



# Evaluation Summary



International  
Labour  
Office

Evaluation  
Office

## ***Social Economy Policy Project – Midterm evaluation***

### Quick Facts

**Countries:** South Africa  
**Mid-Term:** April-July 2019  
**Evaluation Mode:** Internal  
**Administrative Office:** DWT/CO-Pretoria  
**Technical Office:** COOP ENTERPRISES  
**Evaluation Manager:** Kerry Krige, Ms.  
**Evaluation Consultant(s):** Redha Ameer, M  
**Project Code:** ZAF1601MFLA  
**Donor(s) & Budget:** Government of Flanders,  
(US\$ 1.324.367)  
**Keywords:** Social Economy, Cooperatives,  
South Africa

### Background & Context

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

*The International Labour Organization (ILO) is supporting the Economic Development Department (EDD) on developing a policy that will enable the ecosystem for the social economy, allowing it to thrive. The goals identified for the project include achieving*

- i. Increased employment in the social economy;*

- ii. Efficient and effective value chains within the social economy;*
- i. Policy choices informed by knowledge, research and available evidence. The immediate objective is to formulate a social economy policy framework for South Africa.*

*The expected key results are:*

- i. Institutional mechanisms to drive and guide the social economy work;*
- ii. Policy choices informed by knowledge, research and available evidence;*
- iii. Strategic support on the implementation of practical interventions that create impact.*

*The project is targeting South Africa. The project management structure is multi-level*

- i. inter-Governmental advisory committee,*
- ii. a Project Steering Committee;*
- iii. an Expert Reference Panel, and*
- iv. a project management unit.*

#### **Present Situation of the Project**

*The project is at mid-term, it achieved some significant research and consultation and developed a draft Social Economy Policy which is now subject to provincial consultations. The national context is influenced by national election won in May 2019 by the African National Congress and its President Cyril*

Ramaphosa. The newly elected government is finalizing its expected National Development Plan.

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

The evaluation objectives are:

- i. Assess the implementation of the project so far;
- ii. Analyse the implementation strategies of the project;
- iii. Review the institutional set-up, capacity for project implementation,
- iv. Review the strategies for sustainability of the project,
- v. Identify the contributions of the project to the SDGs,
- vi. Identify lessons and potential good practices for the different key stakeholders,
- vii. Provide strategic recommendations.

The scope of the evaluation covers the project from the start date in June 2017 to February 2019. The scope of the evaluation in terms of the operational area is South Africa.

The key clients of the evaluation are:

- i. The Department of Economic Development and other government departments (eg: Department of Environmental Affairs, National Treasury, Public Works, etc),
- ii. The donor, the Government of Flanders,
- iii. Partners including the Industrial Development Corporation, Academia, Business Development Support providers, and practitioners working in / with the social economy

### **Methodology of evaluation**

The methodology is structured on three levels;

- i. a desk review,

- ii. data collection through survey, interviews and Webinar
- iii. A stakeholder workshop. The webinar was added to allow more participation from provinces other than Gauteng.

### **Main Findings & Conclusions**

**Alignment:** the project is aligned to the existing National Development Plan (NDP) as well as to the New Growth Path, which names the social economy as a recognised as a jobs driver. The Social Economy was also named in the [State of the Nation Address \(SONA\) \(2019\)](#) of President Ramaphosa who stated that: "Government will also ensure that young people are employed in social economy jobs such as early childhood development and health care."

The evaluation substantiates that the project is aligned, with 91% of respondents reporting positively against this indicator. This illustrates the role that Social Economy plays/can play in delivering on the National Development Plan.

### **Overall assessment**

The project intervention is highly appreciated, and is assisting the country to move ahead with developing and enabling the Social Economy in South Africa. It is also clear, from the evaluation that the attempts by the team to take an inclusive approach to consultation is valued by respondents, but it is a recommendation of this report that work must continue to ensure voices are heard outside of the urban centres.

**Effectiveness:** 61% of the participants consider that the objectives of the project are realistic, and can be realised. Majority of the participants (84%) consider that all project objectives either are on track or slightly delayed. The below list summarises respondents' rankings of the key results achieved by the project team to date:

- i. a green paper (32%),
- ii. an eco-system around Social Economy (31%) and;
- iii. Studies and research (17%)

*Efficiency:* For 53% of the participants, the project has the appropriate technical and financial resources and for 63% of respondents the project is making strategic use of those resources. However, 21% gave negative feedback, largely linked to the 1<sup>st</sup> year of implementation which the implementing partners acknowledge was slow. At the operational level, around 30% of respondents suggested a review of the available technical resources to optimise implementation (targeting the project team and the stakeholder's forum) to benefit the project implementation and to come to an agreed division of labour.

*Orientation to impact:* For 71% of the participants, the project is likely to generate long-term impact, a strong response which reinforces findings under the alignment analysis.

Comments were formulated on the way forward, which included expanding the diversity of stakeholders reached, and then encouraging greater involvement from stakeholders (eg: Parliament, private sector, etc...). Eleven percent of participants considered the draft Green Paper to be too vague, trying to please everybody and needed to be reviewed.

*Sustainability:* 88% of the participants indicated that either the project did not have a phase out strategy or they were not aware of it. This flags a lack of awareness on the project structure, mechanisms and deliverables, which can be strengthened through a number of mechanisms e.g.: having more stakeholders involved and then informed on the project phases and Implementation strategies.

## Recommendations

### Main recommendations and follow-up

- R1: The Project will want to commit to delivering an inclusive communications strategy, that focuses on reaching stakeholders outside of the urban centres, and which pays attention to the right holder's involvement. The leading role of local Government at provincial level on-ward need also to be clarified and agreed upon.
- R2: A human rights-based approach to the project could help the project and stakeholders ensure sufficient attention and space is given to the rights owners, such as social entrepreneurs, with a specific attention to the most vulnerable groups for example. The project could consider identifying who should the social economy benefit? Once done, the project could ensure their appropriate representation at all levels of the Policy formulation and implementation.
- R3: A phase out strategy, that is based on building political support and goodwill so that there is continuation after the project ends, is a recommendation to be looked at by the stakeholders, the steering committee and the project unit.
- R4: The project may benefit from the support of a gender and / non-discrimination specialist to review the Project work plan and support the policy document to be gender sensitive.

