities (component 3). The project targeted vulnerable groups and microenterprises of two in two rural communes in the region of Vakinankaratra and in the region capital, Antsirabe. The project was designed for one year duration.

The project document did not describe any common strategy to orient the project as a whole or to develop synergies between the various components. These were designed as three self-standing projects and the rationale for including them under one single project umbrella is unclear. Implementation arrangements were very skimpy and no national institution was to be involved in project execution.

##### **Present situation of project**

Through several additional contributions, project duration was extended by one year – outputs for components 1 and 2 remained the same but they were considerably extended for component 3 (roads). Component 1 at the national level completed its activities. Component 2 and 3 will end in December.

##### **Purpose, scope and clients of the evaluation**

The evaluation was jointly decided by SIDA and the ILO, with a view to assess to what extent project objectives and expected outputs were met, to identify lessons learnt and to make recommendations for the future. It was piloted by EMP/INVEST.

##### **Methodology of evaluation**

A preliminary desk review of available project documentation resulted in a draft report outline identifying the issues to be reviewed by the mission for five main evaluation criteria, in accordance with OECD/DAC Evaluation Quality Standards and with ILO Quality Checklist for Evaluation Reports, i.e. relevance, strategic fit and validity of project design; project effectiveness; adequacy and efficiency of the resource use; project effects and likelihood to have longer term impact; and sustainability. The field part of the mission included interviews with project stakeholders and relevant national and regional officials in

Antananarivo, Antsirabe and the target communes. The mission presented its preliminary conclusions and recommendations at a final wrap-up meeting organised by the Ministry of Public Function, Work and Social Laws. Data sources included project documentation, relevant national policy documents and studies on employment. Project financial data was not available as financial management remained ILO HQ's responsibility throughout project implementation and related data was not made available locally.

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## Main Findings & Conclusions

Project design was aligned with national priorities, as well as ILO's and SIDA's. Several weaknesses in project design however affected project outcomes and sustainability, including a lack of national ownership in the design process; the absence of a clear strategy to steer project implementation and develop synergies between the components; the absence of a unified management structure and the lack of a national implementing agency.

Component 1 supported the preparation and validation of NPSE. Studies carried out by the project and shared with national stakeholders demonstrated the use of employment-intensive methods in infrastructure building had very positive impacts not only on job creation but also on macro-economic variables such as economic growth rate, household consumption, public revenue and public deficit.

Using ILO's TREE approach, component 2 provided professional training linked to three different value chains that had potential in the target communes – textiles, vegetable production and stone quarrying. It also initiated a network of public and private organisations that would offer information and advice on professional orientation and employment and trained future trainers in that respect. Component 3 supported the rehabilitation of 66 km of roads providing access to the target communes and built 3 social buildings.

Project cost efficiency is hard to measure because financial information remained with ILO Headquarters and was never made available to the government. The lack of a unified management structure aggravated the lack of a global strategy in project design, causing components to be implemented as stand-alone projects. The absence of a national implementing agency, compounded with the lack of a project knowledge management system to share project outcomes contributed to limited national ownership for components 2 and 3.

Most of the activities carried out under component 1 had positive effects in the employment sector: project support to NPSE formulation resulted in the adoption of the Programme by the parliament and was reflected in major national development policies; studies contributed to designing a coherent and comprehensive conceptual framework to generate increased decent employment through public investment programmes; and the expertise provided by ILO contributed to creating MOEP, which is now getting organised and starts developing its activities with support from UNDP.

Both components 2 and 3 generated employment for the poorer segments of the target population. Such contribution however remained minimal: component 2 may result in gainful employment for around 150 people,

while component 3 created around 45,000 workdays through the use of local labour in road and building construction. Roads rehabilitated under component 3 gave access to villages in fertile valleys that have a potential for agricultural production, but their impact remains too limited to justify the investment.

With regard to component 1, the most sustainable outcome was the National Programme to Support Employment (NPSE), which was integrated into the Madagascar Action Plan, now reflecting employment as one of its priority sectors, and into other sector programmes. It now remains to be implemented, for which additional methodological support would probably be needed. The set of studies offers good potential to facilitate the inclusion of

employment in sector policies and public investment planning. This would require setting up a dedicated policy unit, for which there is a very favourable context. For component 2, economic activities at community level will be sustainable if beneficiaries continue to find them interesting and profitable. They are however presently dependent on one or two buyers, which puts their activities at risk. For component 3, capacity-building within the communes and the communities has given them the technical capacity to undertake routine maintenance for both roads and buildings and communes are contractually committed to cover routine maintenance and management costs.

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## Recommendations & Lessons Learned

### Main recommendations and follow-up

The main recommendation is to create an Employment Investment Unit, whose mission would be to facilitate the creation of decent employment through public investment programmes, by helping public administrations to select employment-intensive investments and to monitor their outcomes. The mission recommends that ILO mobilise financing as soon as possible for a project in support to setting up EIU, modalities of operation, methodologies and tools. The project should be formulated along a participatory process to ensure national ownership of the new unit.

Other recommendations include:  
(i) implementing NPSE by establishing

priorities within the current list of objectives, identifying appropriate methodologies, related activities, success indicators, resources needed and timeframes; (ii) supporting quick installation of the Malagasy Office for Employment Promotion and equipping it with the tools needed to make it a reference institution in the provision of information and guidance on employment and on professional training; (iii) taking stock of the experience gathered in component 2 by preparing a well-documented, easy to grasp document, explaining the process, drawing lessons learnt and making recommendations as to how and under what conditions the operation should be prolonged or expanded.

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### Important lessons learned

The main lessons learned can be summarised as follows: (i) national ownership is a necessary condition to bring about institutional change and to contribute to policy development; (ii) piloting new approaches requires that they be tested at a sufficiently significant scale to demonstrate that they can be replicated at a larger scale, and that they be documented through a knowledge manage-

ment system to contribute to national policy making; and (iii) studies, training activities or workshops are not sufficient to bring about institutional changes. They need integration with a global strategy with clear objectives, coupled with a well-defined support package. These all need to be backed up by a strong knowledge management system which was not adequate in the case of this project.

