

# Independent Evaluation Report

## IRAQ

### Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas of Northern IRAQ (MISP II)

FB/IRQ/06/002 (UNIDO Project Number)  
OSRO/IRQ/602/UDG (FAO Project Number)



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



Food and Agriculture Organization  
of the United Nations



UNIDO EVALUATION GROUP

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This document has not been formally edited.

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# MAP OF PROJECT AREA

PROJECT AREA: Erbil and Sulaymaniyah governorates



## Abbreviations and acronyms

CTA	Chief Technical Advisor
EDIP	Enterprise Development and Investment Promotion Project (UNIDO)
FAO	Food and Agriculture Organization of the United Nations
ID	Iraqi Dinar
IDP	Internally Displaced Person
GOI	Government of Iraq
KRG	Kurdistan Regional Government
MDG	Millennium Development Goals
MOI	Ministry of Industry
MSSE	Micro- and Small-Scale Enterprise
MOA	Ministry of Agriculture
MOE	Ministry of Education
MOC	Ministry of Culture
MOLSA	Ministry of Labour and Social Affairs
NDS	National Development Strategy
NPC	National Project Coordinator
PG	Production Group
PMU	Project Management Unit
PSC	Project Steering Committee
TOB	Training of Beneficiaries, but also in the project, and therefore in this report, used as abbreviation for “Trained Beneficiaries”
TOR	Terms of Reference
TOT	Training of Trainers, but also in the project, and therefore in this report, used as abbreviation for “Trained Trainers”
UNAMI	United Nations Assistance Mission for Iraq
TWG	Technical Working Group
UNEP	United Nation Environment Programme
UNDG	United Nations Development Group
UNDG-ITF	United Nations Development Group – Iraq Trust Fund
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
VTC	Vocational Training Centre



## Glossary of evaluation related terms

Term	Definition
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change due directly or indirectly to an intervention.
Effectiveness	The extent to which the development objectives of an intervention were or are expected to be achieved.
Efficiency	A measure of how economically inputs (through activities) are converted into outputs.
Impact	Positive and negative, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factors that provide a means to measure the changes caused by an intervention.
Intervention	An external action to assist a national effort to achieve specific development goals.
Lessons learned	Generalizations based on evaluation experiences that abstract from specific to broader circumstances.
Log frame (logical framework approach)	Management tool used to guide the planning, implementation and evaluation of an intervention. System based on MBO (management by objectives) also called RBM (results based management) principles.
Outcomes	The achieved or likely effects of an intervention's outputs.
Outputs	The products in terms of physical and human capacities that result from an intervention.
Relevance	The extent to which the objectives of an intervention are consistent with the requirements of the end-users, government and donor's policies.
Risks	Factors, normally outside the scope of an intervention, which may affect the achievement of an intervention's objectives.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed.
Target groups	The specific individuals or organizations for whose benefit an intervention is undertaken.



# Executive Summary

This independent end-of-project evaluation was implemented through meetings with UNIDO and FAO staff in Vienna and Amman, two field visits and two questionnaire surveys among trainers and beneficiaries. The evaluation was conducted by HAP Consultants, hereafter referred to as “the evaluator”.

## **The project under evaluation**

The UNIDO/FAO project “Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas of Northern Iraq” (MISP II) funded by the Iraq Trust Fund (UNDG-ITF) aimed at initiating sustainable income generation through increased employment and self-employment among small farmers in rural areas of the Erbil and Sulaymaniyah Governorates.

MISP II is a replication of MISP I in the Thi-Qar Governorate of Southern Iraq. The main instruments of the MISP approach are: Training of Trainers (TOTs) in technical and business training; Training of selected Beneficiaries (TOBs) by these trainers; distribution of toolkits to the successful trainees that would allow them to use their newly acquired skills for income generation, either employed or self-employed.

MISP II started in May 2006 for a planned duration of 18 months with the Ministry of Industry (MOI) as the main counterpart. However, for a number of reasons, the project was delayed and the original completion date of November 2007 became the effective starting date. The project was extended three times and closed on 31 July 2009.

## **The VTC component**

The core of the initial project strategy was the creation of a central Vocational Training Centre (VTC) as a location for TOT and TOB. The project planning was based on the assumption that MOI would make available the necessary premises. However, contrary to this assumption, the Ministry decided to use these premises for other purposes.

In early 2008 the project steering committee abandoned the idea of a central VTC and decided to use existing training providers instead. At the same time, it was decided to involve also other Ministries (Labor; Education and Culture) and their extension services for project implementation.

This decision for a decentralized training strategy was implemented by selecting 18 existing training organizations located throughout the intervention area (see table 2, page 10). Fifteen of these training providers received equipment from the project for an approximate total amount of USD 660,000.

The decentralized training strategy was successful in different respects. Training venues came closer to the target beneficiaries. The curricula were developed in cooperation with the experienced training providers who complemented their existing training materials with those from UNIDO and FAO. The project involved the training providers in the selection of TOBs and used trainers from these organizations together with project-trained TOTs for delivering TOB training. The necessary training equipment was installed on time and is being regularly used in the training courses.

The training providers recognize that the content, methodologies and training materials are often superior to their own and have expressed an interest in adopting the same standard for their own training programmes.

### **Selection and training of trainers**

The project trained 63 trainers. Most of these TOTs took place outside Iraq, either in other Arab countries or in Europe. In the food sector 34 trainers were selected by the MOA and approved by an inter-ministerial committee. Most of these trainers belonged to MOA extension services and had experience in delivering agro-related training.

The situation was less favorable in the non-food sector. There, the selection of the 10 trainers nominated by MOI lacked transparency and most of these candidates had only limited or no training experience. The remaining 19 non-food trainers were trained by the project after abandoning the centralized VTC model. They are all professional trainers employed at training centres of MOLSA, MOE and MOC.

Most of the trainers found that the training they had received was adequate as a basis for delivering training to the beneficiaries. However, 50 per cent of them would have preferred longer, more advanced and more comprehensive training programmes.

### **Selection and training of beneficiaries**

The project trained 2150 beneficiaries. Most of these TOBs took place at the 18 local training organizations which the project supported with delivery of equipment and material.

The multi-dimensional selection criteria for TOBs are related to vulnerability at the one hand and to education and experience at the other. These selection criteria were already laid down in the project document and confirmed by the steering committee and were applied in an objective and transparent manner.

All TOB survey respondents were satisfied with the courses although 27 per cent of them would have preferred a more comprehensive training. Uneven levels of education and knowledge among the participants were mentioned as a problem.

The close proximity of training centres to the target groups was particularly important for the female TOBs and one of the reasons for the high participation rates for female TOBs.

Post-training mentoring was a core component of the project and almost all participants had been visited and supported by their trainers.

### **Distribution of toolkits**

Upon successful completion of the training courses, 1,790 toolkits were granted to 2,510 TOBs. The average cost of a toolkit is USD 400, resulting in a total cost of about USD 716,000. Overall, the toolkit component seems to be recognized as a very important feature of the project. 97 per cent of those who had received toolkits declared that the toolkits were adequate for their current or intended profession and 61 per cent stated that the toolkit was important for gaining employment or self-employment. However, this perception is in contrast with the findings of the evaluators from their visits to TOB premises. Most of the toolkit recipients still used their old tools, which they apparently considered more appropriate. Only the sewing ladies (4 of the 17 TOBs visited) made use of the donated equipment. It appears that composition of the toolkits was not sufficiently needs-oriented and should have been more tailor-made.

### **The “Production Groups”**

The project supported or created 15 “Production Groups” (PGs). These PGs have four main purposes: (1) to undertake production and services that are in demand but unavailable or scarce; (2) to create employment and income for a larger number of employees; (3) to be available for on-site training of TOBs; (4) to constitute a model for other enterprises.

The selection of the PGs was well prepared and based on a detailed methodological approach. The selection criteria were adequate and the selection process has been well documented and fair.

The project invested about USD 380,000 in civil works and refurbishment of the PGs premises including their equipment, thus on average USD 25,000 per PG.

The evaluator visited all 15 PG workshops and found them clean, in good order and well equipped with modern and good quality tools and machinery, with a trained leader and staff. However, the project outcome and impact at PG level remain to be seen because, at the time of evaluation, all PGs had only just been completed.

### **Project relevance**

The project was found to be highly relevant to the national and international programmes in Iraq and to the mandates of UNIDO and FAO. It addresses the National Development Strategy (NDS) of the Government of Iraq (GOI) and the assistance strategy of the United Nations Development Group (UNDG) for employment creation, sustainable food production, and income improvement for vulnerable groups in rural and urban areas of Iraq.

### **Project ownership**

Project ownership of the MOA is high at all levels. By contrast, project ownership of the MOI is rather weak. Ownership of the training providers is generally high. As a result of their cooperation with the project, these training providers strengthened their capacity for continuous TOB training and mentoring. Provided the line ministries make available a moderate budget support, the training providers declared themselves ready to undertake the task of intensifying the technical and vocational skills base of the vulnerable, unemployed and at-risk groups in the Kurdistan Regional Government (KRG).

The TOTs demonstrated ownership by their commitment to assist the TOBs in post-training technical and business management follow-up, as well as in supporting micro-enterprise development for project trained TOBs.

### **Project efficiency**

Between June 2006 and January 2008 the efficiency of the project was low. However, these problems were caused by unforeseeable Government decisions. This situation changed radically once the Steering Committee had redefined the project strategy and, from March 2008 onwards, implementation of the project became quite efficient. All project outputs were produced in accordance with the revised planning.

However, the efficiency of the TOT training component could be questioned because, considering the number and duration of the TOB courses and participants, the number of TOTs appears to be disproportionate. Another point of concern is the limited use of the toolkits. The standardized composition of these

toolkits is not entirely needs-driven and may have had negative consequences on efficiency.

All parties raised concerns with regard to the efficiency of collaboration between UNIDO and FAO. Project managers as well as MOA and MOI were skeptical about bringing food and non-food activities under the same project. They felt that the diverse mandates of UN organizations, areas of competency, planning perceptions and organizational cultures of the involved organizations had a negative influence on project efficiency.

Similar considerations also apply to the cooperation between MOA and MOI. Views in both Ministries seem to converge that their collaboration in this particular area may be discontinued after project completion.

### **Project effectiveness and impact**

Of the trained beneficiaries, 1,707 were women, 803 men and 741 were youth. These figures were almost identical with the expectations in the project document. The main project outcome of the training has been that a majority of the 61.3 per cent unemployed before training had become employed or self-employed at the time of evaluation. The employment status before training and at the time of evaluation is shown below:

	Status of employment before training (percentage)	Status of employment at the time of evaluation (percentage)
Employed	6.5	20.0
Self-Employed	32.2	68.4
Unemployed	61.3	11.6

Of the trainees and the households, a corresponding 85 and 89 per cent confirmed that their income had improved. The combination of better skills and increased income means that vulnerability and living conditions have improved.

With regard to employment created by the 68 per cent of self-employed TOBs, the survey indicates that, on average, 1.94 employees were self-employed. Thus, for the total of 1,717 self-employed TOBs the generated employment amounts to 3,331 persons. According to the respondents, these positive changes flow directly from the project investments made in technical and skills upgrading and

training, the provision of locally relevant and appropriate toolkits, and the mentoring activities of TOTs and project staff.

The project reached out to about 2500 out of an estimated 200.000 vulnerable households in the target Governorates. The resulting project coverage of about one per cent may appear modest but the increased income of beneficiaries is expected to generate positive externalities in local economies, which could exceed the direct income benefits.

Some intangible impact occurred with regard to the new standards set by the training courses of the project and the improved capabilities of the TOTs, which suggest that in the short- to medium-term, the VTCs will generally benefit from the increased standards in training delivery and management.

While the capabilities of MOA and VTC staff have considerably improved through project interventions, the same is not necessarily the case with MOI. There, the only improved capabilities are the improved skills of the 10 TOTs, even if these were not properly utilized.

### **Project sustainability**

Under the assumption of a continuous positive economic development in the target regions, the probability of sustainable TOB activity is rather high, even without continuous access to TOT mentoring. Most non-food TOBs are in sectors/skills with high demand and limited or no competition from imports. However, for certain agricultural products cheap imports from neighboring countries are a challenge. It is expected that the Government will address this situation by protecting these markets through tariffs and anti-dumping duties.

Another important sustainability assumption is the expectation that MOLSA will employ the TOTs at its central VTC in Erbil. MOLSA's continuous commitment is therefore instrumental for the sustainability of the project.

The likelihood that the PGs will become sustainable is very high. For the VTCs and industrial schools the improved course standards are likely to be sustained but it is not clear whether they will be able to maintain their status as Centres of Excellence over time.



### **Recommendations for the follow-up of the ongoing project**

It is recommended that MOLSA becomes the main counterpart for the non-food part of the project. MOLSA should prepare plans and budgets for following-up on this part of the project and for continuation and replication of non-food project activities in Northern Iraq.

It is recommended that the MOLSA training centres in Erbil and Sulaymaniyah hire the non-food TOTs who are currently not employed by MOLSA, MOE, MOC or VTC. In the same way, all TOTs in the food sector should be employed at the MOA's main agricultural training centres in Erbil and Sulaymaniyah and one leader appointed for each of the two groups.

### **Recommendations for future projects**

It is recommended that, in future Micro-Industries Support Projects, UNIDO and FAO should pursue the decentralized TOB training model.

For future UNIDO Micro-Industry Support Programmes in Iraq, MOI should be replaced by MOLSA as the direct counterpart Ministry for training programmes.

UNIDO and FAO should consider executing future projects separately, with UNIDO and MOLSA collaborating on non-food training activities and FAO working with MOA on post-harvesting and other food related training initiatives.

For future projects, improvements in the selection process for TOTs are recommended. Detailed profiles, selection criteria, score tables and Terms of References (TORs) should be prepared for the TOT positions prior to TOT identification and selection. The TOT jobs should be publicly advertised and participation in the selection process should be open for all candidates with relevant skills and experience. Interviews should be conducted by experienced employment officers from the involved ministries.

TOT training programmes in the future should be more comprehensively structured. Course contents must be defined by relevant international experts. All subjects should be covered and the transferred knowledge and technologies should be state-of-the-art. Furthermore, it is recommended that the number of trained TOTs matches the demand for TOB training and follow-up, and training of trainers.

It is also recommended that future projects adopt the multi-dimensional selection criteria developed under the project covering both vulnerability and competence aspects. It is unlikely that TOBs without the necessary educational and professional background will be able to successfully absorb the training.

Future projects should offer courses at two or even three levels to compensate for the variable educational and professional background of the TOBs. TOB candidates should be stratified depending on their levels of competence.

Toolkit flexibility should be introduced so that the TOBs could choose - within a certain range - which toolkit 'package' would be the most appropriate for them. There could be, for instance, different kits for different uses, such as tools for basic production, tools for more sophisticated production and products, and tools for quality testing, packaging and labeling.

# I

## Introduction

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### Evaluation programme

This independent end-of-project evaluation has been carried out by HAP Consultants, Greve, Denmark, hereafter referred to as “the evaluator”. The contract for the evaluation assignment was signed 4 February 2009, whereupon collection and scrutinizing of all relevant project documents took place at the evaluator’s home office in Denmark. The TOR is attached as Annex A.

On the 2 and 3 March 2009 an introductory and clarification meeting was held at UNIDO HQs in Vienna, where the evaluator met with the UNIDO and FAO Project Managers, responsible officers from the evaluation offices of the two agencies and the project’s Chief Technical Adviser (CTA). The evaluation work plan and methodology were discussed and agreed upon.

On the 24 and 25 March 2009, the evaluator met with the CTA and his staff in Amman, Jordan to discuss the detailed evaluation programme and the sample methodology for the project beneficiary survey. A meeting was also held with the project responsible FAO officer in Amman.

During the period 26 March to 2 April 2009, the evaluator made his first visit to Kurdistan. During this stay he met the National Project Coordinator (NPC) and his team, the main project stakeholders, some project involved vocational training centres (VTC) and project trained trainers (TOT). In addition, he paid visits to a number of project target beneficiaries (TOB) and project supported production groups (PG).

Back in the office, the evaluator prepared the Evaluation Interim Report presenting the evaluation strategy and methodology and the TOT and TOB survey Questionnaires. The TOT survey would comprise of all 63 project trained trainers, while the TOB survey would be based on a stratified random sample of 155 of the 2,151 trained TOBs (at the time of evaluation).

The TOT and TOB surveys were carried out during the period 4th to 14th May in Erbil and Sulaymaniyah Governorates of Kurdistan.

During the two visits to the project area, the evaluator worked closely with the NPC and his team. He also met with:

- The Chairman of the Project Steering Committee (PSC) from Ministry of Industries (MOI)
- The PSC representative of Ministry of Agriculture (MOA)
- The Director of MOA Directorate in Sulaymaniyah
- The Director of MOA District Directorate in Koya
- Seven of the 18 VTC used by the project for TOB training
- The NPC of UNIDO Entrepreneurship Development Project

Visits were paid to 17 TOBs in two urban and six rural districts of the two project Governorates, and to 13 of 15 PGs supported under the project. Interviews were held with approximately 30 of the 63 TOTs, on top of the Questionnaire survey.

All meetings, visits and interviews were conducted with the view to judge the validity of the Questionnaire findings and to get an in-depth understanding of the project performance and the realities of the projects outcome and impact expectations.

## **Evaluation methodology**

### **Methodology of trainers (TOT) survey**

The project has recently completed an overall online survey of project TOT trainers. It means that all contact information for this group was available. Since the TOR of the evaluation requires a total survey of the TOT trainers no stratification and sampling have been undertaken. The survey was conducted through personal interviews, but a few were interviewed by telephone. The interviews took place at selected VTCs in the cities of Erbil and Sulaymaniyah. The Questionnaire used for the interview is attached as Annex 2.

### **Methodology of beneficiaries (TOB) survey**

The trainee survey was geographically confined to three districts, one urban and two rural, in each of the project Governorates. The selection criteria for districts to be covered by the survey were as follows:

- 1) Large number of people trained in the district
- 2) Maximum number of economic activity types represented
- 3) Total number of economic activity types to be represented

**Table 1: Number of trained beneficiaries**

<b>Erbil Governorate</b>	
Erbil Centre (urban)	701
Kweisengeq (rural)	115
Shaglawaw (rural)	370
<b>Total Erbil Governorate</b>	<b>1,186</b>
<b>Sulaymaniyah Governorate</b>	
Sulaymaniyah Centre (urban)	265
Dokan (rural)	74
Sharbazher (rural)	95
<b>Total Sulaymaniyah Governorate</b>	<b>434</b>
<b>Grand total</b>	<b>1,620</b>

Of the 1,620 TOBs 1,570 previously trained were additionally grouped for further training based on topics and 10 per cent were taken randomly from each training topic group. Thus the example resulted in 157 TOBs distributed over all training topics/fields.

Individual interviews were undertaken with each TOB at convenient locations in the six districts, where they were met in groups of 5-10 people. Visits were paid to 10 per cent of the people interviewed. The Questionnaire used for the interview is attached as Annex 2.

### **Overall project objectives and expected outputs**

For discussion on the project's Logical Framework and its revisions, reference is made to section 4.3. The description below reflects the Logical Framework version upon which the project was actually implemented.

#### **The development objective of the project is:**

“Economic recovery of North Iraq (Erbil and Sulaymaniyah Governorates) supported through training of individual members of vulnerable households with the view for them to be employed or to engage in viable food and non-food MSSE activities”

#### **The immediate objectives are:**

- 1) “Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing”

- 2) “The state of 2000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members (core project beneficiaries are: martyr families, women headed households/widows, low income villagers, IPDs, returnees and youth)”

**The expected outputs are:**

- 1) Relevant personnel from Ministries of Agriculture and Industries and selected VTCs trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities
- 2) 60 plus personnel from the MOA and MOI, selected VTCs, and other relevant agencies trained as trainers through the projects TOT programme
- 3) A minimum of 2,000 project beneficiaries trained in selected project technologies, business management, and marketing with a view to start their own business or to be employed
- 4) A minimum of 600 unemployed young men and women provided with skills, enabling them to obtain jobs and/or start up an economic activity
- 5) 16 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in; input sourcing, marketing and business management

**Project management, time frame and budget**

The project is implemented under joint responsibility of UNIDO and FAO. UNIDO is responsible for the non-food section of project activities and FAO for the food project. The Project Management Unit (PMU) with offices in Amman, Erbil and Sulaymaniyah implements the project. The office in Amman is headed by the project Chief Technical Adviser (CTA) and the local offices supervised by the National Project Coordinator (NPC).

The project implementation period was initially planned to be 18 months from 24 May 2006 to 24 November 2007. A series of project extensions were applied for and granted and the final project end dates became 31 July 2009. The project budget is 6.3 million USD, 5.8 million USD through UNDG-ITF and 0.5 million USD through the KRG Government (contribution in kind).

# II

## Socio-Economic Context

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Despite its considerable potential for growth the northern region of Iraq, covering Dohuk, Erbil, Sulaymaniyah and Kirkuk Governorates, contains some of the poorest areas in the country. Slow economic and social progress has left most of the region's population (more than 5 million) without access to basic services and sustainable incomes. It is estimated that 35 per cent of the households (about 300 000) in the region live under the vulnerability level, defined as household income of less than 400USD per month. Also, the number of internally displaced people (IDP) is high exceeding 20 per cent of the total population in some areas.

The majority of the population in the governorates of Erbil and Sulaymaniyah, (according to statistics in 2008), 1.6 million in Erbil and 1.9 million in Sulaymaniyah, are situated in rural areas (approximately 60 per cent). They are mainly small farmers with land holdings around five hectares, 70 per cent of which are rain-fed. They live in relatively remote villages far from the markets (up to 70 per cent of villages are on the average 60 km away from city centres). Potentially they could produce larger quantities of processed agricultural products, but they are constrained by low level, low quality preservation and processing tools. Assuming that approximately 35 per cent of households are vulnerable, in the Erbil and Sulaymaniyah Governorates, the total number here would be around 200,000.

The isolation of villages/village clusters also contributes to raising household vulnerability. However, the establishment of micro industries in strategic and appropriate locations would help to create market outlets for agricultural produce in these remote areas and help to facilitate income generation for people engaged in agro-processing and the marketing of agricultural related goods and services.

Existing (mostly governmental) support institutions have difficulty in providing their services effectively and efficiently due to lack of trained manpower, the necessary financial resources to support economic activities and limited involvement of the private sector. Particularly, the younger part of the population is a victim of this circumstance which has left them with lack of training, education

and employment opportunities in their home areas and no funds to initiate any kind of income-generating activity.

The new political situation in Iraq and relatively stable security situation in KRG is bringing hope for the region and its population. It offers the opportunity for developing early economic recovery activities with the aim of providing the local population with the means to build and sustain their livelihoods.

It is a high priority of the Iraqi Government, as well as the KRG to enhance the skills of the vulnerable part of the population with the view to improve their income and livelihoods through employment and self-employment. The endeavour of the Government is fully coinciding with the policy of UNIDO and FAO within skills training and micro-industry development.





# Project Planning

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## 3.1 Project identification

This project (MISP II) is a replication of the UNIDO/FAO supported “Promotion of Cottage Industries in Rural and Urban Areas Project” (MISP I) in the Thi-Qar Governorate of Southern Iraq. The needs assessment for supporting the development of micro activities/micro industries in Iraq was prepared by FAO in cooperation with the Ministry of Agriculture in Baghdad. This assessment also included Northern Iraq and concluded that this area had a particular need for support to develop employment and income generation at cottage level. The needs assessment was supported by a project outline prepared by FAO entitled: “Support to Promotion of Food related Cottage Industries”, and a project brief prepared by UNIDO entitled: “Development of Cottage Industries for the Reintegration of IDPs and Returnees”.

## 3.2 Project formulation

The project formulation background is presented as follows in the Project Document: “The experience gained by FAO and UNIDO in a similar project in the south of Iraq, Thi-Qar Governorate, will facilitate speedy project implementation, since the training manuals, design of facilities, technical specifications of most of the equipment, process of identification of beneficiaries, documents for preparation of contracts and procurement, etc., can be easily adapted to the new project area”.

The Project Document was prepared in cooperation with and approved by the Kurdistan Regional Government (KRG) on 18 August 2005. The Document states that the project would be implemented with the Regional Ministry of Agriculture (MOA) and Regional Ministry of Labour and Social Affairs (MOLSA) despite the fact that the latter was not established at the time. It was still not established as of 10 May 2006 when the Document was signed by UNDG-ITF, but the Project Document was not revised. However, at the 1st PSC meeting held on 2 August 2006, MOLSA reportedly on request from the KRG, was replaced by Ministry of Industry (MOI), but the change of project partner did not induce any change in the Project Document and was not explained or documented in the minutes of the

PSC meeting. The MOI representative was appointed as Chairman of the Committee for the first six months, but actually held this position until project completion.

The natural partner for UNIDO on Micro and Small-Scale Enterprise (MSSE) development in Iraq is MOLSA as it is with the MOA for FAO. This was also the case in MISP I (Thi-Qar). The change for MISP II is explained by the Project Management Unit (PMU) as follows: MOLSA was nominally established by the KRG Cabinet in mid-late 2006 and by 2007 the institutional framework for the Ministry was only beginning to solidify and ministries were negotiating transfer of assets and facilities with MOLSA - including training centres. The present MOLSA training centres were at that time under the administration of the Ministry of Health and Social Affairs, but the Directorate responsible for the centres suffered from a number of issues:

- Little experience in the delivery of training programmes and poorly trained staff with the requisite experience in mechanical and technical fields
- Weak institutional structure and funding streams
- Very small directorate which had yet to secure placement of a Director General

Given the above, MOI was then brought into the project since:

- It committed to provide a facility for rehabilitation that would be used for vocational training
- It had a number of staff that had backgrounds in mechanical and technical matters with a great deal of experience in the installation, commissioning, and management of various processing lines as a result of the Oil for Food investments

The Project Document constitutes a good guideline for project implementation particularly regarding the descriptions under Chapter 2: "Project Justification". The Project Logical Framework as presented in the Project Document and later repeated with minor changes in the Project Inception Report is not fully developed and includes some inconsistencies, wrong phrasings and missing links between outputs and activities. For more details please refer to the Evaluation Interim Report in Annex 2. It is, however, possible for the project implementation team to establish a fairly good picture of the project's concepts and strategies and use it as the basis for preparing the project action plans.

### **3.3 The planning base for project implementation**

The transfer date of project funds from UNDG-ITF was 24 May 2006. This date was regarded as the project starting date. The Project Document defines the

project duration as 18 months with project completion 24 November 2007. However, important project counterproductive events unfolded which severely hampered the project's progress and the original completion date became the effective starting date for the project. As a result, the Project Management Unit prepared and the UNDG-ITF approved a number of project extensions with the final project end date becoming 31 July 2009.

The main obstacle to the project's progress was, the action taken by the MOI to sell the premises, which the Ministry had promised to make available for the project to house the project's central VTC, to a private investor. The central VTC was a core project component, to which the project had already made serious investment in money and time in the form of design, tender, procurement of equipment, etc. The existing buildings would be renovated and equipped with training equipment for the project's training activities. The project's TOTs were supposed to be anchored here, and most of the TOB training was to have taken place at this centre.

In order to compensate for this development, the MOI made an agreement with the private investor that he would establish a buildings(s) for the central VTC at an alternative site (belonging to MOA). The private investor accepted to build new and renovate existing buildings for the VTC purpose. Some activities have taken place at the new site. However, construction start up and the speed of work site activities was severely slow and 'spotty'. At the time of the project evaluation, completion of the project buildings was not yet completed.

The project was waiting for the new facilities, but the first Technical Working Group (TWG) meeting which took place in March 2007, decided to prepare for an alternative solution using a number of existing local training providers for the TOB training. An identification and assessment process was initiated and the resulting report was presented in August 2007 at the 3rd PSC meeting. The meeting approved the recommendations of the report and decided that the project should begin transferring training equipment and other resources to the VTCs being selected for participation in the project TOB training programmes. At the same time the meeting continued to give the central VTC a chance to be completed for project use.

The second TWG meeting in October 2007 decided to start TOB training using the recommended alternative local training providers, as listed in Table 2:

**Table 2: List of VTCs and technical schools**

MOLSA training Centre – Erbil	MOLSA
Mechanical Industrial School – Erbil	MOE
Mechanical Industrial School – Sulaymaniyah	MOE
Vehicle Industrial School – Erbil	MOE
Vehicle Industrial School – Sulaymaniyah	MOE
Handicraft Training Centre – Erbil	MOE
Handicraft Training Centre – Sulaymaniyah	MOE
Hand Carpet Centre – Erbil	MOC
Hand Carpet Centre – Kaznasan	MOC
Hand Carpet Centre – Sulaymaniyah	MOC
Central Agricultural Training Centre – Erbil	MOA
Central Agricultural Training Centre – Sulaymaniyah	MOA
Agricultural Extension Service Centre – Shaqlawa	MOA
Agricultural Extension Service Centre – Tanjaro	MOA
Agricultural Extension Service Centre – Koisnjaq	MOA
Agricultural Extension Service Centre – Qushtuppa	MOA
Agricultural Extension Service Centre – Sahaladdin	MOA
Agricultural Extension Service Centre – Chawarta	MOA

January 2008 constituted a turning point for the project. The CTA took up a position in Amman early January 2008, and the third TWG meeting was held on 15 to 18 January 2008. During this meeting the PSC recommended that the centralized VTC training be abandoned and that project equipment be distributed to the selected alternative local training providers (VTCs).

At the same time monitoring of the TOB training “start-up” had shown that the TOB selection process in many cases had not managed to select the desired target beneficiary groups. Therefore, the TWG decided to introduce a new set of selection criteria and a more transparent and objective selection process whereby the existing list of 1,500 TOBs would be reviewed.

Further, the draft end-of-project evaluation report for MISP I was submitted at the end of year 2007. One of the major conclusions was that the Production Association/Group model applied by the project as an innovative feature had

proved to be an expensive and highly subsidized activity with a capacity utilization below 50 per cent and with questionable prospects of long-term sustainability. As a result, the report recommended abandoning this model in MISIP II and to develop an alternative project component.

The fourth PSC meeting held on 9 and 10 March 2008 endorsed the above-mentioned TWG recommendations. The meeting once again gave the centralized VTCs a chance for completion, however, subject to a firm deadline of end May 2008. When this deadline was not met the project shifted to using the alternative local training providers.

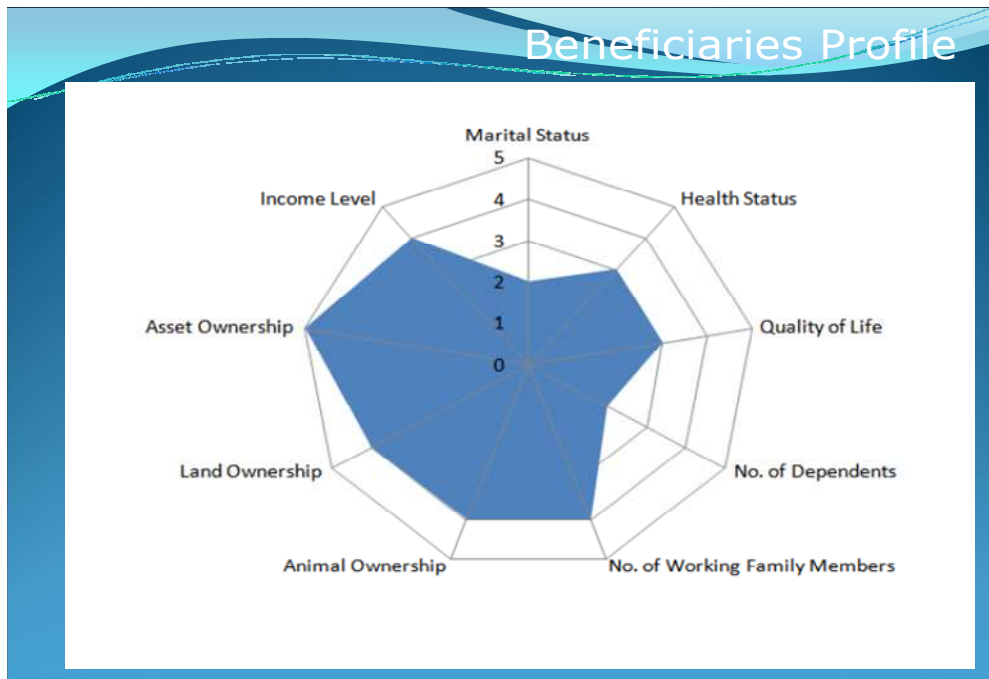
Ten other important decisions were made at the meeting:

### **1) Target beneficiaries**

Target beneficiaries were re-defined as members of vulnerable households with special consideration to martyr, IDP, returnee, women/widow and low income village households and particularly unemployed youth. The earlier purely income related vulnerability criterion: "household income less than 400 USD/month" was replaced by a more complex set of nine criteria reflecting an entire range of objective and subjective dimensions of vulnerability:

- Marital status
- Health status
- Perceived quality of life
- Number of dependants
- Number of working family members
- Animal ownership
- Land ownership
- Asset ownership
- Household income level

Each criterion is rated from zero to 5 points. Eligibility requires less than 28 points and less than 400 USD/month of household income. For dairy farmers, eligibility ceilings were set at 80 goats or 20 cows and for beekeepers at 20 bee hives. A mini survey was undertaken to replace and add candidates in accordance with the above eligibility criteria from the existing list of 1,500 identified candidates. Figure 1 illustrates how the project used spider web diagrams to depict the candidate's eligibility.



**Figure 1: Spider diagram showing the eligibility of candidates**

In addition to the vulnerability criteria, a minimum of relevant educational and/or experimental background was introduced as a second important dimension for candidates to be eligible for TOB training.

## 2) Needs assessment report

It was decided to revisit the original needs assessment study with the view to including additional skills and products with a high demand.

## 3) Project area coverage

Due to the delays caused by the central VTC case and the limited implementation time left it was decided to reduce the number of districts for project intervention from 23 (which include all districts in the two Governorates) to 12 in order to increase the geographical focus of the project and ease the logistical burden. However, at the time of evaluation, intervention had actually taken place in 17 districts, as shown in Table 3.

**Table 3: Districts effectively covered by the project**

<b>Erbil Governorate</b>	<b>Sulaymaniyah Governorate</b>
Erbil Centre	Sulaymaniyah Centre
Dashty Hawler	Sharbazher
Khabat	Halabja
Koysnjag	Saed Sadiq
Mergasur	Dokan
Choman	Darbendekhan
Soran	Qaradaq
Shaqlawa	Penjween
Rawandoz	

The districts were selected based on the findings of the initial needs assessment study, which had identified communities with high numbers of project target beneficiaries, availability of input materials for MSSE activities and presence of MSSE activities to be supported by project intervention.

#### **4) Production Groups**

The business association/production association concept was abandoned and replaced by the Production Group (PG) concept, which puts emphasis on clear ownership to and management of the project supported PG enterprises. It was decided that the identification and approval of PGs should be subject to a positive feasibility study.

#### **5) Level of project intervention**

Although not recorded in any TWG or PSC meeting, it is clear that the project cooperation and coordination with the KRG public authorities is mainly with the MOA at central and Governorate Directorate levels, and with the MOI at central level. Some very limited interaction took place with District and Sub-District authorities and village elders during the identification of TOB candidates. The project was targeting individuals and not households as such and does not use local communities as vehicles for project support. The Logical Framework in the Inception Report does not reflect this mode of intervention and further adjustments to the Log Frame have not taken place. However, according to discussions of the evaluator with the CTA, the revised Log Frame presented in Annex D constitutes the basis for project implementation from mid-January 2008 (the third TWG meeting).

#### **6) Project engagement situation of TOTs**

A considerable number of TOTs (in particular for non-food activities) were not affiliated to any training institution and their background and expertise were often

not matching the ones of the trainers at the local VTCs. Consequently the PSC decided that efforts had to be made to find opportunities for these TOTs to contribute to the project and endorsed the proposal of the CTA to use them as training assistants and as mentors for TOBs after project training.

## **7) Equipment to VTCs**

The PSC defined the conditions for transferring the equipment already procured for the abandoned central VTC to individual local training providers as follows:

- The transferred equipment can not be sold/transferred to other parties;
- The equipment must be properly maintained and primarily be used for training of project beneficiaries;
- The equipment must be installed properly and in adequate premises within a month of reception;
- MOA/MOI can take back the equipment if a VTC does not meet the conditions and expected activity level.

The equipment was handed over to the VTCs with the view that they should be developed into Local Centres of Excellence within the specific area of production corresponding to the equipment delivered.

## **8) Disbursement of project funds and procurement**

Because disbursement of procurement funds was lagging behind, decision was made to introduce a new MOD tracking system to expedite the resource allocation of project activities.

## **9) Project monitoring**

The PSC endorsed the plan of the CTA to further develop the project monitoring system that would monitor the:

- activities of the project trained TOTs;
- distribution and use of equipment and toolkits procured by the project;
- changes in the employment and income levels of project beneficiaries;
- development of the project-resourced production groups.

## **10) Project counterpart structure**

Unfortunately the project redesign process did not include reconsideration of project management and line ministry attachments. Such consideration would have revealed the weaknesses of maintaining MOI as the non-food counterpart and would have opened up discussions on the possibility of shifting the MOI responsibilities to either MOLSA or MOC.



# IV

## Project Implementation

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### 4.1 General

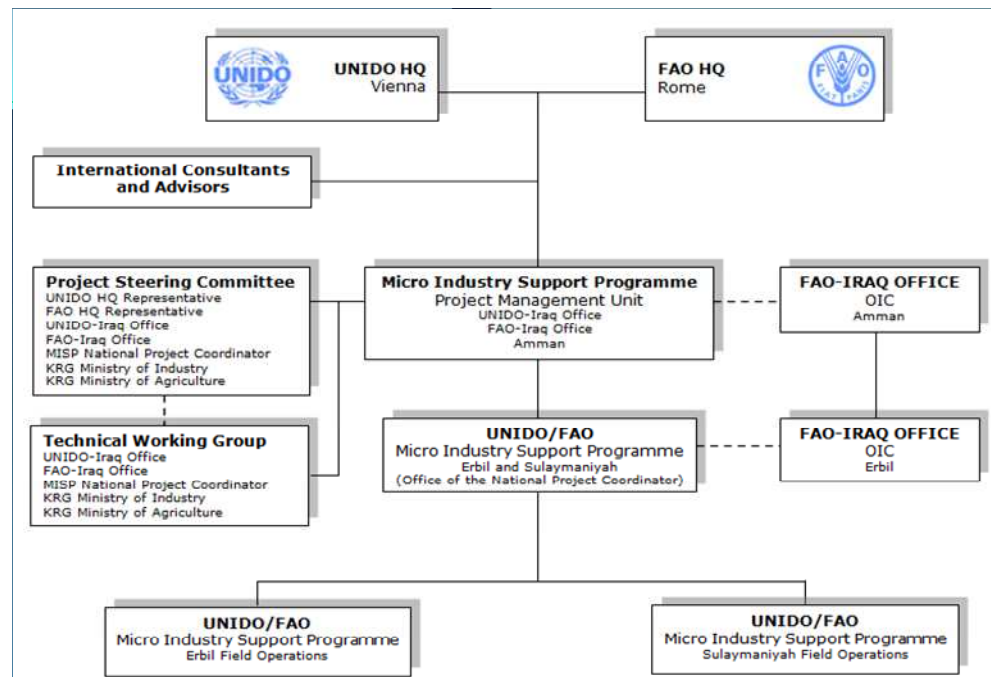
The project aims at initiating a process of sustainable income generation for vulnerable households in Northern Iraq through increased employment and self-employment of household members. The vehicle for this desired development is technical and business management training of selected beneficiaries undertaken by a number of project trained trainers (TOTs) and a toolkit programme supporting the trainees (TOBs) in performing their acquired skills as employed or self-employed. In most cases the TOT training has taken place in other Arabic countries and Europe. The TOB training has been conducted at 18 project-selected local VTCs. These VTCs have been strengthened by the project through TOT technical training of relevant members of their staff and provision of training equipment and materials.

Fifteen production groups have been established and supported with machinery, equipment and training with the view to generate employment for TOBs, deliver needed services to their communities, and as production models give inspiration to others, existing and potential entrepreneurs, within their respective fields.

At the time of project evaluation, the project had trained 63 TOTs and 2,151 TOBs (at project completion the TOB figure had increased to 2,510). A total of 107 TOB training courses were conducted using the 18 local VTCs. The TOBs came from 185 villages in 34 sub-districts within 16 districts of the two project Governorates.

## 4.2 Project management

Figure 2 presents the project organizational structure.



**Figure 2: Project organizational chart**

The PSC supervised project progress and performance. The PSC provided strategic directions for project interventions and ensures effective cooperation between project stakeholders. The TWG is a sub-committee under the PSC which dealt with overall technical matters in project implementation. For international procurement the project is supported by the procurement offices in UNIDO and FAO HQs.

The project management at PSC and TWG level has functioned efficiently characterized by good report and cooperation between all parties. The ability of PSC and TWG to adapt to changed circumstances was clearly displayed when project progress was in limbo due to the lacking central VTC and bold decisions were taken at the fourth PSC meeting. Based on TWG recommendations, which completely changed the project training strategy from centralized to decentralized implementation involving training facilities of additional KRG ministries (MOLSA, MOE and MOC) thereby diminishing the role of MOI; and revisited the TOB selection criteria and process.

At the operational level the situation was different. PMU as well as MOA and MOI, all expressed less satisfaction with the mixing of food and non-food activities in the same project involving diverse organizational perceptions and cultures.. Without giving specific examples, this situation was not always easy for the PMU. The cooperation between the CTA (located in the Iraq UNIDO office in Amman and paid from UNIDO payroll), and the Iraq FAO office in Amman was at times stressful, as was the collaboration between the NPC in Erbil (paid by FAO) and MOI.

MOI has much experience in establishing and managing factories, but the enterprises resulting from project training and support are micro and small and based on skills training, which is not the expertise of this ministry. After procurement of project machinery and equipment and the shift to the decentralized training model, which involved VTCs of MOLSA, MOE and MOC, MOI's role became minor. MOI has no representations at governorate, district and sub-district levels like MOA, MOLSA and MOE, and it does not have any training centres for TOBs.

With much of the project implementation out of the hands of MOI, the roles of MOA and MOI became uneven. The MOI TOTs were rarely available or participated, and many of their responsibilities were taken over by trainers employed at the local VTCs used for project training. The trainers who did not participate in external project training accounted for 23 persons. MOA on the other hand has full control of the food TOTs and their TOB training activities. There were some frustrations and the opinion of the two ministries is that, as the project has developed, the partnership is sub-optimal and should not continue after project completion. Further, they both are of the opinion that possible future projects for employment and income generation should be anchored in only one line ministry, in case of food at MOA and for non-food, depending on the size of businesses dealt with, either at MOLSA or MOI.

Project progress monitoring is documented in five half yearly Project Progress Reports, six PSC meeting minutes, four TWG meeting minutes and nine Field Meeting Notes. All major project decisions were documented. Project timeline presenting TWG and PSC meetings, are presented in Annex 4.

Project outcome monitoring was introduced by the 4th PSC meeting and at the time of Evaluation the availability, use and engagement of the TOTs, had been monitored twice and measures taken to improve the situation. TOB performance after training was monitored once showing a positive outcome. A PG performance monitoring was in progress at the time of Evaluation.

The project was considered by SCANTEAM under its stocktaking review of all UNDG-ITF funded projects in Iraq. The review's findings, presented in the report of January 2009, were positive and generally in line with those of the evaluator. However, it found that the project at that time, did not have a well articulated exit and sustainability strategy. In response to this finding the project has prepared a sustainability report, which addresses project exit and sustainability strategy.

### **4.3 The TOT component**

#### **4.3.1 TOT selection and training**

Under the project, 34 food TOTs were trained. All were selected by MOA and approved by the project. Most of them belonged to the Ministry's extension service organization attached to central and local MOA training centres. Few are from MOA Departments and Directorates. It means that almost all have subject matter experience as well as experience in training. Thus, the training under the project for these people can be regarded as skills upgrading.

Prior to the TOT selection the project prepared plans for all TOT training, including; number of trainees per area of training, their required education and experience, background, venue and duration of training. For MOA the main criteria used were the following:

- Education at BSc level
- 2-3 years employment experience
- Good knowledge on the concerned training subject(s)
- Good command of English and/or Arabic language

An inter-ministerial committee was formed to interview and select the candidates for TOT training, which were identified by the ministry. More candidates than the actual number to be selected were identified. After the interview, Personal History Forms and CVs were prepared for the selected candidates and forwarded to the project for approval.

The 29 non-food TOTs comprised of; 10 selected by MOI, 19 by the project in cooperation with MOLSA, MOE and MOC. The MOI selection was less successful. Since MOI has no extension staff or training centres the candidates were taken from factories and MOI Departments. None of the TOTs had a training background working with vulnerable people or experience in the delivery of vocational and/or technical skills training. After the training these TOTs have conducted very few of the TOB courses. The selection took place early in the project when the central VTC was still on the drawing table, and if it had materialized and the group had been transferred hereto, the situation may have

been otherwise. Without the central VTC, the TOTs have just continued with their earlier job with little time for preparation and conducting TOB training.

The remaining 19 non-food TOTs are all educated trainers employed at training centres belonging to MOLSA, MOE, and MOC and trained by the project after abandoning the central VTC model.

The identification criteria and selection process for the TOT candidates for all the direct line ministries or involved ministries have neither been documented nor are transparent. Regarding transparency in selection of MOA candidates, MOA has taken some steps forward through definition of main selection criteria and formation of an inter-ministerial selection committee, but for MOI and the other involved ministries the evaluator doubts that such transparency was present.

Table 4 presents the subjects for the project TOT courses and the number of TOTs trained per subject.

**Table 4: Number of TOTs trained per subject**

TOT course subject	Number of TOTs trained
Business Management	6
Beekeeping	5
Fruit and vegetable processing	9
Bulgur	4
Olive processing	5
Dairy	10
Leather	2
Machine shop	5
Carpet weaving	6
Sewing and Tailoring	6
Agro-auto repair	2
Welding	1
<b>TOTAL</b>	<b>63</b>

The project training received by the TOTs was assessed by the TOTs completing an evaluation survey. Only 4 per cent responded with less satisfactory. However, 16 per cent found the training course too compressed, 14 per cent (being trained in Iraq and other Arab countries) believe that similar courses outside the Arab world would be superior, 18 per cent have specific wishes for additional subjects to be covered under the courses, and 2 per cent found the course facilities and equipment unsatisfactory. Those wanting a longer period of training, superior level and more comprehensive training, constituted 50 per cent of all TOTs.

Of the responding TOTs, 100 per cent answered “yes” to the following question: “Was the training sufficiently comprehensive and adequate to form the basis to train project beneficiaries in engaging efficiently in income generating activities?” With regards to the question: “How useful was the TOT training you have received for the training you conducted?” 57 per cent said “very useful”, 18 per cent said “useful” and 25 per cent have not participated on any project training course. The two answers support each other. The 25 per cent who did not participate on the TOB training course, experienced and judged subjectively that their TOT course had enabled them to meet the TOB training requirements efficiently.

#### 4.3.2 Use and availability of TOTs

The TOT courses were short (2-4 weeks) and seven out of 18 different courses (39 per cent) were conducted only one or two times. Table 5 shows the different courses, their duration, number of times they were conducted in the Erbil and Sulaymaniyah Governorates and number of TOTs trained for each course subject.

**Table 5: Number of TOB courses and TOTs trained by subject**

COURSE	ERBIL	SULI	TOTAL	Nos. of TOTs
Olive Processing	1	0	1	5
Seed Cleaning	1	0	1	4
Bulgur Processing	1	1	2	
Fruit Processing	7	5	12	9
Dairy	9	7	16	10
Beekeeping	10	5	15	5
<b>FOOD</b>	<b>29</b>	<b>18</b>	<b>47</b>	<b>33</b>
Woodworking	1	1	2	0
Machine Shop	2	1	3	5
Electric Wiring	2	0	2	0
Small Generator Repair	2	0	2	0
Heating and Cooling	2	0	2	0
Welding	4	3	7	3
Computer Software	3	2	5	0
Ceramic	4	1	5	0
Leather	4	0	4	2
Agro-auto Repair	4	3	7	2
Sewing	5	4	9	6
Carpet weaving	8	4	12	6
<b>NON-FOOD</b>	<b>41</b>	<b>19</b>	<b>60</b>	<b>24</b>
<b>TOTAL</b>	<b>70</b>	<b>37</b>	<b>107</b>	<b>57*</b>

\*The 6 business management TOTs are not counted in this table, since business management is a subject included in all courses. It takes place the last day of the course.

Table 5 shows that the project had TOTs for only 12 out of 18 course subjects and that the number of TOTs per subject for several subjects were deemed excessive, given the number of courses actually carried out under the project. The numbers of TOTs for olive processing, seed processing and machine shop appear exaggerated and those for fruit processing, dairy and sewing are also on the high side. The over-representation of TOTs for those subjects were partly due to the fact that some course providers charged the same fee for one trainee as for a group of five trainees. This encouraged the project to train a group instead of the required ToT training targets.

The lack of TOTs for woodworking, electric wiring, small generator repair, heating and cooling, Computer software and ceramic reflects the 4<sup>th</sup> PSC decision that the original Needs Assessment Report should be revisited with the view to include skills and products with highly unsatisfactory market demand. These subjects were not part of the recommendations in the Needs Assessment Report and at the time of their introduction, the TOT training was completed. The new courses were conducted by the concerned VTCs using their own training staff. 18 courses have been arranged this way leaving only 107 courses for (potentially) 63 project TOTs.

It is evident from the above figures that it has not been possible for the project to make significant use of all 63 TOTs. The 63 TOTs were meant to constitute the core cadre of not only the project's relevant specialists, but also for the whole of the KRG. In addition, the majority of the TOTs have other working responsibilities and hold positions in various government departments; VTCs, private companies, etc. More than half of the TOTs have answered in the evaluation survey that they are not freely available for conducting courses under the project. The TOT survey shows that (25 per cent) have not conducted any courses after TOT training, (21 per cent) have conducted only one course, (29 per cent) from 2-5 courses, (20 per cent) 6-10 courses and (5 per cent), the business management trainers, more than 10 courses.

The situation is frustrating for the project as well as for the TOTs. A large majority of the TOTs want to utilize their new competences more intensively, and at an evaluation interview session attended by a number of the MOI selected TOTs, they all expressed interest in leaving their present jobs and positions, to become full time trainers and subject matter specialists.

Due to the reasons explained above, only about 30 per cent of the TOTs are significantly engaged with project tasks. They are regarded as key TOTs by the National Project Director (NPC) and they assist him and his staff not only in

training, but in many other aspects of project implementation. He tries to activate the remaining TOTs by encouraging them to assist the active TOTs in TOB mentoring and to participate in TOB courses as assistants to the responsible trainers.

This strategy was newly initiated and at the time of evaluation it was not possible to judge if it would be successful. Post training mentoring is a huge task. The TOB survey shows that all (100 per cent) of the TOBs have needs for support. In the survey the TOBs focus almost entirely on technical assistance, but actually the business management TOTs are also frequently contacted by the TOBs for support. 99 per cent of the TOBs confirmed that they have received post training mentoring from the project. This was confirmed by all the 17 TOBs visited by the evaluator. They all also confirmed that they had close contact to their TOT and problems were often solved by telephone and through site visits of the TOT.

#### **4.3.3 TOT organization**

Initially it was the project's intention that all project TOTs should be anchored/employed as a group at the central VTC. Unfortunately, without this centralized training facility all TOTs are back in their original positions in MOI and MOA directorates, departments and factories, and in MOA, MOLSA, MOE and MOC VTCs all over the project area. Their salaries are paid by the Government, but per diems and travel allowances in connection with TOB course activities are paid by the project.

In order to maintain the TOT expertise developed under the project and make efficient use of their services, MOA has decided to employ all the food TOTs. They are anchored in many MOA VTCs and extension centres, at the main agricultural training centre in Erbil and Sulaymaniyah, respectively, to let them concentrate on the training of other trainers such as, TOB training sessions and TOB mentoring activities relevant to their expertise.

A similar solution is sought by the project for the non-food TOTs. Those trainers who were not already anchored at MOLSA, MOC and MOE, the VTC. Would be recommended for relocation at the MOLSA training centres in Erbil and Sulaymaniyah.. The centres are market oriented and very well equipped for training within welding, computer, auto repair, electric wiring, small generator repair, heating and cooling, and new subjects like satellite receiver installation and mobile telephone repair. During the evaluation the evaluator had interviewed a number of the concerned non-food TOTs, and they all supported the MOLSA solution. A meeting with the Director General of MOLSA confirmed that MOLSA is available for such employment.



There have been no common seminars or workshops for the TOTs, arranged by the project during project implementation, or any other arrangements which could contribute to the formation of the TOTs as a core group of Subject Matter Experts for MSSE training and development.

#### **4.3.4 TOT output, outcome and impact analysis**

63 persons have been trained as TOTs as foreseen in the Project Document. The TOT evaluation survey reveals that all selected TOTs have the relevant educational background and more than 90 per cent relevant professional experience. However, the identification process of TOT candidates for MOA, MOI and other involved ministries is not documented and has not been transparent. The actual selection of candidates, at least for MOA, has more transparency since interviews have been undertaken by an inter-ministerial committee, and scores related to the criteria have reportedly been used and been decisive for the final selection of candidates. For MOI and the other involved ministries, the evaluator doubts that such transparency has been present.

Terms of Reference for the responsibilities of the TOTs after training have not been prepared, and no project evaluation of their training performance under the project has been undertaken apart from the post course evaluation carried out by the TOBs. According to the TOT survey, only 36 per cent of the TOTs had earlier worked with socio-economic/MSSE development and only about half of these had worked with vulnerable households. On the other hand, the TOB survey shows that almost all TOBs are satisfied with the TOT training courses and the TOT follow-up support post-training.

The TOT project outcome expectation is that a cadre of TOT Subject Matter Specialists with state-of-the-art knowledge within their technical fields would be established with the view to train other trainers and TOBs. Due to the missing central VTC, the cadre concept has been markedly diluted, but if the project and MOA succeeds in grouping the most important and useful TOTs in 3-4 training centres this part of the outcome expectation may eventually reach a reasonable level.

Regarding the level of knowledge gained by the TOTs from the training courses, 54 per cent of the TOTs found the courses insufficient and expressed a need for more advanced and comprehensive training (48 per cent of the non-food TOTs and 59 per cent of the food TOTs). This picture covers all training areas except garment design/sewing and dairy, where all expressed full satisfaction. The others found generally, the courses too short and less comprehensive than expected. Specifically some respondents would like more practical training,

others more training on quality control, food safety including weaving TOTs for more training on horizontal weaving.

During an interview session with the evaluator, some TOTs questioned the need for a high number of TOTs selected for training. They preferred a limited number with more comprehensive training than a more of them achieving a general level of expertise. On the other hand the general level appears appropriate to train the TOBs to their satisfaction. Amongst the TOTs it is the general perception that their status after project training was increased amongst their colleagues and that their professional advice was appreciated.

It is a significant outcome problem that the availability of a number of TOTs due to their present working conditions is low, and that the high number of TOTs compared to the number of courses to be conducted leaves a considerable part of the TOTs with little course activities.

Due to the short effective implementation period (approximately one year) the project's lasting impact on the KRG food and non-food training activities could not be measured accurately at the time of evaluation. However, the planned concentration of the food TOTs at two centres (one in each project Governorate) and strong indications that the MOA will plan and budget for the continuation of project activities, including further training and development of the TOT cadre, all point towards an important and positive project impact on food training quality and quantity.

For non-food some TOT grouping has already taken place at MOLSA, MOE and MOC VCTs. There are indications that a larger group can be established at MOLSA Central Training Centre in Erbil, but it is too early to judge whether MOLSA, MOE and MOC actually will adopt the project's visions; planning methodologies, and budgetary framework for a continuation of the project goals and activities.

#### **4.4 The TOB component**

##### **4.4.1 TOB selection and training**

Following a decision at the 4th PSC meeting, that the list of 1,500 identified TOB candidates should be revised. Using a new set of eligibility criteria, many TOBs were replaced by others. The TOB survey shows the result of the new selection of TOBs to be trained as follows:

**Table 6: Result of the new selection of TOBs to be trained**

<b>Age</b>	<b>Percent</b>
15-25	46.5
26-44	46.5
45+	7.0

<b>Gender</b>	<b>Percent</b>
Men	29
Women	71

<b>Household Position</b>	<b>Percent</b>
Husband	14.2
Wife/Widow	29.7
Child	56.1

<b>Type of Household</b>	<b>Percent</b>
IDP	58.1
Martyr	17.4
Low income villager	23.2
Prisoner	1.3

<b>Household Size</b>	<b>Percent</b>
2-4	23.9
5-7	46.4
8-10	25.8
11+	3.9

<b>School Education</b>	<b>Percent</b>
None	2.6
Primary 3-6 years	57.4
Intermediary 7-9 years	17.4
Secondary 12 years	20.0
College and BA	2.6

<b>Skills before Training</b>	<b>Percent</b>
Without skills	8
With relevant skills	92

<b>Occupation before Training</b>	<b>Percent</b>
Employee	6.5
Self-Employed	32.2
Unemployed	61.3

<b>Trainee Income before Training (USD)</b>	<b>Percent</b>
None	32.3
1-49 per month	19.4
50-99 per month	16.8
100-199 per month	14.8
200-299 per month	7.1
300-399 per month	2.6
400+ per month *	7.1

\* The 400+ USD/month category belong to 9 dairy trainees, 1 bulgur and 1 olive trainee.

### **Household income before training**

Of the trainee households 13 per cent had more than USD400 on average, monthly income before the TOB training.

### **The TOB training**

The TOB project training venues, have all been geographically placed close to the participating trainees to avoid boarding costs. This has particularly been of importance for the female TOBs, and according to the project management, one of the main reasons for the high number of female TOBs participants. The number of trainees per course is approximately 20 and they each receive USD10 per day from the project to cover the cost of travel and meals, plus compensation for any loss of possible daily income.

The above TOB survey results show that the Project Document and 4th PSC meeting requirements have largely been met regarding youth, gender, household type, education and experience, unemployment and income. The selection process of TOBs has been objective and transparent. Courses and interview dates and times were advertised by posters, through various media and channelling information down to village councils and village elders. On the given dates, many candidates queued up to attend an interview. The panel consisted of; one representative from the project, one from the relevant VTC, and one TOT from the related training subject. Sometimes a representative from MOA also joined the panel. During the interview, points were awarded for the various criteria and those with the lowest points of up to 28 and below including points for the other defined ceilings, were selected (see target beneficiaries in section 3.3). The evaluator found the selection process very satisfactory.

Subjects and number of courses are detailed in Table 5. According to the TOB survey, 4.5 per cent of the TOBs have attended a course of only one week duration, 54.8 per cent have attended a two week training course, 25.8 per cent a

three week training course, 13.5 per cent a four week training course and 1.3 per cent for more than four weeks. They all express satisfaction with the courses, which they have all been post-training evaluated and rated 'high'. However, on the question: *"Do you have any suggestion/s to improve the training?"* 27 per cent answered that the training should be more comprehensive and diversified. Number of TOBs per training subject is presented in table 7.

During the evaluation the evaluator visited 17 TOBs. They all had relevant skills and experience to participate in their TOB training sessions. It means that they had basic, often even good knowledge of the technical aspects that they were trained in. In spite of this, all 17 TOBs could mention three important new items they had learnt during their course. Apart from that, however, it was clear that most of them had the capacity and interest to learn more.

Some of the TOTs mentioned in the survey, that it is a problem regarding the varying levels of education and knowledge amongst the TOBs attending the course. It means that time has to be spent on basic points for some TOBs, which is not needed for others. A better composition of course participants may improve this situation and give more time for the advanced TOBs for a higher level of training.

All project training courses include a one day session on business management, which includes business planning, accounting, recording and marketing. The TOB survey indicates that 50 per cent of the TOBs have a business plan, 30 per cent a business recording system and 26 per cent a business accounting and costing system.

Post-training mentoring is a need mentioned by all (100 per cent) the respondents in the TOB survey, and 99 per cent had actually been visited, called and received support from their TOT. Post-training mentoring is a core component of the project and its inclusion in the project reflects the experience that UNIDO and FAO have with working in fragile states where extension service providers are in short supply. The use of trainers as mentors is consistent with the Project Document. The project pays for the transportation and communication costs associated with follow-up and mentoring of beneficiaries. The mentoring is granted free of charge to the beneficiaries. Given the socio-economic conditions amongst the TOB households, the evaluator supports this decision.

#### 4.4.2 The toolkit component

Table 7 presents the final status at project completion of the TOB training and the toolkits allocation. 1,790 toolkits have been granted to 2,510 TOBs upon their successful completion of training. The average cost of a toolkit is USD400, which gives an estimated total cost of USD716,000 for the toolkit component of the project. All TOBs within agro-auto repair, welding, woodworking, spinning, and satellite receiver installation have received a kit. In the areas of dairy, fruit and vegetable processing, bulgur, and beekeeping, approximately 90 per cent received toolkits. For leather work 75 per cent. electric wiring, cooling heating system, and small generator repairs approximately 70 per cent. For sewing and oil pickling 60 per cent, weaving 40 per cent, and for the remaining subjects, toolkits were not issued. In courses with less than 100 per cent toolkits, the kits were given to those who were performing best during training. This was explained to all TOBs before start of training and at the end the TOT decided who should receive kits. From the TOB survey, those TOBs receiving toolkits said the procedure was clear with a transparent explanation from the beginning and it appears to have been received well amongst all TOBs,.

The 90-100 per cent toolkits coverage for certain training subjects reflects that these kits are imported and that the purchase orders were given early in the project before the exact number of trainees were known and the performance-based toolkit policy was formulated. The lower coverage of toolkits for the remaining areas reflects the project management's toolkit distribution through competition while attempting to avoid the previous experience from MISP I where a number of toolkits were sold rather than be used by the intended beneficiaries. Toolkits should only be awarded to the top achievers in the various training programmes.

The cut-off point for toolkit distribution was based upon a simple Technology Adoption Model. Under a standard model (see Figure 3 below) the combined value of Innovators (2.5 per cent), Early Adopters (13.5), Early Majority (34 per cent), and half of the Late Majority (17 per cent - The Initial Late Majority) worked out to 67 per cent. By making the toolkit distribution based upon competition, proficiency, competency, dynamism, etc. it was felt that the project would be able to target beneficiaries who would be the most likely to be located in this portion of the Technology Adoption Model.

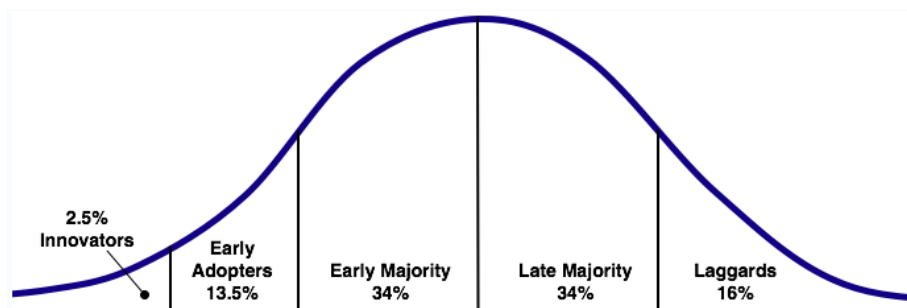


Figure 3: Standard Technology Adoption Model (Roger Bell Curve)

Table 7: Number of TOBs and toolkits per training subject

#	Activity - Category	TRAINING STATUS				TRAINING LOCATION		BENEFICIARY STATUS			SERVICE DELIVERED
		Target *	Trained	To be trained	Under Training	Erbil	Suli.	M	F	Youth	Toolkits
1	Agro Auto Repair	100	123	0	0	78	45	123	0	0	140
2	Welding & Fabrication	118	118	0	0	60	58	118	0	0	120
3	Machine Shop(Lathe).	82	58	0	0	38	20	58	0	0	0
4	Wood	40	40	0	0	20	20	40	0	0	60
5	Sewing (Tailoring),	84	207	0	0	115	92	64	143	120	125
6	Carpet Weaving, spinning	175	240	0	0	165	75	2	238	165	100
7	Leather working		81	0	0	81	0	1	80	60	60
8	Ceramic		74	0	0	59	15	19	55	74	0
9	Electric Wiring		45	0	0	45	0	31	14	45	30
10	Cooling Heating system		45	0	0	45	0	36	9	45	30
11	Electric small Generator		45	0	0	45	0	45	0	45	30
12	Computer skills.		100	0	0	60	40	32	68	100	0
13	Mig Mag welding		12	0	0	12	0	12	0	12	0
14	coiffeur - haircutter		45	0	0	0	45	30	15	30	0
15	spinning		71	0	0	48	23	0	71	0	75
16	satellite , installation and		60	0	0	30	30	60	0	60	60
#	<b>Total Non-Food</b>	<b>599</b>	<b>1364</b>	<b>0</b>	<b>0</b>	<b>823</b>	<b>410</b>	<b>671</b>	<b>693</b>	<b>696</b>	<b>830</b>
1	Honey bee keeping	272	325	0	0	225	100	0	325	0	270
2	Diary farm processing	357	387	0	0	217	170	0	387	0	360
3	Fruit & Vegetable	221	285	0	0	175	110	0	285	25	260
4	Olive pickling	21	45	0	0	45	0	45	0	0	25
5	Burgle processing	39	50	0	0	25	25	50	0	0	45
6	Seed cleaner/ Youth		20	0	0	20	0	20	0	20	0
7	KRG/ extension staff		34	0	0	17	17	17	17	0	0
	<b>Total Food</b>	<b>910</b>	<b>1146</b>	<b>0</b>	<b>0</b>	<b>724</b>	<b>422</b>	<b>132</b>	<b>1014</b>	<b>45</b>	<b>960</b>
	<b>Grand Total</b>	<b>1509</b>	<b>2510</b>	<b>0</b>	<b>0</b>	<b>1547</b>	<b>832</b>	<b>803</b>	<b>1707</b>	<b>741</b>	<b>1790</b>

The evaluator as well as the local project management staff had not come across TOBs who have sold or disposed of their toolkits. That includes the 100 per cent covered TOBs and the competitive ones. One obvious reason may be that the project and the TOTs actually follow-up on the TOBs after training, and have made it clear already during the training, that selling of the kits will not be tolerated. Of the TOBs, 97 per cent find the toolkits satisfactory and sufficient for their existing or intended activity. Out of those who received toolkits, 61 per cent confirmed that the toolkit has been important for their post-training employment or self-employment.

There is universal recognition on the part of TOBs, TOTs, MOA, MOI and project personnel that the toolkit component of the project is fundamentally important. However, this importance may be more connected to the mere possession of the kit rather than due to its actual use. The evaluator visited the following TOBs: four sewing ladies, four dairy farmers, two welders, three agro-auto mechanics, three beekeepers and one olive processor. All except the olive processor had received a toolkit and they were all happy to present their kits. However, only the sewing ladies made use of it in practice. All the others used their old tools that were similar to the kit but well used, and in some cases of less quality than the kit, though appropriate for their business activities. Obviously the toolkit has played a variety of roles in strengthening the project. Toolkits have attracted beneficiaries to the project's various training courses: the possibility of receiving a toolkit at the end of a training programme has helped trainees concentrate on the training sessions; and more importantly raised their self confidence and social status within their communities.

Eventually most of the toolkits would be put to use. For the dairy farmers, welders and beekeepers, this may happen when the old equipment is worn out. However, the extra bee boxes from the toolkit will be used at the beginning of the new honey season, and the gas welding equipment when the demand occurs and the welder can afford to pay for the gas cylinders. The Agro-auto mechanics would rather prefer to buy new cheap Chinese-made tools than bring the high quality tools from the project to the workshop, for fear of damage or possibility of being stolen.

The evaluator observed and raised the question, if it was a good idea to have a uniform set of toolkits for all participants on a given course or whether it would be better if each TOB could decide for themselves, within a predefined amount of funds, particular tools he/she would prefer in order to develop their business. Such a solution is possible since an increasing number of relevant equipment for project skills and activities are available locally.



#### 4.4.3 TOB output, outcome and impact analysis

At project completion stage, 2,510 project target beneficiaries, 1,364 food and 1,146 non-food TOBs, have been trained to their own declared satisfaction. 1,707 of the TOBs are women and 803 men. Youth constitutes 741 of the total number of TOBs. These numbers meet within minor variations the output expectations of the project document.

All TOTs having conducted TOB courses, judged the trainability and interest amongst the TOBs as good or very good with the exception of two TOTs where one TOT who trained in weaving and the other in sewing were generally not satisfied with the participants' trainability.

The main outcome of the training was that the majority of the 61.3 per cent who were unemployed before training, had become employed or self-employed at the time of evaluation. The status of employment before training and at the time of evaluation is presented in table 8 below.

**Table 8 – Employment status before training and during evaluation**

	<b>Status of employment before training (percentage)</b>	<b>Status of employment at the time of evaluation (percentage)</b>
Employed	6.5	20.0
Self-Employed	32.2	68.4
Unemployed	61.3	11.6

Of those unemployed before training, 57 per cent had become self-employed, and 24 per cent employed. Those still unemployed in the survey sample were all in the non-food category. Out of those TOTs who participated in ceramic, computer, electric wiring, heating and cooling, sewing, weaving and woodwork training, 78 per cent were in the young age group 18-25 years and the remaining 22 per cent between 26 to 30 years of age. Toolkits were available for sewing and weaving, but not for all trainees and the unemployed within these activities had not qualified for this acknowledgement. The courses in computer, electric wiring, heating/cooling and woodwork commenced very late in the project, and some had just finished or about to complete their course at the time of evaluation. This fact has been appraised by the evaluator as the main reason for the unemployment within these subjects.

Generally the TOB incomes have increased, but it was difficult for the respondents during the evaluation survey, to give clear and exact answers on incomes before training and at the time of evaluation, but several indications were given. About 85 per cent of TOBs had indicated that their income had

improved, leaving only 15 per cent of the TOBs without improvement. Information from the few who had indicated an actual income increase shows increases from USD20 to USD450 a month, therefore on average USD185 a month. Most of the TOB incomes were consumed by the household, i.e. not used as pocket money. Table 9 represents the results of the survey:

**Table 9: TOB income by household**

<b>TOBs (percentage)</b>	<b>TOB income by household (percentage)</b>
1.5	10-24
5.1	25-49
20.4	50-74
23.0	75-99
50.0	100
Total: 100	

The income situation of the households after TOB training presents the same picture. After TOB training, 89 per cent had experienced income improvements and only 11 per cent remained on the same level. Only eight of the 155 TOB respondents had given actual figures for increased household income. Five of them had doubled their income from USD100, USD150 and USD200 a month, respectively, to USD200, USD300 and USD400, while three respondents had their income increased from USD50, USD60 and USD75 to USD200, USD450 and USD350, respectively.

All the TOBs visited by the evaluator had increased their income or were expected to do so. The latter group comprised of two beekeepers and two dairy farmers, who due to seasonal or other problems, had not yet applied their training course knowledge or put the toolkit bee boxes to use. On average, the remaining TOBs who provided income figures had increased their income by 150 per cent. In all cases the increased TOB income together with the food basket and modest income from husband/wife had brought the households beyond the defined vulnerability level of USD400 a month.

Moreover, vulnerability has been further reduced through improved living conditions experienced by the households from the combination of training and subsequent increases in income. On the survey question: *“How have the living conditions of the TOB household developed at the time of evaluation compared to the time before training?”* the TOB respondents indicated the following four improvements of; (1) food (2) education (3) accommodation and (4) communication. About 22 per cent mentioned only one of the four improvements,

66 per cent mentioned two improvements and the rest 12 per cent indicated three improvements. If percentages are added up based on type of improvement 81 per cent mentioned food, 69 per cent education, 16 per cent accommodation and 10 per cent communication.

With regard to employment which has been created due to 68.4 per cent of the TOBs being self-employed, the survey indicates that on the average one self-employed at the time of evaluation had 1.94 employees. Of the self-employed, 34 per cent had one employee, 48 per cent two employees, 10 per cent three employees, 5 per cent four employees and 3 per cent five employees. A grand total of 1,717 self-employed TOBs had generated employment of 3,331 persons.

## **4.5 The PG component**

### **4.5.1 PG selection and training**

The selection of the 15 Production Groups (PGs) was based on thorough preparation. The PGs have four main purposes: (1) undertake production and services which are lacking/scarce, but highly needed in a certain geographical area, (2) create employment and income for an increasing number of employees, (3) be available for on-site-training of TOBs, (4) constitute a model for other enterprises within the same trade.

After the fourth PSC meeting, the project selected 15 geographical locations for the PGs. The selection was based on information in the initial Needs Assessment Study and the later Economic Feasibility Study, statistical and survey information from MOA and MOI, and overview of relevant TOB concentrations and TOT availability. A specific production activity was decided for each location.

Upon PSC approval of location and activities, the national project staff conducted a survey in each location with the aim of preparing a list of PG enterprises for project support. The best enterprise was selected after an individual feasibility assessment was undertaken for each enterprise who was then invited to participate in the project PG component. The selection criteria and the score table (1-5) were documented and assessed to be relevant. Further, it was the evaluator's assessment, that the selection process had been fair and that the PGs had been selected on objective criteria. However, some of the enterprises having being considered, but were not selected, had informed the MOA and MOI both in writing and verbally, of their dissatisfaction about the selection process. These complaints could be indicated as a process that had not been sufficiently transparent. Information of the involved parties, documentation of the selection process and its results, were missing.

In order to join the project, the selected PG candidate has to sign a contract with MOA/MOI which included the following main conditions:

- Equipment made available by the project shall be properly installed, operated and maintained
- The equipment cannot be sold or otherwise disposed of, without the sanction of MOA/MOI
- The equipment can be withdrawn by the project or MOA/MOI if abused or not properly maintained
- Preference shall be given to project TOBs in case of new employments
- Business records, accounts and costing must be properly kept and made available to project staff/TOTs
- A credible business plan must be developed
- The PG must be available for on-site training of TOBs

Business management training and mentoring will be extended on-site by the project TOTs. Technical support will also be available from the project as and when required.

The selected PGs comprise of the following economic activities:

#### **Food PGs**

- 1) Bulgur and seed processing, Erbil Governorate
- 2) Fruit processing, Erbil Governorate
- 3) Dairy processing, Erbil Governorate
- 4) Beekeeping and honey processing, Erbil Governorate
- 5) Fruit processing, Suli. Governorate
- 6) Dairy processing, Suli. Governorate
- 7) Beekeeping and honey processing, Suli. Governorate

#### **Non-food PGs**

- 1) Machine shop, Erbil Governorate
- 2) Agro-auto mechanic repair, Erbil Governorate
- 3) Sewing & tailoring, Erbil Governorate
- 4) Carpet weaving, Erbil Governorate
- 5) Auto mechanic repair, Suli. Governorate
- 6) Wood work, Suli. Governorate
- 7) Carpet weaving, Suli. Governorate
- 8) Welding & steel fabrication, Suli. Governorate

#### **4.5.2 PG output, outcome and impact analysis**

The evaluator visited 13 of the 15 PGs. They were all newly upgraded. Three PGs had single ownership and 10 were owned by two or more partners.

Altogether the owners counted 36 persons. The total number of employees in the 13 PGs was 29 persons, of which 10 were employed before the project intervention. Extrapolation from 13 to 15 PGs says, 74 people engaged in all groups together. The total amount of money invested by the project in equipment, equipment installation, civil works and refurbishment for the PGs totaled approximately USD380,000 equaling USD25,000 per PG on the average. Investment costs per PG are presented in Annex 5 in addition to the technical training (when needed) of the PG staff and the business management training of the PG Leaders. Some staff and Leaders had joined the project TOB training, but others had received the project training on-site. Close TOT follow-up and mentoring of all PGs, are an additional project workload. The evaluator assesses the costs of investment and support to the PGs as a modest view of the potentials created (see table 10).

The project output was 15 workshops: clean, newly painted, in good order, well equipped with modern quality tools and machinery and a trained leader and staff. The project outcome remains to be seen, but in table 10 overleaf the evaluator has made an attempt to judge to what extent the visited PGs would meet the project outcome expectations regarding: employment creation, service provision, a model for others, a place for on-site training of TOBs. The appraised probability for meeting those expectations is rated: low, medium to high.

**Table 10: Outcome expectations for the PGs**

<b>PG Activity</b>	<b>No. of Partners</b>	<b>No. of Employees</b>	<b>Employment Creation</b>	<b>Service for the Area</b>	<b>Model for Others</b>	<b>On site Training</b>
Bulgur Erbil	4	0	Low	High	High	High
Fruit Processing Erbil	4	0	Low	High	High	High
Beekeeping Suli	3	2	Medium	High	High	High
Fruit processing Suli	3	0	Low	High	High	High
Dairy Suli	1	4	Low	High	High	High
Machine shop Erbil	1	12	High	High	High	High
Sewing & Tailoring Erbil (1)	2	1	High	High	High	High
Sewing & Tailoring Erbil (2)	3	2	High	High	High	High
Agro-auto repair Erbil	3	1	High	High	High	High
Carpet weaving Erbil	3	1	Low	Low	High	High
Agro-auto repair Suli	2	2	High	High	High	High
Wood working Suli	1	4	High	High	High	High
Carpet weaving Suli	6	0	Low	Low	High	High

All the PG leaders who were met by the evaluator were dynamic, eager to develop their enterprises and utilize the increased capacities and capabilities from the project investments. However, due to different market situations, the prospects for expansion varied considerably. The open market policy for imports (mainly Turkey, Iran and Jordan) has made it very difficult for larger local producers of Bulgur, processed fruits and dairy products to compete. There is still a market for local products but if anything, it appears to be shrinking. Possibility for expansion awaits a shift in Government policy from open border to

introduction of much needed protection and anti-dumping duties for these and other locally produced agricultural products.

Following the visit to a carpet weaving PG in Suli, it seemed clear that just keeping the six PG lady partners busy in weaving would not only be a challenge, but only be possible due to the PG leader's widespread social connections and marketing skills.

Sewing and tailoring, woodworking, and agro-auto repair are home market activities which generally do not compete with imports but the demand for these services is high and increasing. The possibility for these PGs to grow from small to medium and to large units is not unrealistic.

As service providers for customers and other producers in the concerned areas, all PGs except the carpet weaving PGs have an important role. As a result, customers would receive better quality products/services and wheat growers, dairy farmers, orchard owners, beekeepers and other producers are provided with an opportunity to have their raw materials processed, vehicles and agricultural machines repaired and workshops equipped.

As "models" for others to learn and to be inspired from the PGs, this would be a perfect example. They display new standards in appearance, technology and business management, and most importantly it had been obtained by short-term training and moderate investments. Everyone in the PG locations are aware of them and according to the PG owners, most people around these locations have come to have a look and ask questions about the changed setup and appearance.

The project is already using some of the PGs for practical on-site training of TOBs, and all the PGs visited by the evaluator, confirmed that this is an activity they would wholeheartedly support.

## **4.6 The VTC component**

### **4.6.1 VTC selection and strategy for decentralized training**

After the 4<sup>th</sup> PSC meeting it became clear that the chances were slim for the central VTC to materialize in time to be used by the project. The project developed a new decentralized training strategy. The main element of this strategy was that training venues should be as close as possible to the target beneficiaries which would then make it possible for the project to attract those

potential TOBs, who would not be prepared to travel long distances or able to stay away from home for long durations.

The national project staff undertook, in cooperation with the concerned ministries, a survey of relevant training providers. From the result a list of 18 VTCs were selected. They included three carpet weaving centres under MOC, six Industrial schools under MOE, one centre under MOSLA, and eight centres under MOA (see section 4.3). The evaluator assessed the selection process as being objective, but no documentation was available and it was not transparent for those VTCs considered and for those not selected.

Of the 18 VTCs, 15 have received training equipment from the project at a total investment cost of approximately USD660,000 (see details in Annex 5). The grants have a double purpose: (1) to ensure relevant and efficient TOB training (2) to develop local centres of excellence within the chosen project technologies.

#### **4.6.2 Training courses and materials**

The project has worked with the selected VTCs to design training courses (syllabuses) reflecting the training goals. Wherever possible, existing relevant training materials available from UNIDO and FAO were adapted and integrated into the training programmes. UNIDO contributed mainly booklets, and FAO provided DVDs. In early 2008 UNIDO had also contracted a consultant who was recruited to standardize the non-food training programmes. This work enabled the project to produce a wide number of DVDs (37 in total). Many of the food training courses displayed on these DVD were presented on Television during the weekly MOA agricultural programme. For the VTCs, the DVDs also constitute a documentation of the project training methodologies and contents.

For the “new” market demand driven training courses – aimed mostly at unemployed youth – syllabuses and training materials were available from the course conducted by VTCs, but adaptations were made to suit the project purposes. It should be mentioned that the VTCs in question have up-to-date training programmes and materials, which they have received from other donors and NGOs. They have the ability to adapt training to market needs.

#### **4.6.3 VTC output, outcome and impact analysis**

The 18 selected VTCs projects have successfully been involved in a selection of TOB projects and conducting of project courses using their own staff as well as TOT projects. Their foundation in the local communities, for food related training courses, for the use of outreach training facilities connected to agricultural extension service (MOA), have been instrumental in attracting a high number of



target beneficiaries, meeting the project eligibility criteria particularly women who may have problems with spending time away from home.

Training equipment granted by the project to the VTCs, had been installed in a timely manner and had been used in the various project training courses. Also, these VTCs had, wherever possible, utilized training materials developed under UNIDO and FAO agro-industry programme in the country.

During the evaluation, the evaluator visited seven of the 18 project VTCs. They were all very satisfied being involved in the TOB selection process and found those selected for training very motivated and eager to learn. The VTCs recognized that the project courses regarding content, methodology and training manuals and materials were often more superior than their own, and they expressed an interest in pursuing the same standard in their own courses. To this end it had been a great help that some of their in-house training staff had received project training under the TOT component.

Within the fields where the VTCs had received training equipment from the project, they were prepared to further develop the concerned departments and meet the expectation to become Local Centres of Excellence for these activities.

At the time of evaluation, the possible impact from the initiated positive outcome process was not in a measurable magnitude. The evaluator assessed that the new standards set by the project courses and the improved capabilities of the project which involved trainers in the short- to medium-term, would result in increased standards of the VTCs as a whole, and though the educated trainees having greater possibilities to fulfill their aims, like income generation from employment or self-employment.

#### **4.7 Project financing**

The project budget as per the Project Document and the expenditures up to the time of evaluation are presented in table 11 overleaf.

**Table 11: Project budget and expenditures**

<b>Category</b>	<b>Project Document Budget (US dollars)</b>	<b>Expenditures at the Time of Evaluation (US dollars)</b>	<b>Variation (US dollars)</b>
National Project Personnel	183,600	195,688	12,088
International Project Personnel	414,000	414,000	0
National Consultants	51,000	124,981	73,981
International Consultants	120,000	324,636	273,636
Contracts	1,029,000	413,569	-615,431
Training	681,360	880,469	199,109
Equipment	2,474,569	2,119,702	-354,867
Supplies & Commodities	111,000	111,000	0
Travel	114,144	114,834	690
Miscellaneous	155,360	133,551	-21,809
Security	103,573	71,157	-32,416
Agency Management Support	362,507	304,216	-58,291
<b>Total</b>	<b>5,800,113</b>	<b>5,206,803</b>	<b>-593,310</b>

The change in training strategy from the central VTC to the decentralized solution has implications on contracts (civil works), equipment (one mini-training dairy and a two-ton trucks are omitted) and training costs (many local training venues instead of one central). Saving on security reflects the improved security situation in the KRG during the project period.

Table 12 shows the breakdown of equipment expenditures on toolkits, PGs and VTCs:

**Table 12 – Expenditure on toolkits, PGs and VTCs**

<b>Equipment</b>	<b>Expenditure (US dollars)</b>
Toolkits	716,000
PGs	384,000
VTCs	660,000
Others	360,000
<b>Total</b>	<b>2,120,000</b>

# V

## Assessment of Project Performance

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### 5.1 Relevance

Overall, the objectives of the project and related outputs were assessed to be highly pertinent to the national and international programme framework for Iraq, as well as being consistent with UNIDO and FAO core competencies and mandates. The project addressed both the GOI National Development Strategy (NDS) and the UN assistance strategy with respect to employment creation, sustainable food production, and income improvement of vulnerable groups in rural and urban areas. As part of the United Nations Development Group – Iraq Trust Fund (UNDG-ITF) and members of the UN Country team, UNIDO and FAO have been active partners in the UN's programming for Iraq since March 2003. In addition, in relation to Millennium Development Goals (MDGs), the project was particularly relevant to Goal 1 (eradication of extreme poverty and hunger) and to Goal 3 (promotion of gender equality and empowerment of women).in Iraq.

The project approach puts a lot of emphasis on training: training of trainers (TOTs), training of target beneficiaries and support to VTCs with regard to training equipment and materials. Most of the TOT training and the procurement of training equipment for the planned central VTC were completed at the time when the project had to depart from the centralized VTC model and move to the decentralized model. It meant that crucial elements duly planned and implemented for one training model had to be adapted to a completely different model. This of course resulted primarily in sub-optimal solutions for the decentralized model and with regard to utilization of the TOTs. From the point of view of many TOTs, the lack of employment as trainers at a VTC and the insufficient utilization of their acquired expertise have made the project less relevant for them. On the other hand, the decentralized training model is much more relevant for the target beneficiaries, particularly for women, in the local communities than the central VTC solution.

The cancellation of the central VTC model dislocated the original planned intervention link between the VTC and TOT components of the project. Under the original terms of the project trainers, it was supposed to be anchored at the central VTC, but instead they all remained in their current job positions with the result that quite a number could not free themselves for TOT tasks. Before project completion the project would try to find ways of grouping the TOTs at selected VTCs in cooperation with the involved ministries, so as to make better use of their expertise acquired under the project. As the project changed strategy, the TOT component became less relevant and it remains to be seen if it can resume its key role as intended.

The interview survey with a number of VTCs included by the decentralized project training model revealed that all those surveyed regarded the support by the project as being relevant for development of their expertise and training capabilities. They acknowledged that adoption of project training methodologies and acquisition of state-of-the-art training equipment and materials have increased their level of competence and service delivery options.

From the TOB survey it is clear that the TOBs generally perceive the project as the socio-economic 'driver' for their improved living conditions. The relevance of the project for the target beneficiaries is proved from the TOB survey and according to the respondents, which shows significant improvement of livelihoods, employment and incomes of TOBs resulting from the project training, toolkits and mentoring. Using skills training of project target beneficiaries as the main vehicle to reach the aim of lifting vulnerable households out of vulnerability and increase their income has proved its relevance through the results obtained regarding employment generation. The toolkit component in its present form has high relevance as a premium attracting the TOBs to the training courses and making them more focused during the training sessions, but for quite a few beneficiaries, the tools have not added much to their technological level or production capacity.

A rough estimate indicated that Erbil and Sulaymaniyah Governorates had about 200,000 vulnerable households which the project has directly reached, and about 2,500 through training of a member per household. It corresponds to project coverage of a little more than one per cent of the total. This may appear very modest and a challenge to the relevancy of the project. However, increased income for poor families has a very high economic multiplier effect since almost all money will be spent with very little being saved. It means that the economic growth potential from improved income of 2,500 poor families is much larger than the actual gained income of these families. This effect together with the continuous TOB training after project completion, already initiated by MOA, will in

the short- to medium-term increase the project income and poverty relief relevancy also in quantitative terms.

The relevance of the PG component for the project's target beneficiaries remains to be seen, but through surveys and assessments the project has succeeded in selecting PGs with dynamic leadership and potentials in general to meet the outcomes expected by the project. Therefore the relevancy of the PG component is assessed to have a good chance to develop positively over time.

## **5.2 Ownership**

Project ownership has been built very strongly within MOA at all levels including to the extension service personnel functioning as TOTs. A decision has been taken to continue the project concepts and strategies in all the three KRG Governorates after project completion and a budget to be established.

MOA has already an agreement with an NGO (Immortal Barzani Charity) working with vulnerable households to assist with TOTs for training of 25 women in fruit processing. Further the Ministry was in the process supporting the establishment of three PGs, two dairy and one fruit processing, in three different villages. Two mini dairies and equipment for fruit processing had already arrived in Erbil. MOA would also assist the food TOBs and PGs in designing and printing of labels for their products and in obtaining hygiene certification to support the marketing.

Project ownership in MOI remains very weak. The chairman of the PSC has retired and his sincere interest and involvement in the project had not been relayed to the relevant sections of the MOI.

The close project cooperation with the VTCs during identification, selection and training of TOBs as well as the considerable use of their own training personnel as trainers in project courses, have imparted high feeling of project ownership in the group of project VTCs. They all have capacity for continuous TOB training and mentoring and with moderate budget backup from their parent ministries they are ready and willing to undertake the task.

A convincing indication on ownership is given by the active TOTs through their interest and willingness to assist the TOBs. They had trained in all technical and business management matters arising during their endeavour to establish themselves as self-employed entrepreneurs. Feedback from the TOBs visited by the evaluator indicated that the TOTs receive telephone calls from TOBs at all times during the day and night and that they always offered technical assistance.

### 5.3 Efficiency

The efficiency and quality of project management from June 2006 until January 2008 was not considered by the evaluator, since the problems originating from the delayed and later abandoned central VTC concept were caused by the unforeseeable KRG Government policy change and not by the project management. However, although the project was brought into a “state of limbo”, during most of the period, the management succeeded in undertaking some activities. The following overview shows the activities undertaken before January 2008 (before the 4<sup>th</sup> PSC meeting):

- Design and tendering of central VTC civil works (completed)
- Needs Assessment Study (accomplished)
- Selection and training of TOTs (non-food 75 per cent, food 80 per cent completed)
- TOB survey and selection of TOBs for training (not satisfactory)
- Training of TOBs (one course round at industrial schools in Erbil and Suli, respectively in Welding and Agro-auto repair)
- Preliminary assessment of alternative training providers (VTCs)
- Procurement of equipment for the central VTC (14 per cent of food, 50 per cent of non-food equipment arrived in Erbil)
- Development of additional training materials

Thus, the major portion of project work was left to be completed at the time of the 4<sup>th</sup> PSC meeting, and upon the decisions made at the meeting a genuine working spree began in the PMU Amman office, as well as at the Erbil and Suli offices. The tasks that need to be undertaken within about a year were overwhelming including the following:

- Interviews and selection of the remaining TOTs, agreements with international training providers, travel arrangements, visas, heavy communication traffic and later, follow-up and monitoring of the TOTs;
- Elaboration of technical specifications for procurement of the remaining VTC equipment and toolkits in cooperation with MOI and MOA, communication with UNIDO and FAO procurement offices, preparation of tax exemption letters for customs control and endorsement by various ministries. Communication with Border Control and Erbil checking point to allow the consignments to pass through. At the arrival of the project warehouse, checks and control of inventory of the goods together with the concerned ministries. Hereafter distribution of the goods for recipients,

training equipment for VTCs, and equipment for PGs and toolkits for TOB courses. Finally, it should all be correctly dispatched to the large number of locations for project activities. Moreover, quite a number TOB trainings were conducted at venues outside the VTCs within the TOB communities and training equipment needed to be moved from one place to another;

- First interviews with and selection of TOBs after the new criteria approved at the 4<sup>th</sup> PSC meeting and completing the four-page TOB format, and thereafter organize training for 2,510 TOBs. Arrange for toolkits to be issued and authorize training certificates, and finally follow up and monitor their performance;
- Assessment and selection of PGs, make local contracts for civil works, supervise the work and the equipment installations, arrange for the necessary technical and management training of the PG Leader and staff, and arrange for PG ground breaking ceremonies involving ministerial and local authorities and various media.

Considering the above-mentioned completed tasks, the project management has shown extreme high efficiency in project implementation. All inputs have been of high quality and outputs have been produced in accordance to the revised plan of 4<sup>th</sup> PSC. At the same time the management has been very concerned about the project outcome and has taken the necessary and appropriate action to maintain project efficiency along the way, based on field monitoring information.

The project has, together with the other UNIDO supported the projects in Erbil Governorate: “Enterprise Development and Investment Promotion in the SME Sector in Iraq (EDIP)”, pursued the possibility of cooperation concerning training of PG Managers. However, closer examination of the training needs of the PG Managers, revealed that 13 of the 15 PGs were at a level where training undertaken by the project’s own Business Management TOTs, would be more appropriate than the training courses arranged by EDIP. Of the remaining two PG Managers, one had just completed a comprehensive Business Management course arranged by another agency, but the remaining PG, the manager of the Bulgur PG, was found suitable for EDIP training. The evaluator assesses this decision as correct, since most of the PGs are still of a size, which do not match the profile of the enterprises being trained under EDIP.

#### **5.4 Effectiveness and impact**

The expected project outcomes are:

- Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing;

- The condition of 2,000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members.

As explained earlier in the report, capabilities have been significantly enhanced in MOA and in the project involved VTCs through project interventions. The same is not the case for MOI. The only enhanced capabilities left at this Ministry are those embedded with the 10 MOI selected TOTs, who have not been fully utilized, but still constitute a knowledge-based resource for the Ministry. It is expected that MOLSA will take over these TOTs and employ them at the ministry's central VTC in Erbil. With this development, enhanced capabilities of MOI would be shifted to MOLSA for the non-food training aspects of a MISP type project.

The TOB survey proves that the project has reached the target beneficiaries and that the large majority of the TOBs have entered into employment and self-employment, and even within the very short project period most of them have experienced increased income and improved quality of life from their participation in training sessions and from the opportunities created by the project to engage in productive activities.

The outcome has been obtained through establishment of the following outputs:

- Relevant personnel from Ministries of Agriculture and Industry and selected VTCs, trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities;
- The number of personnel from the Ministries of Agriculture and Industry, the selected VTCs and other relevant agencies trained as trainers through the project's TOT programme accounted for 63;
- Project beneficiaries accounted for 2,510 who were trained in selected project technologies, business management, and marketing with the view to start their own business or obtain employment;
- A total of 15 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in input sourcing, marketing and business management.

The effectiveness of the outputs varies. The TOB training has proven very effective in the short term on improvement of the livelihood of the target beneficiaries. The TOT training has been important for the TOB training, but compared to the number and duration of TOB courses the number of TOTs are exaggerated. Maybe half of the number would have sufficed and the money saved could have been used for more comprehensive TOT training and/or further TOB training. The outcome expectation of the PG activities, employment and



income generation for the project target group, remains to be seen, but it is assessed by the evaluator that the probability was high for the majority of them to meet the aim. The training of relevant personnel in the project involved ministries and VTCs has, as mentioned above, given satisfactory outcomes at MOA and the involved VTCs.

The balance between the outputs - in terms of time spent on project personnel and funds used - compared to outcome, (apart from the number of TOTs trained) is assessed as reasonable. One question remains: Should the money have been rather spent on PGs, TOB training, toolkits and VTC equipment? For the PGs this question awaits their development within the forthcoming one to two years. The PG component uses money, but is not a heavy time consumer for the project personnel. The opposite is the case for the TOB training (apart from the toolkits) and it is doubtful if the project organization in its present capacity could cope with a higher number of TOB selection, training and mentoring activities. Toolkits are very important for the outcome, but it is assessed that outcome could be further improved if individual equipment needs of TOBs could be satisfied through a more flexible toolkit programme. State-of-the-art training equipment is necessary for the VTCs to conduct courses of the required standard and cost savings on this component appears less realistic.

The project impact shall be measured against the degree to which it has been contributed to economic recovery of northern Iraq (Erbil and Sulaymaniyah Governorates). However, due to the short actual implementation period (about one year) project impact on the economic recovery of northern Iraq could not be measured or firmly assessed.

## **5.5 Sustainability**

### **General**

The two main questions remain however: (1) will the project results/achievements sustain, and (2) will the project concepts and activities sustain?

The project results/achievements include: (1.1) self-employment of about 1700 TOBs and employment of approximately 500, (1.2) 15 PGs in operation, (1.3) a group of TOTs experienced in TOB training and mentoring, (1.4) 18 VTCs experienced in TOB training and mentoring.

Sustainability of project concepts and activities requires that: (2.1) project ownership is anchored amongst local project stakeholders before project completion, (2.2) plans and budgets are prepared by local project stakeholders for continuation and replication of project activities.

## **TOBs and TOTs**

The society in the KRG has experienced a longer period of peace and economic growth. The project has given a large number of people a push, in the form of training, toolkits and post training mentoring, to enter into productive engagement and income generation, but the economic conditions in the society have also created an enabling situation for this engagement to be possible and successful. A continuous good economic development of the KRG will support the sustainability of many TOB jobs and ventures, but post-training mentoring for many TOBs will still be important for the viability of their businesses. Therefore sustainability for many under achievements, (1.1) depends on the sustainability of result (1.3).

The active TOTs, as well as other VCT trainers conducting project courses have been extremely dedicated in their training and post-training support to the TOBs but without a workplan and an operational budget for these activities, it would probably be phased out. Given this background, the sustainability of project achievement (1.3) depends on the accomplishment of (2.1) and (2.2). For food TOBs the situation is bright. Project ownership is anchored solidly in MOA and the Ministry is in the process of planning and budgeting for the continuation of project concepts and activities and replication throughout the KRG. For non-food TOBs the situation is uncertain. It is unlikely that MOI can or will continue with project activities after project completion. The Ministry has no training facilities and must rely on cooperation with other Ministries in this regard. Moreover, the TOB activities are not a MOI function, but fall mainly under MOLSA and MOE. Finally, project ownership is not sufficiently anchored in MOI.

Thus, sustainability of the project's non-food TOT interventions depend on the willingness of MOLSA and MOE to plan and budget for staff and training activities. The evaluator questions whether this may happen in the short-term; if not, mentoring of the non-food TOBs is likely to be phased out. The collapse of the TOT component would have a direct impact on the general sustainability or development of a 'Phase II' MISP-type project in the KRG.

## **Conclusion TOB and TOT**

If the positive economic development in the KRG prevails, probability of TOB employment and business sustainability is assessed to be rather high, even without continuous access to TOT mentoring. The products produced and the services provided are in good demand in the local communities and the magnitude of supplies is relatively modest compared to the total market. Cheap imports from neighboring countries of certain agricultural products are a challenge to some of the food TOBs, but it is expected that the Government will

introduce some protection duties and anti-dumping duties to control the situation. As explained above the situation is better for the food TOBs than for the non-food with regard to Government support, but most non-food TOBs have the advantage of being in sectors/skills with high demand and limited or no competition from imports.

### **PGs**

The 15 PG sub-projects are not green field interventions but upgrading of existing viable MSSEs, which means that the probability of sustaining achievements (1.2) is very high. Their prospect of PGs meeting the project expectations is different compared to other aspects of the project. For a further elaboration on this, reference is made to section 4.5.2. The PGs have the full attention of MOI/MOA due to the contract signed for receiving project equipment and other support. They are observed by the media and the general public. Monitoring of their performance and development is assessed to be close also after project completion.

### **VTCs**

During the interviews with the evaluator, 18 projects which involved VTCs acknowledged that the project developed training content, methodologies and training materials were superior to their own. VTC respondents also indicated that they would endeavour to pursue the same standard in their own training courses. Within their relevant technical fields, the VTCs that received training equipment from the project, indicated that they are prepared to further develop their training delivery services with the goal to become local Centres of Excellence in the KRG.

### **Conclusion PGs and VTCs**

The likelihood that the PGs will sustain and meet the project expectations is very high. For the VTCs, the improved course standards are likely to be sustained, but the evaluator is less convinced that the status of these vocational and technical training institutes and industrial schools as Centres of Excellence can be obtained and maintained over time.



# VI

## Recommendations and Lessons Learnt

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### 6.1 Project sustainability

After cancellation of the central VTC, the role of MOI became less important. This left the non-food training activities without a firm and clear-cut counterpart at ministerial level. For post-MISP II projects, UNIDO and GOI decided to involve MOLSA as the main counterpart.

#### Recommendation:

It is recommended to replace MOI by MOLSA as the line ministry for the non-food part of the project. MOLSA should prepare plans and budgets for follow-up on non-food training and for continuation and replication of non-food project activities in northern Iraq.

#### Lesson learnt:

In cases where an overall re-design of a project is necessary as a consequence of cancelling one or more key project components, UNIDO and its project partners should not shy away from also revisiting the counterpart and project management structures, if necessary.

### 6.2 Joint project implementation responsibility of UNIDO and FAO

There is no evidence of significant advantages and synergies of UNIDO and FAO sharing the responsibility for project implementation. On the contrary, stakeholders on the ground expressed variable degrees of dissatisfaction with mixing food and non-food activities in the same project.

#### Recommendation:

Similar future projects in Iraq should be split into two parts: a) UNIDO working with MOLSA being the line ministry responsible for non-food activities and b) FAO with MOA for food related initiatives.

### **6.3 Selection of TOTs**

The identification and selection process of TOT candidates for all the involved ministries lacked transparency and has not been documented. MOA has taken some steps for transparency by defining the selection criteria and setting up an inter-ministerial selection committee, but this has not been the case for MOI and the other involved ministries.

#### Recommendation:

Detailed Terms of Reference, candidate profiles, selection criteria and score tables should be prepared for the selection of TOTs. Jobs should be publicly advertised and interviews be conducted by experienced employment officers from the involved ministries.

#### Lesson Learnt:

Weak preparation and limited transparency (insufficient or no candidate profile definition, selection criteria, score table, and TOR) may lead to sub-optimal selections of trainers.

### **6.4 Training and project involvement of TOTs**

Of the TOTs, 50 per cent would have preferred longer, higher level, and more comprehensive TOT training. Because the number of persons trained was disproportionate (63 persons trained to conduct 89 courses), the project could not make significant use of all 63 TOTs.

#### Recommendations:

Future TOT trainings should cover all important subjects and curricula should be state-of-the-art. Course contents should be defined by competent international experts. In order to use fund efficiently, the project should not train more TOTs than necessary because TOTs need to make good use of their training skills.

#### Lesson Learnt:

Under-utilization of TOTs hampers their motivation and is counterproductive to project sustainability.

### **6.5 TOT organization**

One of the main arguments for a central VTC was the advantage of having all TOTs employed at one location and under one food and one non-food manager. When the centralized VTC did not materialize, the project established a

decentralized training structure but failed to properly address the management and organization of the TOTs. This problem was particularly acute for the MOI TOTs.

Recommendation:

The non-food TOTs who are not employed at one of the VTCs under MOLSA, MOE or MOC should be employed at the MOLSA training centres in Erbil and Sulaymaniyah. The TOTs for the food area should be employed at the agricultural training centres of the MOA in Erbil and Sulaymaniyah. One focal point should be appointed for each of the two groups.

Lesson Learnt:

Dispersing TOTs organizationally and geographically without a common management weakens implementation efficiency and sustainability of the TOT resources.

## **6.6 Centralized or decentralized TOB training**

The decentralized training model has important advantages over the originally planned centralized model with only one central VTC where all TOB trainings are conducted. In the decentralized model the training venues are close to the TOB residences, which is particularly important for the participation of women.

Recommendation:

In future micro industries support projects, UNIDO and FAO should adopt the decentralized TOB training model. However, it is crucial that the TOTs are employed in groups with a common leadership at few centres (e.g. one per Governorate) and that outreach training at local VTCs is supported by up-to-date training equipment. The latter may require establishment of a number of mobile training units.

## **6.7 Selection of TOBs**

The two-pronged set of selection criteria taking into account vulnerability and basic experience proved to be appropriate. Most selected TOBs met the target beneficiary criteria and had the potential to become employed or self-employed.

Recommendation:

Future Micro-Industry Support Projects should adopt the multiple selection criteria introduced by the project covering household vulnerability and the requirement that TOBs should have a minimum of educational background and experience.

Lesson Learnt:

The requirement of a certain minimum educational background and experience is key for skills development projects to successfully generate employment and income.

### **6.8 Level of TOB courses**

The variable levels of education and knowledge of participants in the same course raised efficiency problems.

Recommendation:

Future Micro-industries Support Projects should offer two or three levels of training if the educational background and/or experience of the selected participants varies significantly. Participants should be classified during selection.

Lesson Learnt:

TOBs with a higher initial education level and experience above average gain too little additional knowledge from the courses. This is a missed opportunity and limits project efficiency and effectiveness.

### **6.9 Toolkits**

Most of the TOBs visited did not make use of the tool kit, which they had received after the training but continued using their old tools. This raises questions with regard to the appropriateness of using standard toolkits for all participants of a given course.

Recommendation:

Projects should introduce toolkit flexibility so that TOBs can choose within a given range those tools matching their level of technology and business. Typical ranges of toolkits could be: tools for basic production, tools for more sophisticated production and products and tools for quality testing, packaging and labeling.

Lesson Learnt:

The requirement for the TOBs to have already some basic experience and skills in the given subject area of training means that they often already own equipment similar to the toolkit supplied by the project. This requires more flexible solutions for the provision of toolkits.

### **6.10 Market orientation of TOB courses**

Recommendation:



Starting from offering training for a limited range of rather traditional crafts, the project gradually extend its training offer towards emerging services such as mobile telephone repair, satellite receiver installation and repair and heating and cooling installation.

Lesson Learnt:

Micro Industries Support Projects should make flexible training offers based on the creative identification of emerging market segments with unsatisfied demand. Services related to ICT and other new technologies are particularly interesting for the younger generation and job opportunities and self-employment in these areas are often a realistic possibility.

# Annex A: Terms of Reference

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## Terms of Reference

Independent Evaluation of the UNIDO/FAO Project:

“Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas in Northern Iraq”

FB/IRQ/06/002 (UNIDO project number)  
OSRO/IRQ/602/UDG (FAO project number)

### I. Background

The project is the second of a series of four similar poverty alleviation projects in Iraq. The first of these projects has been implemented in the Thi-Qar governorate in South Iraq. This project has been evaluated in 2007 and the present evaluation should build upon the findings and lessons learned from the Thi-Qar evaluation, and use a same or similar methodology in order to allow for comparison. The second project is the one under evaluation. It covers the Erbil and Suleiymaniyah governorates of Northern Iraq. The third project of this series covers Al Qadissiya Governorate in Central Iraq and is not yet sufficiently advanced for an evaluation. The fourth project has just started in Anbar Governorate in western Iraq.

All four projects are carried out jointly by UNIDO and FAO. The basic project philosophy is to increase the capability of poor and marginalized war-affected communities to engage in economically viable small-scale productive activities in order to generate income and increase employment figures. The main levers in order to achieve this objective are technical and business management trainings provided in cooperation with existing vocational training centres and the delivery of certain technical tools and basic technical equipment to the successful trainees. Furthermore, the approach involves a certain amount of rehabilitation or upgrading of vocational training centres; training of trainers and the production of training material.

A major commonality of the four projects is adverse conditions, including security problems, which have led to periods of partial or total implementation standstill. This has also caused challenges with regard to synchronizing the interventions of the two implementing agencies. The restricted access to the regions of implementation for international experts and UN officials is another major challenge. This restriction will also influence the design and implementation of the present evaluation.

## **II. Project information**

The project receives its funding from the multi-donor UN Trust Fund for Iraq (UNDG ITF). In line with the national development strategy and the UN assistance strategy and the general project philosophy described above, the project is expected to increase income and employment of the rural and urban population by facilitating self-employment of the vulnerable groups.

The promotion of micro-enterprise industry activity is seen as one the most cost effective means of creating employment and raising household incomes in rural and urban areas. The income generation activities targeted by the project are:

- burghul, beekeeping, dairy, fruit and vegetable processing and olive processing in the food area covered by FAO
- agro/auto-mechanics, welding, woodwork, machine-shop, carpet making and tailoring in the non-food area covered by UNIDO

The project expects to benefit a minimum of 2000 target beneficiaries. At project end the capacities of counterparts are expected to be strengthened through established training centres and training of trainers.

The expected outcomes (immediate objectives), outputs and planned activities of the project are described in the attached project document. The latest progress report (January – June 2008) provides the following key information on the project status:

- Base-line study, inception report, identification of micro industries, detailed project planning, selection of individual beneficiaries and producer groups: completed
- Feasibility studies and development of business plans for 16 producer groups: under finalization
- 1485 training candidates selected
- All 53 trainers and 321 beneficiaries trained
- All equipment procured, last few items in transit to delivery destination

- Equipment for agro/auto-mechanics and welding distributed to 72 beneficiaries
- Construction and equipment of vocational training centres cancelled due to unforeseen counterpart decisions. Instead, beneficiaries are trained at alternative locations
- Alternative training providers identified (7 food- and 8 non-food); equipment of these training providers supplied and courses ongoing
- Training materials: prepared

The project is jointly implemented by UNIDO and FAO following signature of an interagency agreement. The project is being implemented by a joint project office in Amman, headed by a Chief Technical Adviser (CTA) and a National Project Coordinator (NPC) in the target region. At headquarters of the two agencies, project managers, operations officers and technical backstopping officers are assigned to coordinate the overall planning and implementation the project. Short term international and national consultants are recruited for specific activities.

Partners in the Government of Iraq are the Kurdistan Regional Government (KRG) Ministries of Agriculture (MOA) and Industries (MOI).

A Project Steering Committee (PSC) composed of MOA, MOI, UNIDO and FAO has been established. The PSC has met five times since the start of the project.

The project has been approved for a period of 18 months until February 2008. This initial duration has been extended until 28 February 2009.

### III. Project budget

Total allotment	USD 6,300,116
UNDG Iraq fund	USD 5,800,116
Government input	(in kind) USD 500,000
<b>Total:</b>	<b>USD 6,300,116</b>

### IV. Evaluation purpose

The purpose of the evaluation is to assess the:

1. Project relevance with regard to the priorities and policies of the Government of Iraq, the UNDG ITF; UNIDO and FAO
2. Project effectiveness in terms of the outputs produced and outcomes achieved as compared to those planned

3. Efficiency of implementation: quantity, quality, cost and timeliness of UNIDO/FAO and counterpart inputs and activities
4. Efficiency of the cooperation arrangements between UNIDO and FAO, and if applicable make recommendations for improvements
5. Prospects for development impact
6. Long-term sustainability of the support mechanisms results and benefits

The evaluation should provide the necessary analytical basis and make recommendations to the Government, to UNIDO and to FAO for the closure of the project and for ensuring its sustainability. The evaluation should also draw lessons of wider applicability for the replication of the experience gained in this project in other projects.

## **V. Methodology and scope of evaluation**

The evaluation will be carried out in keeping with agreed evaluation standards and requirements. More specifically it will fully respect the principles laid down in the “UN Norms and Standards for Evaluation” and Evaluation Policies of UNIDO and FAO.<sup>1</sup> The evaluation shall determine as systematically and objectively as possible the relevance, efficiency, achievements (outputs, prospects for achieving expected outcomes and impact) and sustainability of the project. To this end, the evaluation will assess the achievements of the project against its key objectives, as set out in the project document and the inception report, including a review of the relevance of the objectives and of the design. It will also identify factors that have facilitated or impeded the achievement of the objectives.

While maintaining independence, the evaluation will be carried out based on a participatory approach, which seeks the views and assessments of all parties. It will address the following issues:

### **Project identification and formulation:**

- The extent to which a participatory project identification process was applied in selecting problem areas and counterparts requiring technical cooperation support
- Relevance of the project to development priorities and needs
- Clarity and realism of the project's development and immediate objectives, including specification of targets and identification of beneficiaries and prospects for sustainability

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<sup>1</sup> All documents available from the website of the UN Evaluation Group: <http://www.uneval.org/>

- Clarity and logical consistency between, inputs, activities, outputs and progress towards achievement of objectives (quality, quantity and time-frame)
- Realism and clarity in the specification of prior obligations and prerequisites (assumptions and risks)
- Realism and clarity of external institutional relationships, and in the managerial and institutional framework for implementation and the work plan
- Likely cost-effectiveness of the project design

**Project ownership:**

- The extent to which the project was formulated with the participation of the national counterpart and/or target beneficiaries
- The extent to which counterparts have been appropriately involved and have been participating in the identification of their critical problem areas, in the development of technical cooperation strategies and in the implementation of the project approach
- The extent to which counterpart contributions and other inputs have been received from the Government (including Governorates) as compared to the project document work plan, and the extent to which the project's follow-up is integrated into Government budgets and work plans

**Project coordination and management:**

- The extent to which the national management and overall field coordination mechanisms of the project have been efficient and effective
- The extent to which the UNIDO and FAO based management, coordination, quality control and input delivery mechanisms have been efficient and effective
- The extent to which monitoring and self-evaluation have been carried out effectively, based on indicators for outputs, outcomes and objectives and using that information for project steering and adaptive management
- The extent to which changes in planning documents during implementation have been approved and documented
- The extent to which coordination envisaged with any other development cooperation programmes in the country has been realized and benefits achieved
- The extent to which synergy benefits can be found in relation to other UNIDO/FAO and UN activities in the country

**Efficiency of implementation:**

Efficiency and adequacy of project implementation including: availability of funds as compared with the provisional budget (donor and national contribution); the quality and timeliness of inputs delivered by UNIDO and FAO (expertise, training, equipment, methodologies, etc.) and the Government as compared to the work plan(s); managerial and work efficiency; implementation difficulties; adequacy of monitoring and reporting; the extent of national support and commitment and the quality and quantity of administrative and technical support by UNIDO/FAO.

**Effectiveness and project results:**

Full and systematic assessment of outputs produced to date (quantity and quality as compared with work plan and progress towards achieving the immediate objectives);

The quality of the outputs produced and how the target beneficiaries use these outputs, with particular attention to gender aspects; the outcomes, which have occurred or which are likely to happen through utilization of outputs. In particular, this includes an analysis of the likely effects of micro-enterprise industry activities as a means of creating employment and raising household incomes.

**Prospects to achieve expected outcomes, impact and sustainability:**

Prospects to achieve the expected outcomes and impact and prospects for sustaining the project's results by the beneficiaries and the host institutions after the termination of the project, and identification of developmental changes (economic, environmental, social) that are likely to occur as a result of the intervention, and how far they are sustainable.

**Cost-effectiveness of the project:**

Assessment of whether the project approach represented the best use of the given resources for achieving the planned objectives.

**Recommendations for a possible next project phase, or replication elsewhere:**

Based on the above analysis the evaluators will draw specific conclusions and make proposals for any necessary further action by Government and/or UNIDO/FAO and/or the UN or other donors to ensure sustainable development, including any need for additional assistance and activities of the project prior to

its completion. The mission will draw attention to any lessons of general interest. Any proposal for further assistance should include precise specification of objectives and the major suggested outputs and inputs.

## **VI. Evaluation timing and main tasks**

The evaluation is scheduled to take place between October 2008 and March 2009.

The evaluation will be carried out through analyses of various sources of information, including desk analysis, field visits, survey data, and interviews with counterparts, beneficiaries, partner agencies, donor representatives, programme managers and through the cross-validation of data. In view of the particular aspects of this evaluation (no country visit by the international evaluation team members), particular attention will be given to the elaboration of a strategy for field surveys, the elaboration and test of Questionnaires and the implementation of the surveys in line with agreed professional and impartiality standards. (The evaluation team will also keep in touch with other ongoing evaluations in the same area, such as the recently started evaluation of 5 FAO-implemented irrigation and animal husbandry projects).

The evaluation will encompass the following main tasks:

1. Desk study of available documents and definition of the evaluation methodology with a catalogue of project specific evaluation questions, to which the evaluation should provide answers; this methodology will have to be discussed and agreed with the evaluation units of UNIDO and FAO
2. Briefing and interviews with UNIDO and FAO project staff in Vienna, Rome and/or Amman
3. Organization of a two-day kick-off meeting in Amman involving national and international project staff, counterpart representatives and the entire evaluation team
4. Analytical review of the economic, political and security conditions in the region of intervention (drawing on information received from policy makers, and also other UN Organizations and providers of technical assistance in Iraq and in the region) and investigation into the relevance, needs orientation and realism of the project design and implementation (gathering information above all from project stakeholders and private sector players in the region)



5. Design and execution of a survey on the capabilities of the trainers; this survey shall assess *inter alia*: the profile of the trainers and whether their professional qualification and experience are appropriate with a view to empowering vulnerable and marginalized groups to engage in income creation; whether the quality of the training of trainers (TOT) they received has been adequate; how many beneficiaries they have trained; under which conditions these trainings occurred; whether there have been follow-up activities (coaching); and how trainers assess the success of the trainings; this survey would address at least the 53 trainers who received training under the project until December 2007, if possible more
6. Design and execution of a survey among trainees; this survey would address a representative sample of at least 100 trainees, if possible more; this survey shall assess *inter alia*: the profile of the trainees and to what extent the selection of trainees matches the objectives of the project to support vulnerable and marginalized groups; the quality of the training and of the equipment received and whether these inputs are perceived as adequate with a view to empowering the target groups to engage in income creation; the status of the income creation activities of the trainees (self employment; business creation; employment in existing companies); the impact of the project on their income and living conditions
7. On site visits of the various project sites (vocational training centres; alternative training providers; project partners from the public and private sectors; workshops/micro-enterprises set up by individual beneficiaries and producer groups)
8. Organization of a meeting in Amman where the evaluation team will present its raw results and preliminary findings to project staff and counterparts and collect their feed-back
9. Production of a first draft evaluation report and submission of this report to the evaluation departments and project managers of UNIDO and FAO for feed-back
10. Incorporation of comments into a second draft and submission of this draft to the government, project participants and stakeholders for comments
11. Incorporation of comments into final draft

12. Final debriefing and presentation of final report with UNIDO and FAO in Vienna, Rome and/or Amman

## **VII. Evaluation requirements**

The evaluation will require the following functions, competencies and skills:

- 1) Evaluation team leader with documented experience in:
  - a) Designing and managing complex evaluations
  - b) Leading multi-disciplinary and multi-cultural teams of evaluators
  - c) Development projects in Arab speaking countries
  - d) Development projects related to income generation for vulnerable groups
  - e) Designing and supervising qualitative and quantitative field surveys
  - f) Preparing evaluation reports in line with agreed UN and DAC standards
  - g) Drafting reports in English (excellent drafting skills to be demonstrated)
- 2) Evaluators with documented experience in executing:
  - a) Development projects for income creation of vulnerable groups
  - b) Analysis of micro-enterprise industry activities as a means of creating employment and raising household incomes
  - c) Evaluation of vocational training schemes
  - d) Evaluations in Arab speaking countries
  - e) Qualitative and quantitative field surveys
  - f) Interviews in Arab language with the entire range of stakeholders from vulnerable war-affected groups to high-level officials

The evaluation team must have the necessary technical competence and experience to assess the quality of the technical assistance provided under this project to cottage level production in the areas of:

- burghul, beekeeping, dairy, fruit and vegetable processing and olive oil extraction in the food area covered by FAO
- agro/auto-mechanics, welding, woodwork, machine-stop, carpet making and tailoring in the non-food area covered by UNIDO

The above-mentioned functions, competencies and skills may be distributed among several persons in the evaluation team. Team members may be located in different countries but an effective coordination mechanism will have to be demonstrated. Evaluation team members must be independent and not have been involved in the formulation, implementation or backstopping of the project.

The execution of the evaluation will require full command and control of the specific situation in Iraq and full respect of the UN security rules for Iraq. The ability to carry out field operations in Iraq is a key requirement and must be demonstrated.

The evaluation team leader will be responsible for elaboration of an evaluation strategy, including the design of field surveys and elaboration of questionnaires; guiding the national evaluators for their field work in Iraq; analysis of survey results; gathering of complementary information from project staff, collaborators and stakeholders through telephone interviews and other means; and preparing a presentation of conclusions and recommendations as well as a final evaluation report.

The evaluator(s) will be responsible for carrying out the field surveys (under the guidance of the team leader). The field surveys will provide the foundation for the evaluation and must therefore be executed in line with the highest standards of professionalism and impartiality.

The UNIDO Evaluation Group and the FAO Evaluation Service will be jointly responsible for the quality control of the evaluation process and report. They will provide inputs regarding findings, lessons learned and recommendations from other evaluations, ensuring that the evaluation report is in compliance with established evaluation norms and standards and useful for organizational learning of all parties.

The project office in Amman will logistically and administratively support the evaluation team to the extent possible. However, it should be understood that the evaluation team is responsible for its own arrangements for transport, lodging, security etc.

#### **VIII. Consultations and liaison**

Liaison of the evaluation team with the Iraqi authorities will be provided by an official nominated by the Government of Iraq.

The evaluation team will maintain close liaison with UNIDO and FAO representatives and the concerned national agencies, with the representatives of UNDP and other UN agencies, as well as with national and international project staff. The evaluation team is free to discuss with the authorities concerned anything relevant to its assignment. However, it is not authorized to make any commitments on behalf of the Government, the donor, UNIDO or FAO.

## **IX. Reporting**

The evaluation report shall follow the structure given in Annex A. Reporting language will be English. The executive summary, recommendations and lessons learned shall be an important part of the presentations to be prepared for debriefing sessions in Amman, Rome and/or Vienna.

Draft reports submitted to the UNIDO Evaluation Group and the FAO Evaluation Service was shared with the corresponding Programme or Project Officer for initial review and consultation. They may provide feedback on any errors of fact and may highlight the significance of such errors in any conclusions. The consultation also seeks agreement on the findings and recommendations. The evaluators will take the comments into consideration in preparing the final version of the report.

The evaluation will be subject to quality assessments by UNIDO Evaluation Group and the FAO Evaluation Service. These apply evaluation quality assessment criteria and are used as a tool for providing structured feedback. The quality of the evaluation report will be assessed and rated against the criteria set forth in the Checklist on evaluation report quality.

# Annex B: Questionnaires for evaluation surveys

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## A. Questionnaire for Trainers (TOT)

### Profile of the trainer

- 1) Name of respondent
- 2) Address: Governorate, District, (Sub-district), Village, contact telephone and fax numbers, and e-mail
- 3) Gender
- 4) Professional education
- 5) Professional experience
- 6) How many years experience as a trainer (if any)
- 7) What are the main subject matter expertises
- 8) Employment (employer's name and address) and position before project training
- 9) Present employment and position

### Appropriateness of professional qualifications and experiences for engaging project beneficiaries in income generating activities

- 1) Prior qualifications and experiences in socio-economic development
- 2) Prior qualifications and experiences in MSSR development
- 3) Prior qualifications and experiences in working with vulnerable households and household members

### Adequacy of received project (TOT) training

- 1) Training received under the project: List main subjects
- 2) Name and address of training institution attended
- 3) Calendar period of training/duration
- 4) Number and names of other course participants supported under the project
- 5) Main training subjects: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management
- 6) Perceived quality of the training: Satisfactory, less satisfactory, poor

- 7) Was the training evaluated by participants at completion? Result?
- 8) Which part of the training (if any) was insufficient or less comprehensive than expected?
- 9) What suggestions do you have to improve the training programme?
- 10) Was the training sufficiently comprehensive and adequate to form the basis to train project beneficiaries in engaging efficiently in income generating activities?
- 11) If not, which subjects were missing?
- 12) Acknowledgement of training effort: Diploma, acknowledgement letter, test score, other (which?)
- 13) Do you agree with the course acknowledgement you received?

### **Training conducted as a TOT trainer**

- 1) Have you conducted training of project beneficiaries after your TOT training?
- 2) How many courses have you conducted and how many beneficiaries have in total attended?
- 3) What have been the main subjects of your training courses: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management?
- 4) How useful was the TOT training you have received for the training you conducted: Very useful, useful, and less useful?
- 5) How do you judge the training material and equipment made available for your courses: Satisfactory, less satisfactory, poor?
- 6) What were the main deficiencies (if any)?
- 7) Were the training courses evaluated by participants or others at completion?
- 8) Which parts of the training (if any) were insufficient or less comprehensive than expected by the participants?
- 9) What suggestions do you have to improve your the training courses?
- 10) Have you received further training under the project after your TOT training?
- 11) If no, do you need further training? If yes, in which subjects?
- 12) Are you in (systematic) contact with your earlier trainees?
- 13) Are your trainees given the opportunity to contact you for needed advice?
- 14) Have you given post course mentoring support to your trainees?
- 15) If yes, what have been the subjects for mentoring: Technical, business planning, accounting/record keeping, marketing, financing, banking culture/loan management?
- 16) How do you assess the success of your training courses?

- 17) How do you assess the trainability of the participants in your courses considering that they upon the course should be able to commence income generating activities?

### **Sustainability of the TOT trainer group**

- 1) Have the TOT trainers been organised as a core group (with e.g. subject matter sub-groups) for experience exchange and further education, mentoring of existing beneficiaries, and continued training of other beneficiaries and additional trainers?
- 2) If yes, where have the core group/your subject matter sub-group been organizationally anchored to ensure sustainability?
- 3) If no, are you a member of any formal or informal networks established amongst the TOT trainers?
- 4) Have you undertaken TOT training for participants outside the project?
- 5) If yes, how many courses and how many participants in total?
- 6) Can you freely release yourself from other duties to undertake TOT training?
- 7) Are you satisfied with the contracts and remuneration you receive for your training courses under the project?
- 8) If no, which improvements will you propose?

## **B. Questionnaire for Trainees (Beneficiaries) (TOB)**

### **Profile of the trainee**

- 1) Name of respondent
- 2) Address: Governorate, District, (Sub-district), Village, contact telephone and fax numbers, and e-mail
- 3) Age
- 4) Gender
- 5) Household status: Head, wife, child, relative
- 6) School education: Number of years
- 7) Other education(s)/skills training before project training: Type, number of years
- 8) Name of skill/trade/profession
- 9) Occupation situation before project training: self-employed, employed, unemployed
- 10) If unemployed, how many months without job
- 11) Monthly/yearly income of the trainee before training

### **Profile of household**

- 1) Type of household: Martyr family, woman headed/widow, IDP, returnee, low income villager, other (explain)
- 2) Household size: Number of household members
- 3) Occupation/income generating activity of spouse (if any)
- 4) Monthly/yearly present income of spouse
- 5) Monthly/yearly income of the household before TOB training

### **Project training received**

- 1) Food: Dairy products, fruit and vegetable processing, beekeeping, olive processing, burghul
- 2) Non-food: Auto and agro-mechanics, textile/sewing/tailoring, metalworking/machine shop/lathe, carpet/spinning/weaving, welding, leather working, woodworking, ceramic, computer software, electric wiring, heating/cooling system, small generator repair
- 3) Name and address of VCT or other training provider
- 4) Name of project trainer(s) (TOT(s))
- 5) Trainer's organizational affiliation
- 6) Calendar period of training/duration
- 7) Number of course participants
- 8) Has group formation for after course cooperation/networking been established amongst the participants?
- 9) Main training subjects: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management
- 10) Acknowledgement of training effort: Diploma, acknowledgement letter, test score, other (which?)
- 11) Were the acknowledgement requirements (including the possible toolkit grant) transparent and clear?
- 12) Did your course include the possibility of receiving a toolkit grant?
- 13) If yes, did you receive a toolkit from the project?
- 14) If not, what is your perceived reason of this situation?

### **Quality and sufficiency of the training**

- 1) Perceived quality of the training: Satisfactory, less satisfactory, poor
- 2) Was the training evaluated by participants at completion?
- 3) If yes, what was the result?
- 4) Which part of the training (if any) was insufficient or less comprehensive than expected?



- 5) What suggestions do you have to improve the training programme?
- 6) Do you agree with the course acknowledgement you received?
- 7) Was the training sufficiently comprehensive and adequate to form the basis for you to engage efficiently in income generating activities?
- 8) If no, which subjects are missing?
- 9) Have you received post training mentoring from the project (the TOTs)?
- 10) If no, do you need post training mentoring?
- 11) If yes, what should be the subject for mentoring: Technical, business planning, accounting/record keeping, marketing, financing, banking culture/loan management, other (which)?
- 12) Please mention the three most important things you have learnt from the project training course:
  - 
  - 
  -

#### **Timeliness, quality and sufficiency of toolkit received**

- 1) Did you receive the toolkit at the end of the training course or later?
- 2) If later, how many months later?
- 3) Perceived quality of the received toolkit: Satisfactory, less satisfactory, poor
- 4) Is the toolkit sufficient and adequate for undertaking the desired trade/activity?
- 5) If no, what is missing in the toolkit to cover the needs of the desired trade/activity?

#### **Type of income generating activity resulting from project training**

- 1) Project trade/activity taken up
- 2) Food: Dairy products, fruit and vegetable processing, beekeeping, olive processing, burghul..
- 3) Non-food: Auto and agro-mechanics, textile/sewing/tailoring, metalworking/machine shop/lathe, carpet/spinning/weaving, welding, leather working, Woodworking, ceramic, computer software, electric wiring, heating/cooling system, small generator repair
- 4) Non-project trade taken up: Type?
- 5) No trade taken up: Reason?
- 6) Occupation situation after project training: self-employed, employed, unemployed
- 7) If self-employed:
- 8) Has the project training been decisive for your start of business?
- 9) Are you a member of a production network?

- 10) If yes: What are the benefits of being part of the network: Input sourcing, technical support, product development, marketing, financing, other?
- 11) If employed:
- 12) Have the project training been decisive for your employment?
- 13) Are you employed in a Producer Group?
- 14) If yes: What are the benefits of being employed in a PG?
- 15) Was the toolkit decisive/important/not important for self-employment/employment?
- 16) If unemployed: have you received a toolkit?
- 17) If yes, what use have you made of it?

#### **Impact of the project training on trainee's income**

- 1) How has the trainee's monthly income developed since completed training?
- 2) How much (amount or percentage) of the monthly income is consumed within the trainee's household?

#### **Impact of the project training on the living conditions of trainee's household**

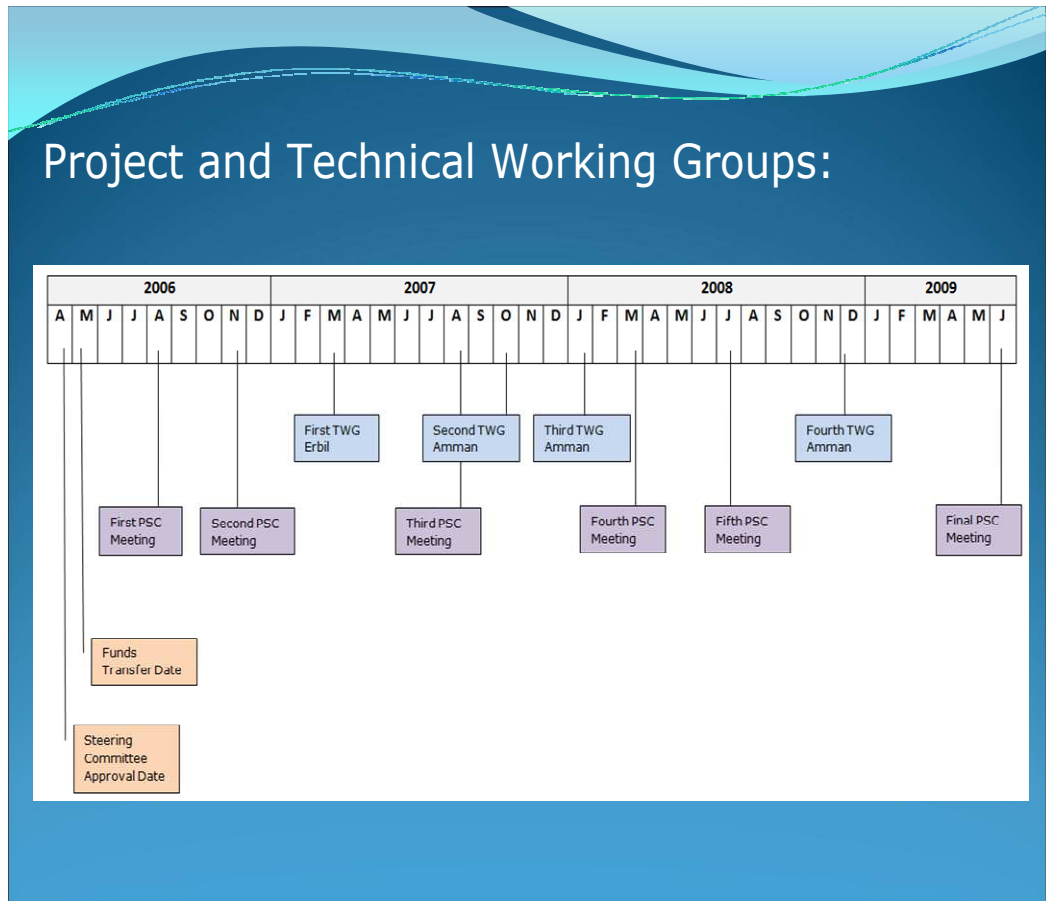
- 1) How has the monthly income of the trainee's household developed since completed training?
- 2) How in money terms has the trainee's project training impacted on the monthly income earning situation of other household members?
- 3) How have the living conditions of the household developed since training: accommodation, food, amenities, education, information, communication, other (which?)?

#### **Impact of the project training on the trainee's business development**

- 1) Has the trainee formulated a business plan?
- 2) If yes, explain main contents
- 3) Has a business accounting and costing system been established?
- 4) Has a business recording system been established?
- 5) Has a marketing network been established?
- 6) Has a bank account been opened?
- 7) Has a bank loan been obtained?
- 8) How many employees are presently engaged in the trainee's business: Household members, others?

# Annex C: Timeline for Project Steering Committee (PSC) and Technical Working Group (TWG) meetings

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# Annex D: Project Logical Framework

No.	Objectives	Indicators	Assumptions
	<b>Development Objective</b>		
	Economic recovery of Northern Iraq supported through training of individual members of vulnerable households with the view for them to be employed or to engage in viable food and non-food MSSE activities	Number/percentage of households under the vulnerability threshold decreased from X to Y	The productive activities established under the project will develop and be replicated in other local communities.  The relatively peaceful situation of the KRG continues
	<b>Immediate Objectives</b>		
1.	Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing.	Budgets and programmes for MOI and MOA training and mentoring activities towards vulnerable households established	Project understanding and ownership established in the involved ministries and VTCs and formalised cooperation established. The trainers (TOTs) trained under the project acquire the needed competencies for undertaking project training of beneficiaries. The TOTs are established as a core group anchored efficiently within the MOI and MOA.
2.	The state of 2,000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members (core beneficiaries: martyr families, women headed households/widows, low income villagers, IPDs, returnees and youth)	Income of 2,000 vulnerable households in project areas increased beyond the vulnerability level through project-related activities and initiatives	Project training of beneficiaries results in sustainable productive activities and employment  Money earned by beneficiaries is used to the benefit of their respective households

	<b>Outputs</b>		
1.1	Relevant personnel from Ministries of Agriculture and Industries and selected VTCs trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities	Number and duration of seminars and workshops and number and profile of participants from the involved organizations	The persons selected for training are relevant for project planning, implementation and sustainability  Formalized cooperation established between the involved ministries, the VTCs and other concerned organizations on MSSE development
1.2	60+ number of personnel from the Ministries of Agriculture and Industry, the selected VTCs, and other relevant agencies trained as trainers through the projects TOT programme	List of profile and subject matter training of the 60+ trainers and their activity schedule on active involvement in training and mentoring of project beneficiaries	The persons selected for TOT training are relevant for project implementation and sustainability
2.1	2,000 project beneficiaries trained in selected project technologies, business management, and marketing with the view to start own business or obtain employment	List of trainees who have accomplished the courses, distributed on technology, beneficiary profile, and geography (rural-urban)	The beneficiaries selected are members of vulnerable households in the project areas, meet the required profile requirements, are trainable, and have the potentials to be self-employed or employed
2.2	A minimum of 600 unemployed young men and women provided with skills enabling them to obtain jobs and/or start up an economic activity	List of trainees who have accomplished the courses, distributed on technology, beneficiary profile, and geography (rural-urban)	The beneficiaries selected are members of vulnerable households in the project areas, meet the required profile requirements, are trainable, and have the potentials to be self-employed or employed
2.3	16 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in input sourcing, marketing and business management	16 Production Groups in active and viable operation in selected vulnerable project areas	Relevant labour intensive MSSEs with potentials of sustainable growth and to be models for replication are selected for project support

	<b>Activities</b>		
1.1.1	Review the existing VTC capacities in the project areas in terms of manpower, assets, quality, relevancy, and resource needs, and select candidates for project participation	Assessment report of VTCs	The review is undertaken timely, efficiently and professionally. Selection of candidates is objective and transparent
1.1.2	Plan and conduct participatory workshops and seminars with targeted communities, Ministries of Agriculture and Industries, selected VTCs on project concepts and strategies	Agenda and proceedings from workshops and seminars. Post evaluations by participants	Workshop and seminar agendas are relevant and the events are conducted timely according to project work plan, efficiently and professionally
1.1.3	Design and develop training methodologies and curricula	Training methodology report and training curricula	Training methodologies and curricula are at state-of-the-art level
1.2.1	Plan and organise the training of trainers programme (TOT) and select candidates for training in close cooperation with all relevant involved parties	Training plan and post training evaluation reports.	Course contents are relevant and courses are conducted timely, efficiently and professionally. Selection of candidates for training is objective and transparent
1.2.2	Plan and organise training for local extension staff in selected project technologies and in technology transfer methodologies	Training plan and post training evaluation reports. List of trainees who have accomplished the courses, distributed on their profiles and subject matter trained	Course contents for local extension staff are relevant and courses are conducted timely, efficiently and professionally
2.1.1 + 2.2.1	Plan and organise training of project beneficiaries in technical subject matters and basic entrepreneurial skills, and select candidates for training	Training plan and post training evaluation reports	Course contents are relevant and courses are conducted timely, efficiently and professionally. Selection of candidates for training is objective and transparent

2.2.2	Further develop beneficiaries' skills through mentoring consultations and practical demonstrations	Project planning and implementation recording	Resources are made available for post training mentoring and practical demonstrations
2.2.3	Evaluate training effectiveness and make recommendations for improvement	Training assessment reports	Evaluation is undertaken efficiently and professionally
2.2.4	Prepare the technical specifications of and procure the equipment to be supplied to selected beneficiaries by the project	Detailed list of procurement distributed on technology	The technical specifications are appropriate, procurement is timely, and quality and durability of procured equipment high
2.3.1	Support the establishment of Production Groups, train them in business management, and facilitate their access to finance and linkages with markets	Production Group visits and interviews	Sufficient number of existing relevant MSSEs are ready to fulfill the conditions connected to Production Group status
2.3.2	Prepare the technical specifications of and procure the required equipment for the selected Production Groups and supervise its installation	Detailed list of procurement. Verification of installations	The technical specifications are appropriate, procurement is timely, and quality and durability of procured equipment high
<b>Inputs</b>			
	<u>Through the UNDG-ITF:</u>	<u>USD</u>	Funds are available timely and sufficiently according to project budget and work plan
	National Project Personnel	183,600	
	Long Term Int. expertise	414,000	
	Short Term National Cons.	51,000	
	Short Term Int. expertise	120,000	
	Contracts	1,029,000	Engaged international and national experts fulfill their assignments satisfactory according to their TORs
	Trainings	681,360	
	Equipments	2,474,569	
	Supplies & Commodities	111,000	
	Travel	114,120	
	<b>Project sub-total</b>	<b>5,178,673</b>	Procured equipment has the required capacity and quality and is delivered timely
	Miscellaneous 3%	155,360	
	Security 2%	103,573	
	Agency support cost 7%	362,507	
	<b>Project sub-total UNDG-ITF</b>	<b>5,800,116</b>	

	<p><u>Through the Government:</u></p> <p>In kind contribution constituted by the provision of buildings for the project office, storage of equipment and training facilities; and personnel to be released for the project activities and training</p>	<p><b>500,000</b></p>	<p>In kind contributions are available timely and sufficiently according to project agreement and work plan</p>
	<p><b>Total project cost, USD</b></p>	<p><b>6,300,116</b></p>	



# Annex E: PG and VTC

## Investment costs

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Table 1: Investment cost per PG (approximate)

	PGs	Equipment	Total Investment USD
<b>Non Food PGs</b>			
1	Machine shop-Erbil	Equip. with civil works	55,000
2	Agro mechanic repair-Erbil	Equip. with civil works	28,620
3	Sewing-Tailoring -Erbil	Equip. with civil works	9,270
4	Carpet weaving-Erbil	Equip. with civil works	22,000
5	Auto repair mechanics-Suli.	Equip. with civil works	22,465
6	Woodworking-carpentry-Suli.	Equip. with civil works	26,255
7	Carpet weaving-Suli.	Equip. with civil works	22,000
8	Welding & fabrications-Suli.	Equip. with civil works	49, 930
<b>TOTAL Non Food PGs</b>			<b>235,540</b>
<b>Food PGs</b>			
1	Bulgur /seed processing-Erbil	Equip. with civil works	60,000
2	Fruit processing-Erbil	Equip. with civil works	15,000
3	Dairy processing-Erbil	Equip. with civil works	14,000
4	Beekeeping processing-Erbil	Equip. with civil works	15,000
5	Fruit processing-Suli.	Equip. with civil works	15,000
6	Beekeeping processing-Suli.	Equip. with civil works	15,000
7	Dairy processing-Suli.	Equip. with civil works	14,000
<b>TOTAL Food PGs</b>			<b>148,000</b>
<b>GRAND TOTAL</b>			<b>383,540</b>

**Table 2: Investment cost per VTC (approximate)**

	<b>Non-Food VTCs</b>	<b>Equipment</b>	<b>Total Investment USD</b>
1	Erbil mechanical industrial school	Woodworking department	15,000
		Machine shop department	35,000
		Welding , Metal departments	25,000
2	Sulimanyhia mechanical industrial school	Woodworking department	15,000
		Machine shop department	35,000
		Welding , metal departments	25,000
3	Wasta Rajab vehicle industrial school	Auto repair equipments	33,000
4	Agro mechanical repair industrial school	vehicle repair equipments	33,000
5	Hand Carpet factory Erbil	Weaving & spinning equipment	6,000
6	Hand Carpet factory in Sulimanyhia	Weaving & spinning equipment	6,000
7	Handicraft centre Erbil	Leather equipments	42,000
8	Handicraft centre Sulimanyhia	Sewing toolkits, weaving equipment	6,000
9	MOLSA /training centre Erbil	Sewing equipment	133,000
10	MOLSA/training centre Sulimanyhia	Sewing toolkits	2,000
	Main prison-Erbil	Sewing toolkits	11,000
	Main prison–Sulimanyhia	Sewing toolkits	11,000
<b>TOTAL Non-Food VTCs</b>			<b>433,000</b>

	<b>Food VTCs</b>	<b>Equipment</b>	<b>Total Investment USD</b>
1	Main agricultural training centre/Erbil	Beekeeping equipment	40,000
2	Main agricultural training centre/Sulimanyhia-Bakrajo	Fruit processing equipment	68,400
		Dairy processing training equipment	10,000
3	Agricultural research centre/Erbil	Olive oil processing	62,852
		Diesel generator	25,580
4	Agricultural extension centre–Salahaddin sub district	Dairy processing training equipment	10,000
5	Agricultural extension centre–Soran district	Beekeeping training equipment	10, 000
<b>TOTAL Food VTCs</b>			<b>226,832</b>
<b>GRAND TOTAL VTCs</b>			<b>659,832</b>



# Independent Evaluation Report

## IRAQ

### Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas of Northern IRAQ (MISP II)

FB/IRQ/06/002 (UNIDO Project Number)  
OSRO/IRQ/602/UDG (FAO Project Number)



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



Food and Agriculture Organization  
of the United Nations



UNIDO EVALUATION GROUP

## Independent Evaluation

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The views and opinions of the team do not necessarily reflect the views of the involved Governments and of UNIDO.

This document has not been formally edited.

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# MAP OF PROJECT AREA

PROJECT AREA: Erbil and Sulaymaniyah governorates



## Abbreviations and acronyms

CTA	Chief Technical Advisor
EDIP	Enterprise Development and Investment Promotion Project (UNIDO)
FAO	Food and Agriculture Organization of the United Nations
ID	Iraqi Dinar
IDP	Internally Displaced Person
GOI	Government of Iraq
KRG	Kurdistan Regional Government
MDG	Millennium Development Goals
MOI	Ministry of Industry
MSSE	Micro- and Small-Scale Enterprise
MOA	Ministry of Agriculture
MOE	Ministry of Education
MOC	Ministry of Culture
MOLSA	Ministry of Labour and Social Affairs
NDS	National Development Strategy
NPC	National Project Coordinator
PG	Production Group
PMU	Project Management Unit
PSC	Project Steering Committee
TOB	Training of Beneficiaries, but also in the project, and therefore in this report, used as abbreviation for “Trained Beneficiaries”
TOR	Terms of Reference
TOT	Training of Trainers, but also in the project, and therefore in this report, used as abbreviation for “Trained Trainers”
UNAMI	United Nations Assistance Mission for Iraq
TWG	Technical Working Group
UNEP	United Nation Environment Programme
UNDG	United Nations Development Group
UNDG-ITF	United Nations Development Group – Iraq Trust Fund
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
VTC	Vocational Training Centre

## Glossary of evaluation related terms

Term	Definition
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change due directly or indirectly to an intervention.
Effectiveness	The extent to which the development objectives of an intervention were or are expected to be achieved.
Efficiency	A measure of how economically inputs (through activities) are converted into outputs.
Impact	Positive and negative, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factors that provide a means to measure the changes caused by an intervention.
Intervention	An external action to assist a national effort to achieve specific development goals.
Lessons learned	Generalizations based on evaluation experiences that abstract from specific to broader circumstances.
Log frame (logical framework approach)	Management tool used to guide the planning, implementation and evaluation of an intervention. System based on MBO (management by objectives) also called RBM (results based management) principles.
Outcomes	The achieved or likely effects of an intervention's outputs.
Outputs	The products in terms of physical and human capacities that result from an intervention.
Relevance	The extent to which the objectives of an intervention are consistent with the requirements of the end-users, government and donor's policies.
Risks	Factors, normally outside the scope of an intervention, which may affect the achievement of an intervention's objectives.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed.
Target groups	The specific individuals or organizations for whose benefit an intervention is undertaken.



# Executive Summary

This independent end-of-project evaluation was implemented through meetings with UNIDO and FAO staff in Vienna and Amman, two field visits and two questionnaire surveys among trainers and beneficiaries. The evaluation was conducted by HAP Consultants, hereafter referred to as “the evaluator”.

## **The project under evaluation**

The UNIDO/FAO project “Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas of Northern Iraq” (MISP II) funded by the Iraq Trust Fund (UNDG-ITF) aimed at initiating sustainable income generation through increased employment and self-employment among small farmers in rural areas of the Erbil and Sulaymaniyah Governorates.

MISP II is a replication of MISP I in the Thi-Qar Governorate of Southern Iraq. The main instruments of the MISP approach are: Training of Trainers (TOTs) in technical and business training; Training of selected Beneficiaries (TOBs) by these trainers; distribution of toolkits to the successful trainees that would allow them to use their newly acquired skills for income generation, either employed or self-employed.

MISP II started in May 2006 for a planned duration of 18 months with the Ministry of Industry (MOI) as the main counterpart. However, for a number of reasons, the project was delayed and the original completion date of November 2007 became the effective starting date. The project was extended three times and closed on 31 July 2009.

## **The VTC component**

The core of the initial project strategy was the creation of a central Vocational Training Centre (VTC) as a location for TOT and TOB. The project planning was based on the assumption that MOI would make available the necessary premises. However, contrary to this assumption, the Ministry decided to use these premises for other purposes.

In early 2008 the project steering committee abandoned the idea of a central VTC and decided to use existing training providers instead. At the same time, it was decided to involve also other Ministries (Labor; Education and Culture) and their extension services for project implementation.

This decision for a decentralized training strategy was implemented by selecting 18 existing training organizations located throughout the intervention area (see table 2, page 10). Fifteen of these training providers received equipment from the project for an approximate total amount of USD 660,000.

The decentralized training strategy was successful in different respects. Training venues came closer to the target beneficiaries. The curricula were developed in cooperation with the experienced training providers who complemented their existing training materials with those from UNIDO and FAO. The project involved the training providers in the selection of TOBs and used trainers from these organizations together with project-trained TOTs for delivering TOB training. The necessary training equipment was installed on time and is being regularly used in the training courses.

The training providers recognize that the content, methodologies and training materials are often superior to their own and have expressed an interest in adopting the same standard for their own training programmes.

### **Selection and training of trainers**

The project trained 63 trainers. Most of these TOTs took place outside Iraq, either in other Arab countries or in Europe. In the food sector 34 trainers were selected by the MOA and approved by an inter-ministerial committee. Most of these trainers belonged to MOA extension services and had experience in delivering agro-related training.

The situation was less favorable in the non-food sector. There, the selection of the 10 trainers nominated by MOI lacked transparency and most of these candidates had only limited or no training experience. The remaining 19 non-food trainers were trained by the project after abandoning the centralized VTC model. They are all professional trainers employed at training centres of MOLSA, MOE and MOC.

Most of the trainers found that the training they had received was adequate as a basis for delivering training to the beneficiaries. However, 50 per cent of them would have preferred longer, more advanced and more comprehensive training programmes.

### **Selection and training of beneficiaries**

The project trained 2150 beneficiaries. Most of these TOBs took place at the 18 local training organizations which the project supported with delivery of equipment and material.

The multi-dimensional selection criteria for TOBs are related to vulnerability at the one hand and to education and experience at the other. These selection criteria were already laid down in the project document and confirmed by the steering committee and were applied in an objective and transparent manner.

All TOB survey respondents were satisfied with the courses although 27 per cent of them would have preferred a more comprehensive training. Uneven levels of education and knowledge among the participants were mentioned as a problem.

The close proximity of training centres to the target groups was particularly important for the female TOBs and one of the reasons for the high participation rates for female TOBs.

Post-training mentoring was a core component of the project and almost all participants had been visited and supported by their trainers.

### **Distribution of toolkits**

Upon successful completion of the training courses, 1,790 toolkits were granted to 2,510 TOBs. The average cost of a toolkit is USD 400, resulting in a total cost of about USD 716,000. Overall, the toolkit component seems to be recognized as a very important feature of the project. 97 per cent of those who had received toolkits declared that the toolkits were adequate for their current or intended profession and 61 per cent stated that the toolkit was important for gaining employment or self-employment. However, this perception is in contrast with the findings of the evaluators from their visits to TOB premises. Most of the toolkit recipients still used their old tools, which they apparently considered more appropriate. Only the sewing ladies (4 of the 17 TOBs visited) made use of the donated equipment. It appears that composition of the toolkits was not sufficiently needs-oriented and should have been more tailor-made.

### **The “Production Groups”**

The project supported or created 15 “Production Groups” (PGs). These PGs have four main purposes: (1) to undertake production and services that are in demand but unavailable or scarce; (2) to create employment and income for a larger number of employees; (3) to be available for on-site training of TOBs; (4) to constitute a model for other enterprises.

The selection of the PGs was well prepared and based on a detailed methodological approach. The selection criteria were adequate and the selection process has been well documented and fair.

The project invested about USD 380,000 in civil works and refurbishment of the PGs premises including their equipment, thus on average USD 25,000 per PG.



The evaluator visited all 15 PG workshops and found them clean, in good order and well equipped with modern and good quality tools and machinery, with a trained leader and staff. However, the project outcome and impact at PG level remain to be seen because, at the time of evaluation, all PGs had only just been completed.

### **Project relevance**

The project was found to be highly relevant to the national and international programmes in Iraq and to the mandates of UNIDO and FAO. It addresses the National Development Strategy (NDS) of the Government of Iraq (GOI) and the assistance strategy of the United Nations Development Group (UNDG) for employment creation, sustainable food production, and income improvement for vulnerable groups in rural and urban areas of Iraq.

### **Project ownership**

Project ownership of the MOA is high at all levels. By contrast, project ownership of the MOI is rather weak. Ownership of the training providers is generally high. As a result of their cooperation with the project, these training providers strengthened their capacity for continuous TOB training and mentoring. Provided the line ministries make available a moderate budget support, the training providers declared themselves ready to undertake the task of intensifying the technical and vocational skills base of the vulnerable, unemployed and at-risk groups in the Kurdistan Regional Government (KRG).

The TOTs demonstrated ownership by their commitment to assist the TOBs in post-training technical and business management follow-up, as well as in supporting micro-enterprise development for project trained TOBs.

### **Project efficiency**

Between June 2006 and January 2008 the efficiency of the project was low. However, these problems were caused by unforeseeable Government decisions. This situation changed radically once the Steering Committee had redefined the project strategy and, from March 2008 onwards, implementation of the project became quite efficient. All project outputs were produced in accordance with the revised planning.

However, the efficiency of the TOT training component could be questioned because, considering the number and duration of the TOB courses and participants, the number of TOTs appears to be disproportionate. Another point of concern is the limited use of the toolkits. The standardized composition of these

toolkits is not entirely needs-driven and may have had negative consequences on efficiency.

All parties raised concerns with regard to the efficiency of collaboration between UNIDO and FAO. Project managers as well as MOA and MOI were skeptical about bringing food and non-food activities under the same project. They felt that the diverse mandates of UN organizations, areas of competency, planning perceptions and organizational cultures of the involved organizations had a negative influence on project efficiency.

Similar considerations also apply to the cooperation between MOA and MOI. Views in both Ministries seem to converge that their collaboration in this particular area may be discontinued after project completion.

### **Project effectiveness and impact**

Of the trained beneficiaries, 1,707 were women, 803 men and 741 were youth. These figures were almost identical with the expectations in the project document. The main project outcome of the training has been that a majority of the 61.3 per cent unemployed before training had become employed or self-employed at the time of evaluation. The employment status before training and at the time of evaluation is shown below:

	Status of employment before training (percentage)	Status of employment at the time of evaluation (percentage)
Employed	6.5	20.0
Self-Employed	32.2	68.4
Unemployed	61.3	11.6

Of the trainees and the households, a corresponding 85 and 89 per cent confirmed that their income had improved. The combination of better skills and increased income means that vulnerability and living conditions have improved.

With regard to employment created by the 68 per cent of self-employed TOBs, the survey indicates that, on average, 1.94 employees were self-employed. Thus, for the total of 1,717 self-employed TOBs the generated employment amounts to 3,331 persons. According to the respondents, these positive changes flow directly from the project investments made in technical and skills upgrading and

training, the provision of locally relevant and appropriate toolkits, and the mentoring activities of TOTs and project staff.

The project reached out to about 2500 out of an estimated 200.000 vulnerable households in the target Governorates. The resulting project coverage of about one per cent may appear modest but the increased income of beneficiaries is expected to generate positive externalities in local economies, which could exceed the direct income benefits.

Some intangible impact occurred with regard to the new standards set by the training courses of the project and the improved capabilities of the TOTs, which suggest that in the short- to medium-term, the VTCs will generally benefit from the increased standards in training delivery and management.

While the capabilities of MOA and VTC staff have considerably improved through project interventions, the same is not necessarily the case with MOI. There, the only improved capabilities are the improved skills of the 10 TOTs, even if these were not properly utilized.

### **Project sustainability**

Under the assumption of a continuous positive economic development in the target regions, the probability of sustainable TOB activity is rather high, even without continuous access to TOT mentoring. Most non-food TOBs are in sectors/skills with high demand and limited or no competition from imports. However, for certain agricultural products cheap imports from neighboring countries are a challenge. It is expected that the Government will address this situation by protecting these markets through tariffs and anti-dumping duties.

Another important sustainability assumption is the expectation that MOLSA will employ the TOTs at its central VTC in Erbil. MOLSA's continuous commitment is therefore instrumental for the sustainability of the project.

The likelihood that the PGs will become sustainable is very high. For the VTCs and industrial schools the improved course standards are likely to be sustained but it is not clear whether they will be able to maintain their status as Centres of Excellence over time.

### **Recommendations for the follow-up of the ongoing project**

It is recommended that MOLSA becomes the main counterpart for the non-food part of the project. MOLSA should prepare plans and budgets for following-up on this part of the project and for continuation and replication of non-food project activities in Northern Iraq.

It is recommended that the MOLSA training centres in Erbil and Sulaymaniyah hire the non-food TOTs who are currently not employed by MOLSA, MOE, MOC or VTC. In the same way, all TOTs in the food sector should be employed at the MOA's main agricultural training centres in Erbil and Sulaymaniyah and one leader appointed for each of the two groups.

### **Recommendations for future projects**

It is recommended that, in future Micro-Industries Support Projects, UNIDO and FAO should pursue the decentralized TOB training model.

For future UNIDO Micro-Industry Support Programmes in Iraq, MOI should be replaced by MOLSA as the direct counterpart Ministry for training programmes.

UNIDO and FAO should consider executing future projects separately, with UNIDO and MOLSA collaborating on non-food training activities and FAO working with MOA on post-harvesting and other food related training initiatives.

For future projects, improvements in the selection process for TOTs are recommended. Detailed profiles, selection criteria, score tables and Terms of References (TORs) should be prepared for the TOT positions prior to TOT identification and selection. The TOT jobs should be publicly advertised and participation in the selection process should be open for all candidates with relevant skills and experience. Interviews should be conducted by experienced employment officers from the involved ministries.

TOT training programmes in the future should be more comprehensively structured. Course contents must be defined by relevant international experts. All subjects should be covered and the transferred knowledge and technologies should be state-of-the-art. Furthermore, it is recommended that the number of trained TOTs matches the demand for TOB training and follow-up, and training of trainers.

It is also recommended that future projects adopt the multi-dimensional selection criteria developed under the project covering both vulnerability and competence aspects. It is unlikely that TOBs without the necessary educational and professional background will be able to successfully absorb the training.

Future projects should offer courses at two or even three levels to compensate for the variable educational and professional background of the TOBs. TOB candidates should be stratified depending on their levels of competence.

Toolkit flexibility should be introduced so that the TOBs could choose - within a certain range - which toolkit 'package' would be the most appropriate for them. There could be, for instance, different kits for different uses, such as tools for basic production, tools for more sophisticated production and products, and tools for quality testing, packaging and labeling.

# I

## Introduction

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### Evaluation programme

This independent end-of-project evaluation has been carried out by HAP Consultants, Greve, Denmark, hereafter referred to as “the evaluator”. The contract for the evaluation assignment was signed 4 February 2009, whereupon collection and scrutinizing of all relevant project documents took place at the evaluator’s home office in Denmark. The TOR is attached as Annex A.

On the 2 and 3 March 2009 an introductory and clarification meeting was held at UNIDO HQs in Vienna, where the evaluator met with the UNIDO and FAO Project Managers, responsible officers from the evaluation offices of the two agencies and the project’s Chief Technical Adviser (CTA). The evaluation work plan and methodology were discussed and agreed upon.

On the 24 and 25 March 2009, the evaluator met with the CTA and his staff in Amman, Jordan to discuss the detailed evaluation programme and the sample methodology for the project beneficiary survey. A meeting was also held with the project responsible FAO officer in Amman.

During the period 26 March to 2 April 2009, the evaluator made his first visit to Kurdistan. During this stay he met the National Project Coordinator (NPC) and his team, the main project stakeholders, some project involved vocational training centres (VTC) and project trained trainers (TOT). In addition, he paid visits to a number of project target beneficiaries (TOB) and project supported production groups (PG).

Back in the office, the evaluator prepared the Evaluation Interim Report presenting the evaluation strategy and methodology and the TOT and TOB survey Questionnaires. The TOT survey would comprise of all 63 project trained trainers, while the TOB survey would be based on a stratified random sample of 155 of the 2,151 trained TOBs (at the time of evaluation).

The TOT and TOB surveys were carried out during the period 4th to 14th May in Erbil and Sulaymaniyah Governorates of Kurdistan.

During the two visits to the project area, the evaluator worked closely with the NPC and his team. He also met with:

- The Chairman of the Project Steering Committee (PSC) from Ministry of Industries (MOI)
- The PSC representative of Ministry of Agriculture (MOA)
- The Director of MOA Directorate in Sulaymaniyah
- The Director of MOA District Directorate in Koya
- Seven of the 18 VTC used by the project for TOB training
- The NPC of UNIDO Entrepreneurship Development Project

Visits were paid to 17 TOBs in two urban and six rural districts of the two project Governorates, and to 13 of 15 PGs supported under the project. Interviews were held with approximately 30 of the 63 TOTs, on top of the Questionnaire survey.

All meetings, visits and interviews were conducted with the view to judge the validity of the Questionnaire findings and to get an in-depth understanding of the project performance and the realities of the projects outcome and impact expectations.

## **Evaluation methodology**

### **Methodology of trainers (TOT) survey**

The project has recently completed an overall online survey of project TOT trainers. It means that all contact information for this group was available. Since the TOR of the evaluation requires a total survey of the TOT trainers no stratification and sampling have been undertaken. The survey was conducted through personal interviews, but a few were interviewed by telephone. The interviews took place at selected VTCs in the cities of Erbil and Sulaymaniyah. The Questionnaire used for the interview is attached as Annex 2.

### **Methodology of beneficiaries (TOB) survey**

The trainee survey was geographically confined to three districts, one urban and two rural, in each of the project Governorates. The selection criteria for districts to be covered by the survey were as follows:

- 1) Large number of people trained in the district
- 2) Maximum number of economic activity types represented
- 3) Total number of economic activity types to be represented

**Table 1: Number of trained beneficiaries**

<b>Erbil Governorate</b>	
Erbil Centre (urban)	701
Kweisengeq (rural)	115
Shaglawaw (rural)	370
<b>Total Erbil Governorate</b>	<b>1,186</b>
<b>Sulaymaniyah Governorate</b>	
Sulaymaniyah Centre (urban)	265
Dokan (rural)	74
Sharbazher (rural)	95
<b>Total Sulaymaniyah Governorate</b>	<b>434</b>
<b>Grand total</b>	<b>1,620</b>

Of the 1,620 TOBs 1,570 previously trained were additionally grouped for further training based on topics and 10 per cent were taken randomly from each training topic group. Thus the example resulted in 157 TOBs distributed over all training topics/fields.

Individual interviews were undertaken with each TOB at convenient locations in the six districts, where they were met in groups of 5-10 people. Visits were paid to 10 per cent of the people interviewed. The Questionnaire used for the interview is attached as Annex 2.

### **Overall project objectives and expected outputs**

For discussion on the project's Logical Framework and its revisions, reference is made to section 4.3. The description below reflects the Logical Framework version upon which the project was actually implemented.

#### **The development objective of the project is:**

"Economic recovery of North Iraq (Erbil and Sulaymaniyah Governorates) supported through training of individual members of vulnerable households with the view for them to be employed or to engage in viable food and non-food MSSE activities"

#### **The immediate objectives are:**

- 1) "Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing"



- 2) “The state of 2000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members (core project beneficiaries are: martyr families, women headed households/widows, low income villagers, IPDs, returnees and youth)”

**The expected outputs are:**

- 1) Relevant personnel from Ministries of Agriculture and Industries and selected VTCs trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities
- 2) 60 plus personnel from the MOA and MOI, selected VTCs, and other relevant agencies trained as trainers through the projects TOT programme
- 3) A minimum of 2,000 project beneficiaries trained in selected project technologies, business management, and marketing with a view to start their own business or to be employed
- 4) A minimum of 600 unemployed young men and women provided with skills, enabling them to obtain jobs and/or start up an economic activity
- 5) 16 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in; input sourcing, marketing and business management

**Project management, time frame and budget**

The project is implemented under joint responsibility of UNIDO and FAO. UNIDO is responsible for the non-food section of project activities and FAO for the food project. The Project Management Unit (PMU) with offices in Amman, Erbil and Sulaymaniyah implements the project. The office in Amman is headed by the project Chief Technical Adviser (CTA) and the local offices supervised by the National Project Coordinator (NPC).

The project implementation period was initially planned to be 18 months from 24 May 2006 to 24 November 2007. A series of project extensions were applied for and granted and the final project end dates became 31 July 2009. The project budget is 6.3 million USD, 5.8 million USD through UNDG-ITF and 0.5 million USD through the KRG Government (contribution in kind).

# II

## Socio-Economic Context

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Despite its considerable potential for growth the northern region of Iraq, covering Dohuk, Erbil, Sulaymaniyah and Kirkuk Governorates, contains some of the poorest areas in the country. Slow economic and social progress has left most of the region's population (more than 5 million) without access to basic services and sustainable incomes. It is estimated that 35 per cent of the households (about 300 000) in the region live under the vulnerability level, defined as household income of less than 400USD per month. Also, the number of internally displaced people (IDP) is high exceeding 20 per cent of the total population in some areas.

The majority of the population in the governorates of Erbil and Sulaymaniyah, (according to statistics in 2008), 1.6 million in Erbil and 1.9 million in Sulaymaniyah, are situated in rural areas (approximately 60 per cent). They are mainly small farmers with land holdings around five hectares, 70 per cent of which are rain-fed. They live in relatively remote villages far from the markets (up to 70 per cent of villages are on the average 60 km away from city centres). Potentially they could produce larger quantities of processed agricultural products, but they are constrained by low level, low quality preservation and processing tools. Assuming that approximately 35 per cent of households are vulnerable, in the Erbil and Sulaymaniyah Governorates, the total number here would be around 200,000.

The isolation of villages/village clusters also contributes to raising household vulnerability. However, the establishment of micro industries in strategic and appropriate locations would help to create market outlets for agricultural produce in these remote areas and help to facilitate income generation for people engaged in agro-processing and the marketing of agricultural related goods and services.

Existing (mostly governmental) support institutions have difficulty in providing their services effectively and efficiently due to lack of trained manpower, the necessary financial resources to support economic activities and limited involvement of the private sector. Particularly, the younger part of the population is a victim of this circumstance which has left them with lack of training, education

and employment opportunities in their home areas and no funds to initiate any kind of income-generating activity.

The new political situation in Iraq and relatively stable security situation in KRG is bringing hope for the region and its population. It offers the opportunity for developing early economic recovery activities with the aim of providing the local population with the means to build and sustain their livelihoods.

It is a high priority of the Iraqi Government, as well as the KRG to enhance the skills of the vulnerable part of the population with the view to improve their income and livelihoods through employment and self-employment. The endeavour of the Government is fully coinciding with the policy of UNIDO and FAO within skills training and micro-industry development.



# Project Planning

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## 3.1 Project identification

This project (MISP II) is a replication of the UNIDO/FAO supported “Promotion of Cottage Industries in Rural and Urban Areas Project” (MISP I) in the Thi-Qar Governorate of Southern Iraq. The needs assessment for supporting the development of micro activities/micro industries in Iraq was prepared by FAO in cooperation with the Ministry of Agriculture in Baghdad. This assessment also included Northern Iraq and concluded that this area had a particular need for support to develop employment and income generation at cottage level. The needs assessment was supported by a project outline prepared by FAO entitled: “Support to Promotion of Food related Cottage Industries”, and a project brief prepared by UNIDO entitled: “Development of Cottage Industries for the Reintegration of IDPs and Returnees”.

## 3.2 Project formulation

The project formulation background is presented as follows in the Project Document: “The experience gained by FAO and UNIDO in a similar project in the south of Iraq, Thi-Qar Governorate, will facilitate speedy project implementation, since the training manuals, design of facilities, technical specifications of most of the equipment, process of identification of beneficiaries, documents for preparation of contracts and procurement, etc., can be easily adapted to the new project area”.

The Project Document was prepared in cooperation with and approved by the Kurdistan Regional Government (KRG) on 18 August 2005. The Document states that the project would be implemented with the Regional Ministry of Agriculture (MOA) and Regional Ministry of Labour and Social Affairs (MOLSA) despite the fact that the latter was not established at the time. It was still not established as of 10 May 2006 when the Document was signed by UNDG-ITF, but the Project Document was not revised. However, at the 1st PSC meeting held on 2 August 2006, MOLSA reportedly on request from the KRG, was replaced by Ministry of Industry (MOI), but the change of project partner did not induce any change in the Project Document and was not explained or documented in the minutes of the

PSC meeting. The MOI representative was appointed as Chairman of the Committee for the first six months, but actually held this position until project completion.

The natural partner for UNIDO on Micro and Small-Scale Enterprise (MSSE) development in Iraq is MOLSA as it is with the MOA for FAO. This was also the case in MISP I (Thi-Qar). The change for MISP II is explained by the Project Management Unit (PMU) as follows: MOLSA was nominally established by the KRG Cabinet in mid-late 2006 and by 2007 the institutional framework for the Ministry was only beginning to solidify and ministries were negotiating transfer of assets and facilities with MOLSA - including training centres. The present MOLSA training centres were at that time under the administration of the Ministry of Health and Social Affairs, but the Directorate responsible for the centres suffered from a number of issues:

- Little experience in the delivery of training programmes and poorly trained staff with the requisite experience in mechanical and technical fields
- Weak institutional structure and funding streams
- Very small directorate which had yet to secure placement of a Director General

Given the above, MOI was then brought into the project since:

- It committed to provide a facility for rehabilitation that would be used for vocational training
- It had a number of staff that had backgrounds in mechanical and technical matters with a great deal of experience in the installation, commissioning, and management of various processing lines as a result of the Oil for Food investments

The Project Document constitutes a good guideline for project implementation particularly regarding the descriptions under Chapter 2: "Project Justification". The Project Logical Framework as presented in the Project Document and later repeated with minor changes in the Project Inception Report is not fully developed and includes some inconsistencies, wrong phrasings and missing links between outputs and activities. For more details please refer to the Evaluation Interim Report in Annex 2. It is, however, possible for the project implementation team to establish a fairly good picture of the project's concepts and strategies and use it as the basis for preparing the project action plans.

### **3.3 The planning base for project implementation**

The transfer date of project funds from UNDG-ITF was 24 May 2006. This date was regarded as the project starting date. The Project Document defines the

project duration as 18 months with project completion 24 November 2007. However, important project counterproductive events unfolded which severely hampered the project's progress and the original completion date became the effective starting date for the project. As a result, the Project Management Unit prepared and the UNDG-ITF approved a number of project extensions with the final project end date becoming 31 July 2009.

The main obstacle to the project's progress was, the action taken by the MOI to sell the premises, which the Ministry had promised to make available for the project to house the project's central VTC, to a private investor. The central VTC was a core project component, to which the project had already made serious investment in money and time in the form of design, tender, procurement of equipment, etc. The existing buildings would be renovated and equipped with training equipment for the project's training activities. The project's TOTs were supposed to be anchored here, and most of the TOB training was to have taken place at this centre.

In order to compensate for this development, the MOI made an agreement with the private investor that he would establish a buildings(s) for the central VTC at an alternative site (belonging to MOA). The private investor accepted to build new and renovate existing buildings for the VTC purpose. Some activities have taken place at the new site. However, construction start up and the speed of work site activities was severely slow and 'spotty'. At the time of the project evaluation, completion of the project buildings was not yet completed.

The project was waiting for the new facilities, but the first Technical Working Group (TWG) meeting which took place in March 2007, decided to prepare for an alternative solution using a number of existing local training providers for the TOB training. An identification and assessment process was initiated and the resulting report was presented in August 2007 at the 3rd PSC meeting. The meeting approved the recommendations of the report and decided that the project should begin transferring training equipment and other resources to the VTCs being selected for participation in the project TOB training programmes. At the same time the meeting continued to give the central VTC a chance to be completed for project use.

The second TWG meeting in October 2007 decided to start TOB training using the recommended alternative local training providers, as listed in Table 2:

**Table 2: List of VTCs and technical schools**

MOLSA training Centre – Erbil	MOLSA
Mechanical Industrial School – Erbil	MOE
Mechanical Industrial School – Sulaymaniyah	MOE
Vehicle Industrial School – Erbil	MOE
Vehicle Industrial School – Sulaymaniyah	MOE
Handicraft Training Centre – Erbil	MOE
Handicraft Training Centre – Sulaymaniyah	MOE
Hand Carpet Centre – Erbil	MOC
Hand Carpet Centre – Kaznasan	MOC
Hand Carpet Centre – Sulaymaniyah	MOC
Central Agricultural Training Centre – Erbil	MOA
Central Agricultural Training Centre – Sulaymaniyah	MOA
Agricultural Extension Service Centre – Shaqlawa	MOA
Agricultural Extension Service Centre – Tanjaro	MOA
Agricultural Extension Service Centre – Koisnjaq	MOA
Agricultural Extension Service Centre – Qushtuppa	MOA
Agricultural Extension Service Centre – Sahaladdin	MOA
Agricultural Extension Service Centre – Chawarta	MOA

January 2008 constituted a turning point for the project. The CTA took up a position in Amman early January 2008, and the third TWG meeting was held on 15 to 18 January 2008. During this meeting the PSC recommended that the centralized VTC training be abandoned and that project equipment be distributed to the selected alternative local training providers (VTCs).

At the same time monitoring of the TOB training “start-up” had shown that the TOB selection process in many cases had not managed to select the desired target beneficiary groups. Therefore, the TWG decided to introduce a new set of selection criteria and a more transparent and objective selection process whereby the existing list of 1,500 TOBs would be reviewed.

Further, the draft end-of-project evaluation report for MISP I was submitted at the end of year 2007. One of the major conclusions was that the Production Association/Group model applied by the project as an innovative feature had

proved to be an expensive and highly subsidized activity with a capacity utilization below 50 per cent and with questionable prospects of long-term sustainability. As a result, the report recommended abandoning this model in MISIP II and to develop an alternative project component.

The fourth PSC meeting held on 9 and 10 March 2008 endorsed the above-mentioned TWG recommendations. The meeting once again gave the centralized VTCs a chance for completion, however, subject to a firm deadline of end May 2008. When this deadline was not met the project shifted to using the alternative local training providers.

Ten other important decisions were made at the meeting:

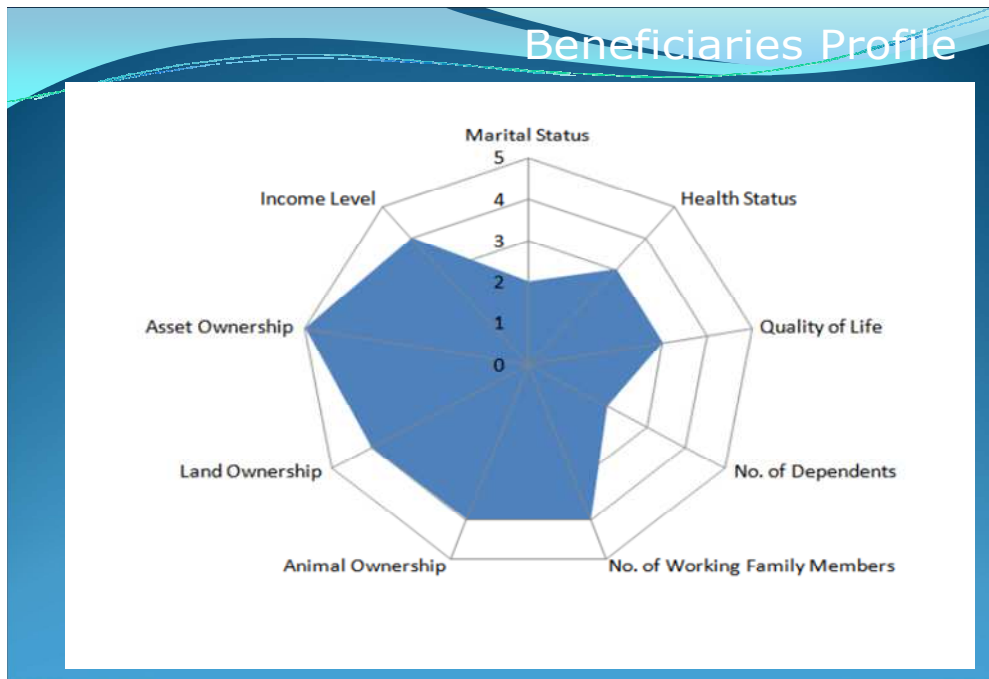
### **1) Target beneficiaries**

Target beneficiaries were re-defined as members of vulnerable households with special consideration to martyr, IDP, returnee, women/widow and low income village households and particularly unemployed youth. The earlier purely income related vulnerability criterion: "household income less than 400 USD/month" was replaced by a more complex set of nine criteria reflecting an entire range of objective and subjective dimensions of vulnerability:

- Marital status
- Health status
- Perceived quality of life
- Number of dependants
- Number of working family members
- Animal ownership
- Land ownership
- Asset ownership
- Household income level

Each criterion is rated from zero to 5 points. Eligibility requires less than 28 points and less than 400 USD/month of household income. For dairy farmers, eligibility ceilings were set at 80 goats or 20 cows and for beekeepers at 20 bee hives. A mini survey was undertaken to replace and add candidates in accordance with the above eligibility criteria from the existing list of 1,500 identified candidates. Figure 1 illustrates how the project used spider web diagrams to depict the candidate's eligibility.





**Figure 1: Spider diagram showing the eligibility of candidates**

In addition to the vulnerability criteria, a minimum of relevant educational and/or experimental background was introduced as a second important dimension for candidates to be eligible for TOB training.

## 2) Needs assessment report

It was decided to revisit the original needs assessment study with the view to including additional skills and products with a high demand.

## 3) Project area coverage

Due to the delays caused by the central VTC case and the limited implementation time left it was decided to reduce the number of districts for project intervention from 23 (which include all districts in the two Governorates) to 12 in order to increase the geographical focus of the project and ease the logistical burden. However, at the time of evaluation, intervention had actually taken place in 17 districts, as shown in Table 3.

**Table 3: Districts effectively covered by the project**

<b>Erbil Governorate</b>	<b>Sulaymaniyah Governorate</b>
Erbil Centre	Sulaymaniyah Centre
Dashty Hawler	Sharbazher
Khabat	Halabja
Koysnjag	Saed Sadiq
Mergasur	Dokan
Choman	Darbendekhan
Soran	Qaradaq
Shaqlawa	Penjween
Rawandoz	

The districts were selected based on the findings of the initial needs assessment study, which had identified communities with high numbers of project target beneficiaries, availability of input materials for MSSE activities and presence of MSSE activities to be supported by project intervention.

#### **4) Production Groups**

The business association/production association concept was abandoned and replaced by the Production Group (PG) concept, which puts emphasis on clear ownership to and management of the project supported PG enterprises. It was decided that the identification and approval of PGs should be subject to a positive feasibility study.

#### **5) Level of project intervention**

Although not recorded in any TWG or PSC meeting, it is clear that the project cooperation and coordination with the KRG public authorities is mainly with the MOA at central and Governorate Directorate levels, and with the MOI at central level. Some very limited interaction took place with District and Sub-District authorities and village elders during the identification of TOB candidates. The project was targeting individuals and not households as such and does not use local communities as vehicles for project support. The Logical Framework in the Inception Report does not reflect this mode of intervention and further adjustments to the Log Frame have not taken place. However, according to discussions of the evaluator with the CTA, the revised Log Frame presented in Annex D constitutes the basis for project implementation from mid-January 2008 (the third TWG meeting).

#### **6) Project engagement situation of TOTs**

A considerable number of TOTs (in particular for non-food activities) were not affiliated to any training institution and their background and expertise were often

not matching the ones of the trainers at the local VTCs. Consequently the PSC decided that efforts had to be made to find opportunities for these TOTs to contribute to the project and endorsed the proposal of the CTA to use them as training assistants and as mentors for TOBs after project training.

## **7) Equipment to VTCs**

The PSC defined the conditions for transferring the equipment already procured for the abandoned central VTC to individual local training providers as follows:

- The transferred equipment can not be sold/transferred to other parties;
- The equipment must be properly maintained and primarily be used for training of project beneficiaries;
- The equipment must be installed properly and in adequate premises within a month of reception;
- MOA/MOI can take back the equipment if a VTC does not meet the conditions and expected activity level.

The equipment was handed over to the VTCs with the view that they should be developed into Local Centres of Excellence within the specific area of production corresponding to the equipment delivered.

## **8) Disbursement of project funds and procurement**

Because disbursement of procurement funds was lagging behind, decision was made to introduce a new MOD tracking system to expedite the resource allocation of project activities.

## **9) Project monitoring**

The PSC endorsed the plan of the CTA to further develop the project monitoring system that would monitor the:

- activities of the project trained TOTs;
- distribution and use of equipment and toolkits procured by the project;
- changes in the employment and income levels of project beneficiaries;
- development of the project-resourced production groups.

## **10) Project counterpart structure**

Unfortunately the project redesign process did not include reconsideration of project management and line ministry attachments. Such consideration would have revealed the weaknesses of maintaining MOI as the non-food counterpart and would have opened up discussions on the possibility of shifting the MOI responsibilities to either MOLSA or MOC.

# IV

## Project Implementation

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### 4.1 General

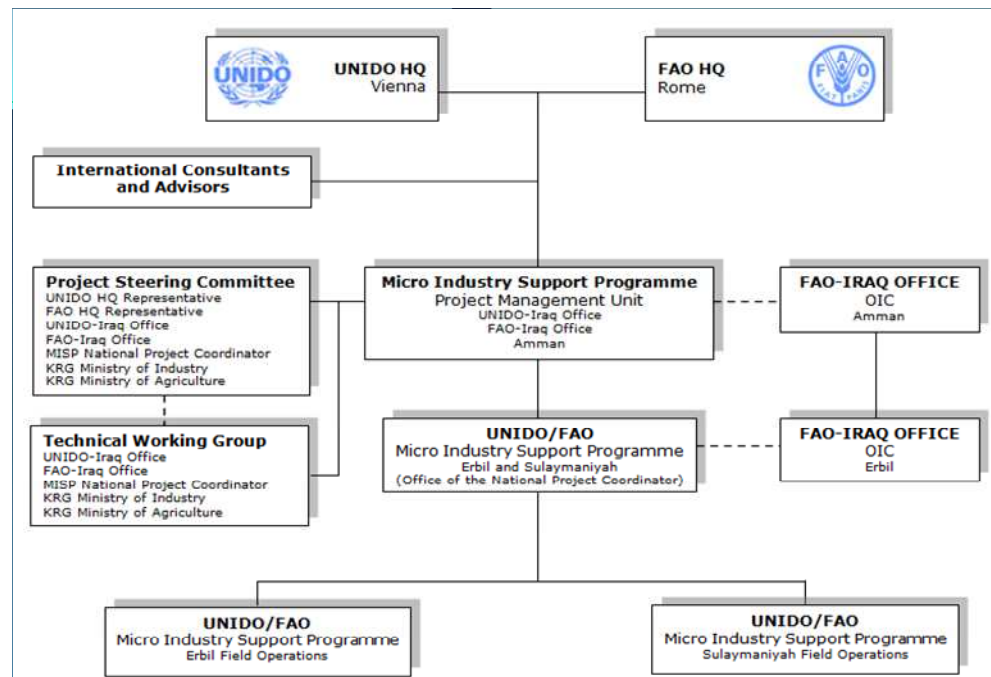
The project aims at initiating a process of sustainable income generation for vulnerable households in Northern Iraq through increased employment and self-employment of household members. The vehicle for this desired development is technical and business management training of selected beneficiaries undertaken by a number of project trained trainers (TOTs) and a toolkit programme supporting the trainees (TOBs) in performing their acquired skills as employed or self-employed. In most cases the TOT training has taken place in other Arabic countries and Europe. The TOB training has been conducted at 18 project-selected local VTCs. These VTCs have been strengthened by the project through TOT technical training of relevant members of their staff and provision of training equipment and materials.

Fifteen production groups have been established and supported with machinery, equipment and training with the view to generate employment for TOBs, deliver needed services to their communities, and as production models give inspiration to others, existing and potential entrepreneurs, within their respective fields.

At the time of project evaluation, the project had trained 63 TOTs and 2,151 TOBs (at project completion the TOB figure had increased to 2,510). A total of 107 TOB training courses were conducted using the 18 local VTCs. The TOBs came from 185 villages in 34 sub-districts within 16 districts of the two project Governorates.

## 4.2 Project management

Figure 2 presents the project organizational structure.



**Figure 2: Project organizational chart**

The PSC supervised project progress and performance. The PSC provided strategic directions for project interventions and ensures effective cooperation between project stakeholders. The TWG is a sub-committee under the PSC which dealt with overall technical matters in project implementation. For international procurement the project is supported by the procurement offices in UNIDO and FAO HQs.

The project management at PSC and TWG level has functioned efficiently characterized by good report and cooperation between all parties. The ability of PSC and TWG to adapt to changed circumstances was clearly displayed when project progress was in limbo due to the lacking central VTC and bold decisions were taken at the fourth PSC meeting. Based on TWG recommendations, which completely changed the project training strategy from centralized to decentralized implementation involving training facilities of additional KRG ministries (MOLSA, MOE and MOC) thereby diminishing the role of MOI; and revisited the TOB selection criteria and process.

At the operational level the situation was different. PMU as well as MOA and MOI, all expressed less satisfaction with the mixing of food and non-food activities in the same project involving diverse organizational perceptions and cultures.. Without giving specific examples, this situation was not always easy for the PMU. The cooperation between the CTA (located in the Iraq UNIDO office in Amman and paid from UNIDO payroll), and the Iraq FAO office in Amman was at times stressful, as was the collaboration between the NPC in Erbil (paid by FAO) and MOI.

MOI has much experience in establishing and managing factories, but the enterprises resulting from project training and support are micro and small and based on skills training, which is not the expertise of this ministry. After procurement of project machinery and equipment and the shift to the decentralized training model, which involved VTCs of MOLSA, MOE and MOC, MOI's role became minor. MOI has no representations at governorate, district and sub-district levels like MOA, MOLSA and MOE, and it does not have any training centres for TOBs.

With much of the project implementation out of the hands of MOI, the roles of MOA and MOI became uneven. The MOI TOTs were rarely available or participated, and many of their responsibilities were taken over by trainers employed at the local VTCs used for project training. The trainers who did not participate in external project training accounted for 23 persons. MOA on the other hand has full control of the food TOTs and their TOB training activities. There were some frustrations and the opinion of the two ministries is that, as the project has developed, the partnership is sub-optimal and should not continue after project completion. Further, they both are of the opinion that possible future projects for employment and income generation should be anchored in only one line ministry, in case of food at MOA and for non-food, depending on the size of businesses dealt with, either at MOLSA or MOI.

Project progress monitoring is documented in five half yearly Project Progress Reports, six PSC meeting minutes, four TWG meeting minutes and nine Field Meeting Notes. All major project decisions were documented. Project timeline presenting TWG and PSC meetings, are presented in Annex 4.

Project outcome monitoring was introduced by the 4th PSC meeting and at the time of Evaluation the availability, use and engagement of the TOTs, had been monitored twice and measures taken to improve the situation. TOB performance after training was monitored once showing a positive outcome. A PG performance monitoring was in progress at the time of Evaluation.

The project was considered by SCANTEAM under its stocktaking review of all UNDG-ITF funded projects in Iraq. The review's findings, presented in the report of January 2009, were positive and generally in line with those of the evaluator. However, it found that the project at that time, did not have a well articulated exit and sustainability strategy. In response to this finding the project has prepared a sustainability report, which addresses project exit and sustainability strategy.

### **4.3 The TOT component**

#### **4.3.1 TOT selection and training**

Under the project, 34 food TOTs were trained. All were selected by MOA and approved by the project. Most of them belonged to the Ministry's extension service organization attached to central and local MOA training centres. Few are from MOA Departments and Directorates. It means that almost all have subject matter experience as well as experience in training. Thus, the training under the project for these people can be regarded as skills upgrading.

Prior to the TOT selection the project prepared plans for all TOT training, including; number of trainees per area of training, their required education and experience, background, venue and duration of training. For MOA the main criteria used were the following:

- Education at BSc level
- 2-3 years employment experience
- Good knowledge on the concerned training subject(s)
- Good command of English and/or Arabic language

An inter-ministerial committee was formed to interview and select the candidates for TOT training, which were identified by the ministry. More candidates than the actual number to be selected were identified. After the interview, Personal History Forms and CVs were prepared for the selected candidates and forwarded to the project for approval.

The 29 non-food TOTs comprised of; 10 selected by MOI, 19 by the project in cooperation with MOLSA, MOE and MOC. The MOI selection was less successful. Since MOI has no extension staff or training centres the candidates were taken from factories and MOI Departments. None of the TOTs had a training background working with vulnerable people or experience in the delivery of vocational and/or technical skills training. After the training these TOTs have conducted very few of the TOB courses. The selection took place early in the project when the central VTC was still on the drawing table, and if it had materialized and the group had been transferred hereto, the situation may have

been otherwise. Without the central VTC, the TOTs have just continued with their earlier job with little time for preparation and conducting TOB training.

The remaining 19 non-food TOTs are all educated trainers employed at training centres belonging to MOLSA, MOE, and MOC and trained by the project after abandoning the central VTC model.

The identification criteria and selection process for the TOT candidates for all the direct line ministries or involved ministries have neither been documented nor are transparent. Regarding transparency in selection of MOA candidates, MOA has taken some steps forward through definition of main selection criteria and formation of an inter-ministerial selection committee, but for MOI and the other involved ministries the evaluator doubts that such transparency was present.

Table 4 presents the subjects for the project TOT courses and the number of TOTs trained per subject.

**Table 4: Number of TOTs trained per subject**

<b>TOT course subject</b>	<b>Number of TOTs trained</b>
Business Management	6
Beekeeping	5
Fruit and vegetable processing	9
Bulgur	4
Olive processing	5
Dairy	10
Leather	2
Machine shop	5
Carpet weaving	6
Sewing and Tailoring	6
Agro-auto repair	2
Welding	1
<b>TOTAL</b>	<b>63</b>

The project training received by the TOTs was assessed by the TOTs completing an evaluation survey. Only 4 per cent responded with less satisfactory. However, 16 per cent found the training course too compressed, 14 per cent (being trained in Iraq and other Arab countries) believe that similar courses outside the Arab world would be superior, 18 per cent have specific wishes for additional subjects to be covered under the courses, and 2 per cent found the course facilities and equipment unsatisfactory. Those wanting a longer period of training, superior level and more comprehensive training, constituted 50 per cent of all TOTs.



Of the responding TOTs, 100 per cent answered “yes” to the following question: “Was the training sufficiently comprehensive and adequate to form the basis to train project beneficiaries in engaging efficiently in income generating activities?” With regards to the question: “How useful was the TOT training you have received for the training you conducted?” 57 per cent said “very useful”, 18 per cent said “useful” and 25 per cent have not participated on any project training course. The two answers support each other. The 25 per cent who did not participate on the TOB training course, experienced and judged subjectively that their TOT course had enabled them to meet the TOB training requirements efficiently.

#### 4.3.2 Use and availability of TOTs

The TOT courses were short (2-4 weeks) and seven out of 18 different courses (39 per cent) were conducted only one or two times. Table 5 shows the different courses, their duration, number of times they were conducted in the Erbil and Sulaymaniyah Governorates and number of TOTs trained for each course subject.

**Table 5: Number of TOB courses and TOTs trained by subject**

COURSE	ERBIL	SULI	TOTAL	Nos. of TOTs
Olive Processing	1	0	1	5
Seed Cleaning	1	0	1	4
Bulgur Processing	1	1	2	
Fruit Processing	7	5	12	9
Dairy	9	7	16	10
Beekeeping	10	5	15	5
<b>FOOD</b>	<b>29</b>	<b>18</b>	<b>47</b>	<b>33</b>
Woodworking	1	1	2	0
Machine Shop	2	1	3	5
Electric Wiring	2	0	2	0
Small Generator Repair	2	0	2	0
Heating and Cooling	2	0	2	0
Welding	4	3	7	3
Computer Software	3	2	5	0
Ceramic	4	1	5	0
Leather	4	0	4	2
Agro-auto Repair	4	3	7	2
Sewing	5	4	9	6
Carpet weaving	8	4	12	6
<b>NON-FOOD</b>	<b>41</b>	<b>19</b>	<b>60</b>	<b>24</b>
<b>TOTAL</b>	<b>70</b>	<b>37</b>	<b>107</b>	<b>57*</b>

\*The 6 business management TOTs are not counted in this table, since business management is a subject included in all courses. It takes place the last day of the course.

Table 5 shows that the project had TOTs for only 12 out of 18 course subjects and that the number of TOTs per subject for several subjects were deemed excessive, given the number of courses actually carried out under the project. The numbers of TOTs for olive processing, seed processing and machine shop appear exaggerated and those for fruit processing, dairy and sewing are also on the high side. The over-representation of TOTs for those subjects were partly due to the fact that some course providers charged the same fee for one trainee as for a group of five trainees. This encouraged the project to train a group instead of the required ToT training targets.

The lack of TOTs for woodworking, electric wiring, small generator repair, heating and cooling, Computer software and ceramic reflects the 4<sup>th</sup> PSC decision that the original Needs Assessment Report should be revisited with the view to include skills and products with highly unsatisfactory market demand. These subjects were not part of the recommendations in the Needs Assessment Report and at the time of their introduction, the TOT training was completed. The new courses were conducted by the concerned VTCs using their own training staff. 18 courses have been arranged this way leaving only 107 courses for (potentially) 63 project TOTs.

It is evident from the above figures that it has not been possible for the project to make significant use of all 63 TOTs. The 63 TOTs were meant to constitute the core cadre of not only the project's relevant specialists, but also for the whole of the KRG. In addition, the majority of the TOTs have other working responsibilities and hold positions in various government departments; VTCs, private companies, etc. More than half of the TOTs have answered in the evaluation survey that they are not freely available for conducting courses under the project. The TOT survey shows that (25 per cent) have not conducted any courses after TOT training, (21 per cent) have conducted only one course, (29 per cent) from 2-5 courses, (20 per cent) 6-10 courses and (5 per cent), the business management trainers, more than 10 courses.

The situation is frustrating for the project as well as for the TOTs. A large majority of the TOTs want to utilize their new competences more intensively, and at an evaluation interview session attended by a number of the MOI selected TOTs, they all expressed interest in leaving their present jobs and positions, to become full time trainers and subject matter specialists.

Due to the reasons explained above, only about 30 per cent of the TOTs are significantly engaged with project tasks. They are regarded as key TOTs by the National Project Director (NPC) and they assist him and his staff not only in

training, but in many other aspects of project implementation. He tries to activate the remaining TOTs by encouraging them to assist the active TOTs in TOB mentoring and to participate in TOB courses as assistants to the responsible trainers.

This strategy was newly initiated and at the time of evaluation it was not possible to judge if it would be successful. Post training mentoring is a huge task. The TOB survey shows that all (100 per cent) of the TOBs have needs for support. In the survey the TOBs focus almost entirely on technical assistance, but actually the business management TOTs are also frequently contacted by the TOBs for support. 99 per cent of the TOBs confirmed that they have received post training mentoring from the project. This was confirmed by all the 17 TOBs visited by the evaluator. They all also confirmed that they had close contact to their TOT and problems were often solved by telephone and through site visits of the TOT.

#### **4.3.3 TOT organization**

Initially it was the project's intention that all project TOTs should be anchored/employed as a group at the central VTC. Unfortunately, without this centralized training facility all TOTs are back in their original positions in MOI and MOA directorates, departments and factories, and in MOA, MOLSA, MOE and MOC VTCs all over the project area. Their salaries are paid by the Government, but per diems and travel allowances in connection with TOB course activities are paid by the project.

In order to maintain the TOT expertise developed under the project and make efficient use of their services, MOA has decided to employ all the food TOTs. They are anchored in many MOA VTCs and extension centres, at the main agricultural training centre in Erbil and Sulaymaniyah, respectively, to let them concentrate on the training of other trainers such as, TOB training sessions and TOB mentoring activities relevant to their expertise.

A similar solution is sought by the project for the non-food TOTs. Those trainers who were not already anchored at MOLSA, MOC and MOE, the VTC. Would be recommended for relocation at the MOLSA training centres in Erbil and Sulaymaniyah.. The centres are market oriented and very well equipped for training within welding, computer, auto repair, electric wiring, small generator repair, heating and cooling, and new subjects like satellite receiver installation and mobile telephone repair. During the evaluation the evaluator had interviewed a number of the concerned non-food TOTs, and they all supported the MOLSA solution. A meeting with the Director General of MOLSA confirmed that MOLSA is available for such employment.

There have been no common seminars or workshops for the TOTs, arranged by the project during project implementation, or any other arrangements which could contribute to the formation of the TOTs as a core group of Subject Matter Experts for MSSE training and development.

#### **4.3.4 TOT output, outcome and impact analysis**

63 persons have been trained as TOTs as foreseen in the Project Document. The TOT evaluation survey reveals that all selected TOTs have the relevant educational background and more than 90 per cent relevant professional experience. However, the identification process of TOT candidates for MOA, MOI and other involved ministries is not documented and has not been transparent. The actual selection of candidates, at least for MOA, has more transparency since interviews have been undertaken by an inter-ministerial committee, and scores related to the criteria have reportedly been used and been decisive for the final selection of candidates. For MOI and the other involved ministries, the evaluator doubts that such transparency has been present.

Terms of Reference for the responsibilities of the TOTs after training have not been prepared, and no project evaluation of their training performance under the project has been undertaken apart from the post course evaluation carried out by the TOBs. According to the TOT survey, only 36 per cent of the TOTs had earlier worked with socio-economic/MSSE development and only about half of these had worked with vulnerable households. On the other hand, the TOB survey shows that almost all TOBs are satisfied with the TOT training courses and the TOT follow-up support post-training.

The TOT project outcome expectation is that a cadre of TOT Subject Matter Specialists with state-of-the-art knowledge within their technical fields would be established with the view to train other trainers and TOBs. Due to the missing central VTC, the cadre concept has been markedly diluted, but if the project and MOA succeeds in grouping the most important and useful TOTs in 3-4 training centres this part of the outcome expectation may eventually reach a reasonable level.

Regarding the level of knowledge gained by the TOTs from the training courses, 54 per cent of the TOTs found the courses insufficient and expressed a need for more advanced and comprehensive training (48 per cent of the non-food TOTs and 59 per cent of the food TOTs). This picture covers all training areas except garment design/sewing and dairy, where all expressed full satisfaction. The others found generally, the courses too short and less comprehensive than expected. Specifically some respondents would like more practical training,

others more training on quality control, food safety including weaving TOTs for more training on horizontal weaving.

During an interview session with the evaluator, some TOTs questioned the need for a high number of TOTs selected for training. They preferred a limited number with more comprehensive training than a more of them achieving a general level of expertise. On the other hand the general level appears appropriate to train the TOBs to their satisfaction. Amongst the TOTs it is the general perception that their status after project training was increased amongst their colleagues and that their professional advice was appreciated.

It is a significant outcome problem that the availability of a number of TOTs due to their present working conditions is low, and that the high number of TOTs compared to the number of courses to be conducted leaves a considerable part of the TOTs with little course activities.

Due to the short effective implementation period (approximately one year) the project's lasting impact on the KRG food and non-food training activities could not be measured accurately at the time of evaluation. However, the planned concentration of the food TOTs at two centres (one in each project Governorate) and strong indications that the MOA will plan and budget for the continuation of project activities, including further training and development of the TOT cadre, all point towards an important and positive project impact on food training quality and quantity.

For non-food some TOT grouping has already taken place at MOLSA, MOE and MOC VCTs. There are indications that a larger group can be established at MOLSA Central Training Centre in Erbil, but it is too early to judge whether MOLSA, MOE and MOC actually will adopt the project's visions; planning methodologies, and budgetary framework for a continuation of the project goals and activities.

#### **4.4 The TOB component**

##### **4.4.1 TOB selection and training**

Following a decision at the 4th PSC meeting, that the list of 1,500 identified TOB candidates should be revised. Using a new set of eligibility criteria, many TOBs were replaced by others. The TOB survey shows the result of the new selection of TOBs to be trained as follows:

**Table 6: Result of the new selection of TOBs to be trained**

<b>Age</b>	<b>Percent</b>
15-25	46.5
26-44	46.5
45+	7.0

<b>Gender</b>	<b>Percent</b>
Men	29
Women	71

<b>Household Position</b>	<b>Percent</b>
Husband	14.2
Wife/Widow	29.7
Child	56.1

<b>Type of Household</b>	<b>Percent</b>
IDP	58.1
Martyr	17.4
Low income villager	23.2
Prisoner	1.3

<b>Household Size</b>	<b>Percent</b>
2-4	23.9
5-7	46.4
8-10	25.8
11+	3.9

<b>School Education</b>	<b>Percent</b>
None	2.6
Primary 3-6 years	57.4
Intermediary 7-9 years	17.4
Secondary 12 years	20.0
College and BA	2.6

<b>Skills before Training</b>	<b>Percent</b>
Without skills	8
With relevant skills	92

<b>Occupation before Training</b>	<b>Percent</b>
Employee	6.5
Self-Employed	32.2
Unemployed	61.3

<b>Trainee Income before Training (USD)</b>	<b>Percent</b>
None	32.3
1-49 per month	19.4
50-99 per month	16.8
100-199 per month	14.8
200-299 per month	7.1
300-399 per month	2.6
400+ per month *	7.1

\* The 400+ USD/month category belong to 9 dairy trainees, 1 bulgur and 1 olive trainee.

### **Household income before training**

Of the trainee households 13 per cent had more than USD400 on average, monthly income before the TOB training.

### **The TOB training**

The TOB project training venues, have all been geographically placed close to the participating trainees to avoid boarding costs. This has particularly been of importance for the female TOBs, and according to the project management, one of the main reasons for the high number of female TOBs participants. The number of trainees per course is approximately 20 and they each receive USD10 per day from the project to cover the cost of travel and meals, plus compensation for any loss of possible daily income.

The above TOB survey results show that the Project Document and 4th PSC meeting requirements have largely been met regarding youth, gender, household type, education and experience, unemployment and income. The selection process of TOBs has been objective and transparent. Courses and interview dates and times were advertised by posters, through various media and channelling information down to village councils and village elders. On the given dates, many candidates queued up to attend an interview. The panel consisted of; one representative from the project, one from the relevant VTC, and one TOT from the related training subject. Sometimes a representative from MOA also joined the panel. During the interview, points were awarded for the various criteria and those with the lowest points of up to 28 and below including points for the other defined ceilings, were selected (see target beneficiaries in section 3.3). The evaluator found the selection process very satisfactory.

Subjects and number of courses are detailed in Table 5. According to the TOB survey, 4.5 per cent of the TOBs have attended a course of only one week duration, 54.8 per cent have attended a two week training course, 25.8 per cent a

three week training course, 13.5 per cent a four week training course and 1.3 per cent for more than four weeks. They all express satisfaction with the courses, which they have all been post-training evaluated and rated 'high'. However, on the question: *"Do you have any suggestion/s to improve the training?"* 27 per cent answered that the training should be more comprehensive and diversified. Number of TOBs per training subject is presented in table 7.

During the evaluation the evaluator visited 17 TOBs. They all had relevant skills and experience to participate in their TOB training sessions. It means that they had basic, often even good knowledge of the technical aspects that they were trained in. In spite of this, all 17 TOBs could mention three important new items they had learnt during their course. Apart from that, however, it was clear that most of them had the capacity and interest to learn more.

Some of the TOTs mentioned in the survey, that it is a problem regarding the varying levels of education and knowledge amongst the TOBs attending the course. It means that time has to be spent on basic points for some TOBs, which is not needed for others. A better composition of course participants may improve this situation and give more time for the advanced TOBs for a higher level of training.

All project training courses include a one day session on business management, which includes business planning, accounting, recording and marketing. The TOB survey indicates that 50 per cent of the TOBs have a business plan, 30 per cent a business recording system and 26 per cent a business accounting and costing system.

Post-training mentoring is a need mentioned by all (100 per cent) the respondents in the TOB survey, and 99 per cent had actually been visited, called and received support from their TOT. Post-training mentoring is a core component of the project and its inclusion in the project reflects the experience that UNIDO and FAO have with working in fragile states where extension service providers are in short supply. The use of trainers as mentors is consistent with the Project Document. The project pays for the transportation and communication costs associated with follow-up and mentoring of beneficiaries. The mentoring is granted free of charge to the beneficiaries. Given the socio-economic conditions amongst the TOB households, the evaluator supports this decision.



#### 4.4.2 The toolkit component

Table 7 presents the final status at project completion of the TOB training and the toolkits allocation. 1,790 toolkits have been granted to 2,510 TOBs upon their successful completion of training. The average cost of a toolkit is USD400, which gives an estimated total cost of USD716,000 for the toolkit component of the project. All TOBs within agro-auto repair, welding, woodworking, spinning, and satellite receiver installation have received a kit. In the areas of dairy, fruit and vegetable processing, bulgur, and beekeeping, approximately 90 per cent received toolkits. For leather work 75 per cent. electric wiring, cooling heating system, and small generator repairs approximately 70 per cent. For sewing and oil pickling 60 per cent, weaving 40 per cent, and for the remaining subjects, toolkits were not issued. In courses with less than 100 per cent toolkits, the kits were given to those who were performing best during training. This was explained to all TOBs before start of training and at the end the TOT decided who should receive kits. From the TOB survey, those TOBs receiving toolkits said the procedure was clear with a transparent explanation from the beginning and it appears to have been received well amongst all TOBs,.

The 90-100 per cent toolkits coverage for certain training subjects reflects that these kits are imported and that the purchase orders were given early in the project before the exact number of trainees were known and the performance-based toolkit policy was formulated. The lower coverage of toolkits for the remaining areas reflects the project management's toolkit distribution through competition while attempting to avoid the previous experience from MISP I where a number of toolkits were sold rather than be used by the intended beneficiaries. Toolkits should only be awarded to the top achievers in the various training programmes.

The cut-off point for toolkit distribution was based upon a simple Technology Adoption Model. Under a standard model (see Figure 3 below) the combined value of Innovators (2.5 per cent), Early Adopters (13.5), Early Majority (34 per cent), and half of the Late Majority (17 per cent - The Initial Late Majority) worked out to 67 per cent. By making the toolkit distribution based upon competition, proficiency, competency, dynamism, etc. it was felt that the project would be able to target beneficiaries who would be the most likely to be located in this portion of the Technology Adoption Model.

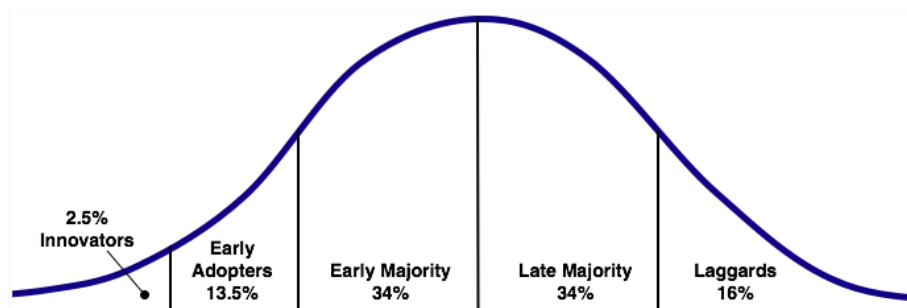


Figure 3: Standard Technology Adoption Model (Roger Bell Curve)

Table 7: Number of TOBs and toolkits per training subject

#	Activity - Category	TRAINING STATUS				TRAINING LOCATION		BENEFICIARY STATUS			SERVICE DELIVERED
		Target *	Trained	To be trained	Under Training	Erbil	Suli.	M	F	Youth	Toolkits
1	Agro Auto Repair	100	123	0	0	78	45	123	0	0	140
2	Welding & Fabrication	118	118	0	0	60	58	118	0	0	120
3	Machine Shop(Lathe).	82	58	0	0	38	20	58	0	0	0
4	Wood	40	40	0	0	20	20	40	0	0	60
5	Sewing (Tailoring),	84	207	0	0	115	92	64	143	120	125
6	Carpet Weaving, spinning	175	240	0	0	165	75	2	238	165	100
7	Leather working		81	0	0	81	0	1	80	60	60
8	Ceramic		74	0	0	59	15	19	55	74	0
9	Electric Wiring		45	0	0	45	0	31	14	45	30
10	Cooling Heating system		45	0	0	45	0	36	9	45	30
11	Electric small Generator		45	0	0	45	0	45	0	45	30
12	Computer skills.		100	0	0	60	40	32	68	100	0
13	Mig Mag welding		12	0	0	12	0	12	0	12	0
14	coiffeur - haircutter		45	0	0	0	45	30	15	30	0
15	spinning		71	0	0	48	23	0	71	0	75
16	satellite , installation and		60	0	0	30	30	60	0	60	60
#	<b>Total Non-Food</b>	<b>599</b>	<b>1364</b>	<b>0</b>	<b>0</b>	<b>823</b>	<b>410</b>	<b>671</b>	<b>693</b>	<b>696</b>	<b>830</b>
1	Honey bee keeping	272	325	0	0	225	100	0	325	0	270
2	Diary farm processing	357	387	0	0	217	170	0	387	0	360
3	Fruit & Vegetable	221	285	0	0	175	110	0	285	25	260
4	Olive pickling	21	45	0	0	45	0	45	0	0	25
5	Burgle processing	39	50	0	0	25	25	50	0	0	45
6	Seed cleaner/ Youth		20	0	0	20	0	20	0	20	0
7	KRG/ extension staff		34	0		17	17	17	17	0	0
	<b>Total Food</b>	<b>910</b>	<b>1146</b>	<b>0</b>	<b>0</b>	<b>724</b>	<b>422</b>	<b>132</b>	<b>1014</b>	<b>45</b>	<b>960</b>
	<b>Grand Total</b>	<b>1509</b>	<b>2510</b>	<b>0</b>	<b>0</b>	<b>1547</b>	<b>832</b>	<b>803</b>	<b>1707</b>	<b>741</b>	<b>1790</b>

The evaluator as well as the local project management staff had not come across TOBs who have sold or disposed of their toolkits. That includes the 100 per cent covered TOBs and the competitive ones. One obvious reason may be that the project and the TOTs actually follow-up on the TOBs after training, and have made it clear already during the training, that selling of the kits will not be tolerated. Of the TOBs, 97 per cent find the toolkits satisfactory and sufficient for their existing or intended activity. Out of those who received toolkits, 61 per cent confirmed that the toolkit has been important for their post-training employment or self-employment.

There is universal recognition on the part of TOBs, TOTs, MOA, MOI and project personnel that the toolkit component of the project is fundamentally important. However, this importance may be more connected to the mere possession of the kit rather than due to its actual use. The evaluator visited the following TOBs: four sewing ladies, four dairy farmers, two welders, three agro-auto mechanics, three beekeepers and one olive processor. All except the olive processor had received a toolkit and they were all happy to present their kits. However, only the sewing ladies made use of it in practice. All the others used their old tools that were similar to the kit but well used, and in some cases of less quality than the kit, though appropriate for their business activities. Obviously the toolkit has played a variety of roles in strengthening the project. Toolkits have attracted beneficiaries to the project's various training courses: the possibility of receiving a toolkit at the end of a training programme has helped trainees concentrate on the training sessions; and more importantly raised their self confidence and social status within their communities.

Eventually most of the toolkits would be put to use. For the dairy farmers, welders and beekeepers, this may happen when the old equipment is worn out. However, the extra bee boxes from the toolkit will be used at the beginning of the new honey season, and the gas welding equipment when the demand occurs and the welder can afford to pay for the gas cylinders. The Agro-auto mechanics would rather prefer to buy new cheap Chinese-made tools than bring the high quality tools from the project to the workshop, for fear of damage or possibility of being stolen.

The evaluator observed and raised the question, if it was a good idea to have a uniform set of toolkits for all participants on a given course or whether it would be better if each TOB could decide for themselves, within a predefined amount of funds, particular tools he/she would prefer in order to develop their business. Such a solution is possible since an increasing number of relevant equipment for project skills and activities are available locally.

#### 4.4.3 TOB output, outcome and impact analysis

At project completion stage, 2,510 project target beneficiaries, 1,364 food and 1,146 non-food TOBs, have been trained to their own declared satisfaction. 1,707 of the TOBs are women and 803 men. Youth constitutes 741 of the total number of TOBs. These numbers meet within minor variations the output expectations of the project document.

All TOTs having conducted TOB courses, judged the trainability and interest amongst the TOBs as good or very good with the exception of two TOTs where one TOT who trained in weaving and the other in sewing were generally not satisfied with the participants' trainability.

The main outcome of the training was that the majority of the 61.3 per cent who were unemployed before training, had become employed or self-employed at the time of evaluation. The status of employment before training and at the time of evaluation is presented in table 8 below.

**Table 8 – Employment status before training and during evaluation**

	<b>Status of employment before training (percentage)</b>	<b>Status of employment at the time of evaluation (percentage)</b>
Employed	6.5	20.0
Self-Employed	32.2	68.4
Unemployed	61.3	11.6

Of those unemployed before training, 57 per cent had become self-employed, and 24 per cent employed. Those still unemployed in the survey sample were all in the non-food category. Out of those TOTs who participated in ceramic, computer, electric wiring, heating and cooling, sewing, weaving and woodwork training, 78 per cent were in the young age group 18-25 years and the remaining 22 per cent between 26 to 30 years of age. Toolkits were available for sewing and weaving, but not for all trainees and the unemployed within these activities had not qualified for this acknowledgement. The courses in computer, electric wiring, heating/cooling and woodwork commenced very late in the project, and some had just finished or about to complete their course at the time of evaluation. This fact has been appraised by the evaluator as the main reason for the unemployment within these subjects.

Generally the TOB incomes have increased, but it was difficult for the respondents during the evaluation survey, to give clear and exact answers on incomes before training and at the time of evaluation, but several indications were given. About 85 per cent of TOBs had indicated that their income had

improved, leaving only 15 per cent of the TOBs without improvement. Information from the few who had indicated an actual income increase shows increases from USD20 to USD450 a month, therefore on average USD185 a month. Most of the TOB incomes were consumed by the household, i.e. not used as pocket money. Table 9 represents the results of the survey:

**Table 9: TOB income by household**

<b>TOBs (percentage)</b>	<b>TOB income by household (percentage)</b>
1.5	10-24
5.1	25-49
20.4	50-74
23.0	75-99
50.0	100
Total: 100	

The income situation of the households after TOB training presents the same picture. After TOB training, 89 per cent had experienced income improvements and only 11 per cent remained on the same level. Only eight of the 155 TOB respondents had given actual figures for increased household income. Five of them had doubled their income from USD100, USD150 and USD200 a month, respectively, to USD200, USD300 and USD400, while three respondents had their income increased from USD50, USD60 and USD75 to USD200, USD450 and USD350, respectively.

All the TOBs visited by the evaluator had increased their income or were expected to do so. The latter group comprised of two beekeepers and two dairy farmers, who due to seasonal or other problems, had not yet applied their training course knowledge or put the toolkit bee boxes to use. On average, the remaining TOBs who provided income figures had increased their income by 150 per cent. In all cases the increased TOB income together with the food basket and modest income from husband/wife had brought the households beyond the defined vulnerability level of USD400 a month.

Moreover, vulnerability has been further reduced through improved living conditions experienced by the households from the combination of training and subsequent increases in income. On the survey question: *“How have the living conditions of the TOB household developed at the time of evaluation compared to the time before training?”* the TOB respondents indicated the following four improvements of; (1) food (2) education (3) accommodation and (4) communication. About 22 per cent mentioned only one of the four improvements,

66 per cent mentioned two improvements and the rest 12 per cent indicated three improvements. If percentages are added up based on type of improvement 81 per cent mentioned food, 69 per cent education, 16 per cent accommodation and 10 per cent communication.

With regard to employment which has been created due to 68.4 per cent of the TOBs being self-employed, the survey indicates that on the average one self-employed at the time of evaluation had 1.94 employees. Of the self-employed, 34 per cent had one employee, 48 per cent two employees, 10 per cent three employees, 5 per cent four employees and 3 per cent five employees. A grand total of 1,717 self-employed TOBs had generated employment of 3,331 persons.

## **4.5 The PG component**

### **4.5.1 PG selection and training**

The selection of the 15 Production Groups (PGs) was based on thorough preparation. The PGs have four main purposes: (1) undertake production and services which are lacking/scarce, but highly needed in a certain geographical area, (2) create employment and income for an increasing number of employees, (3) be available for on-site-training of TOBs, (4) constitute a model for other enterprises within the same trade.

After the fourth PSC meeting, the project selected 15 geographical locations for the PGs. The selection was based on information in the initial Needs Assessment Study and the later Economic Feasibility Study, statistical and survey information from MOA and MOI, and overview of relevant TOB concentrations and TOT availability. A specific production activity was decided for each location.

Upon PSC approval of location and activities, the national project staff conducted a survey in each location with the aim of preparing a list of PG enterprises for project support. The best enterprise was selected after an individual feasibility assessment was undertaken for each enterprise who was then invited to participate in the project PG component. The selection criteria and the score table (1-5) were documented and assessed to be relevant. Further, it was the evaluator's assessment, that the selection process had been fair and that the PGs had been selected on objective criteria. However, some of the enterprises having being considered, but were not selected, had informed the MOA and MOI both in writing and verbally, of their dissatisfaction about the selection process. These complaints could be indicated as a process that had not been sufficiently transparent. Information of the involved parties, documentation of the selection process and its results, were missing.

In order to join the project, the selected PG candidate has to sign a contract with MOA/MOI which included the following main conditions:

- Equipment made available by the project shall be properly installed, operated and maintained
- The equipment cannot be sold or otherwise disposed of, without the sanction of MOA/MOI
- The equipment can be withdrawn by the project or MOA/MOI if abused or not properly maintained
- Preference shall be given to project TOBs in case of new employments
- Business records, accounts and costing must be properly kept and made available to project staff/TOTs
- A credible business plan must be developed
- The PG must be available for on-site training of TOBs

Business management training and mentoring will be extended on-site by the project TOTs. Technical support will also be available from the project as and when required.

The selected PGs comprise of the following economic activities:

#### **Food PGs**

- 1) Bulgur and seed processing, Erbil Governorate
- 2) Fruit processing, Erbil Governorate
- 3) Dairy processing, Erbil Governorate
- 4) Beekeeping and honey processing, Erbil Governorate
- 5) Fruit processing, Suli. Governorate
- 6) Dairy processing, Suli. Governorate
- 7) Beekeeping and honey processing, Suli. Governorate

#### **Non-food PGs**

- 1) Machine shop, Erbil Governorate
- 2) Agro-auto mechanic repair, Erbil Governorate
- 3) Sewing & tailoring, Erbil Governorate
- 4) Carpet weaving, Erbil Governorate
- 5) Auto mechanic repair, Suli. Governorate
- 6) Wood work, Suli. Governorate
- 7) Carpet weaving, Suli. Governorate
- 8) Welding & steel fabrication, Suli. Governorate

#### **4.5.2 PG output, outcome and impact analysis**

The evaluator visited 13 of the 15 PGs. They were all newly upgraded. Three PGs had single ownership and 10 were owned by two or more partners.

Altogether the owners counted 36 persons. The total number of employees in the 13 PGs was 29 persons, of which 10 were employed before the project intervention. Extrapolation from 13 to 15 PGs says, 74 people engaged in all groups together. The total amount of money invested by the project in equipment, equipment installation, civil works and refurbishment for the PGs totaled approximately USD380,000 equaling USD25,000 per PG on the average. Investment costs per PG are presented in Annex 5 in addition to the technical training (when needed) of the PG staff and the business management training of the PG Leaders. Some staff and Leaders had joined the project TOB training, but others had received the project training on-site. Close TOT follow-up and mentoring of all PGs, are an additional project workload. The evaluator assesses the costs of investment and support to the PGs as a modest view of the potentials created (see table 10).

The project output was 15 workshops: clean, newly painted, in good order, well equipped with modern quality tools and machinery and a trained leader and staff. The project outcome remains to be seen, but in table 10 overleaf the evaluator has made an attempt to judge to what extent the visited PGs would meet the project outcome expectations regarding: employment creation, service provision, a model for others, a place for on-site training of TOBs. The appraised probability for meeting those expectations is rated: low, medium to high.



**Table 10: Outcome expectations for the PGs**

<b>PG Activity</b>	<b>No. of Partners</b>	<b>No. of Employees</b>	<b>Employment Creation</b>	<b>Service for the Area</b>	<b>Model for Others</b>	<b>On site Training</b>
Bulgur Erbil	4	0	Low	High	High	High
Fruit Processing Erbil	4	0	Low	High	High	High
Beekeeping Suli	3	2	Medium	High	High	High
Fruit processing Suli	3	0	Low	High	High	High
Dairy Suli	1	4	Low	High	High	High
Machine shop Erbil	1	12	High	High	High	High
Sewing & Tailoring Erbil (1)	2	1	High	High	High	High
Sewing & Tailoring Erbil (2)	3	2	High	High	High	High
Agro-auto repair Erbil	3	1	High	High	High	High
Carpet weaving Erbil	3	1	Low	Low	High	High
Agro-auto repair Suli	2	2	High	High	High	High
Wood working Suli	1	4	High	High	High	High
Carpet weaving Suli	6	0	Low	Low	High	High

All the PG leaders who were met by the evaluator were dynamic, eager to develop their enterprises and utilize the increased capacities and capabilities from the project investments. However, due to different market situations, the prospects for expansion varied considerably. The open market policy for imports (mainly Turkey, Iran and Jordan) has made it very difficult for larger local producers of Bulgur, processed fruits and dairy products to compete. There is still a market for local products but if anything, it appears to be shrinking. Possibility for expansion awaits a shift in Government policy from open border to

introduction of much needed protection and anti-dumping duties for these and other locally produced agricultural products.

Following the visit to a carpet weaving PG in Suli, it seemed clear that just keeping the six PG lady partners busy in weaving would not only be a challenge, but only be possible due to the PG leader's widespread social connections and marketing skills.

Sewing and tailoring, woodworking, and agro-auto repair are home market activities which generally do not compete with imports but the demand for these services is high and increasing. The possibility for these PGs to grow from small to medium and to large units is not unrealistic.

As service providers for customers and other producers in the concerned areas, all PGs except the carpet weaving PGs have an important role. As a result, customers would receive better quality products/services and wheat growers, dairy farmers, orchard owners, beekeepers and other producers are provided with an opportunity to have their raw materials processed, vehicles and agricultural machines repaired and workshops equipped.

As "models" for others to learn and to be inspired from the PGs, this would be a perfect example. They display new standards in appearance, technology and business management, and most importantly it had been obtained by short-term training and moderate investments. Everyone in the PG locations are aware of them and according to the PG owners, most people around these locations have come to have a look and ask questions about the changed setup and appearance.

The project is already using some of the PGs for practical on-site training of TOBs, and all the PGs visited by the evaluator, confirmed that this is an activity they would wholeheartedly support.

## **4.6 The VTC component**

### **4.6.1 VTC selection and strategy for decentralized training**

After the 4<sup>th</sup> PSC meeting it became clear that the chances were slim for the central VTC to materialize in time to be used by the project. The project developed a new decentralized training strategy. The main element of this strategy was that training venues should be as close as possible to the target beneficiaries which would then make it possible for the project to attract those

potential TOBs, who would not be prepared to travel long distances or able to stay away from home for long durations.

The national project staff undertook, in cooperation with the concerned ministries, a survey of relevant training providers. From the result a list of 18 VTCs were selected. They included three carpet weaving centres under MOC, six Industrial schools under MOE, one centre under MOSLA, and eight centres under MOA (see section 4.3). The evaluator assessed the selection process as being objective, but no documentation was available and it was not transparent for those VTCs considered and for those not selected.

Of the 18 VTCs, 15 have received training equipment from the project at a total investment cost of approximately USD660,000 (see details in Annex 5). The grants have a double purpose: (1) to ensure relevant and efficient TOB training (2) to develop local centres of excellence within the chosen project technologies.

#### **4.6.2 Training courses and materials**

The project has worked with the selected VTCs to design training courses (syllabuses) reflecting the training goals. Wherever possible, existing relevant training materials available from UNIDO and FAO were adapted and integrated into the training programmes. UNIDO contributed mainly booklets, and FAO provided DVDs. In early 2008 UNIDO had also contracted a consultant who was recruited to standardize the non-food training programmes. This work enabled the project to produce a wide number of DVDs (37 in total). Many of the food training courses displayed on these DVD were presented on Television during the weekly MOA agricultural programme. For the VTCs, the DVDs also constitute a documentation of the project training methodologies and contents.

For the “new” market demand driven training courses – aimed mostly at unemployed youth – syllabuses and training materials were available from the course conducted by VTCs, but adaptations were made to suit the project purposes. It should be mentioned that the VTCs in question have up-to-date training programmes and materials, which they have received from other donors and NGOs. They have the ability to adapt training to market needs.

#### **4.6.3 VTC output, outcome and impact analysis**

The 18 selected VTCs projects have successfully been involved in a selection of TOB projects and conducting of project courses using their own staff as well as TOT projects. Their foundation in the local communities, for food related training courses, for the use of outreach training facilities connected to agricultural extension service (MOA), have been instrumental in attracting a high number of

target beneficiaries, meeting the project eligibility criteria particularly women who may have problems with spending time away from home.

Training equipment granted by the project to the VTCs, had been installed in a timely manner and had been used in the various project training courses. Also, these VTCs had, wherever possible, utilized training materials developed under UNIDO and FAO agro-industry programme in the country.

During the evaluation, the evaluator visited seven of the 18 project VTCs. They were all very satisfied being involved in the TOB selection process and found those selected for training very motivated and eager to learn. The VTCs recognized that the project courses regarding content, methodology and training manuals and materials were often more superior than their own, and they expressed an interest in pursuing the same standard in their own courses. To this end it had been a great help that some of their in-house training staff had received project training under the TOT component.

Within the fields where the VTCs had received training equipment from the project, they were prepared to further develop the concerned departments and meet the expectation to become Local Centres of Excellence for these activities.

At the time of evaluation, the possible impact from the initiated positive outcome process was not in a measurable magnitude. The evaluator assessed that the new standards set by the project courses and the improved capabilities of the project which involved trainers in the short- to medium-term, would result in increased standards of the VTCs as a whole, and though the educated trainees having greater possibilities to fulfill their aims, like income generation from employment or self-employment.

#### **4.7 Project financing**

The project budget as per the Project Document and the expenditures up to the time of evaluation are presented in table 11 overleaf.

**Table 11: Project budget and expenditures**

<b>Category</b>	<b>Project Document Budget (US dollars)</b>	<b>Expenditures at the Time of Evaluation (US dollars)</b>	<b>Variation (US dollars)</b>
National Project Personnel	183,600	195,688	12,088
International Project Personnel	414,000	414,000	0
National Consultants	51,000	124,981	73,981
International Consultants	120,000	324,636	273,636
Contracts	1,029,000	413,569	-615,431
Training	681,360	880,469	199,109
Equipment	2,474,569	2,119,702	-354,867
Supplies & Commodities	111,000	111,000	0
Travel	114,144	114,834	690
Miscellaneous	155,360	133,551	-21,809
Security	103,573	71,157	-32,416
Agency Management Support	362,507	304,216	-58,291
<b>Total</b>	<b>5,800,113</b>	<b>5,206,803</b>	<b>-593,310</b>

The change in training strategy from the central VTC to the decentralized solution has implications on contracts (civil works), equipment (one mini-training dairy and a two-ton trucks are omitted) and training costs (many local training venues instead of one central). Saving on security reflects the improved security situation in the KRG during the project period.

Table 12 shows the breakdown of equipment expenditures on toolkits, PGs and VTCs:

**Table 12 – Expenditure on toolkits, PGs and VTCs**

<b>Equipment</b>	<b>Expenditure (US dollars)</b>
Toolkits	716,000
PGs	384,000
VTCs	660,000
Others	360,000
<b>Total</b>	<b>2,120,000</b>

# V

## Assessment of Project Performance

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### 5.1 Relevance

Overall, the objectives of the project and related outputs were assessed to be highly pertinent to the national and international programme framework for Iraq, as well as being consistent with UNIDO and FAO core competencies and mandates. The project addressed both the GOI National Development Strategy (NDS) and the UN assistance strategy with respect to employment creation, sustainable food production, and income improvement of vulnerable groups in rural and urban areas. As part of the United Nations Development Group – Iraq Trust Fund (UNDG-ITF) and members of the UN Country team, UNIDO and FAO have been active partners in the UN's programming for Iraq since March 2003. In addition, in relation to Millennium Development Goals (MDGs), the project was particularly relevant to Goal 1 (eradication of extreme poverty and hunger) and to Goal 3 (promotion of gender equality and empowerment of women).in Iraq.

The project approach puts a lot of emphasis on training: training of trainers (TOTs), training of target beneficiaries and support to VTCs with regard to training equipment and materials. Most of the TOT training and the procurement of training equipment for the planned central VTC were completed at the time when the project had to depart from the centralized VTC model and move to the decentralized model. It meant that crucial elements duly planned and implemented for one training model had to be adapted to a completely different model. This of course resulted primarily in sub-optimal solutions for the decentralized model and with regard to utilization of the TOTs. From the point of view of many TOTs, the lack of employment as trainers at a VTC and the insufficient utilization of their acquired expertise have made the project less relevant for them. On the other hand, the decentralized training model is much more relevant for the target beneficiaries, particularly for women, in the local communities than the central VTC solution.

The cancellation of the central VTC model dislocated the original planned intervention link between the VTC and TOT components of the project. Under the original terms of the project trainers, it was supposed to be anchored at the central VTC, but instead they all remained in their current job positions with the result that quite a number could not free themselves for TOT tasks. Before project completion the project would try to find ways of grouping the TOTs at selected VTCs in cooperation with the involved ministries, so as to make better use of their expertise acquired under the project. As the project changed strategy, the TOT component became less relevant and it remains to be seen if it can resume its key role as intended.

The interview survey with a number of VTCs included by the decentralized project training model revealed that all those surveyed regarded the support by the project as being relevant for development of their expertise and training capabilities. They acknowledged that adoption of project training methodologies and acquisition of state-of-the-art training equipment and materials have increased their level of competence and service delivery options.

From the TOB survey it is clear that the TOBs generally perceive the project as the socio-economic 'driver' for their improved living conditions. The relevance of the project for the target beneficiaries is proved from the TOB survey and according to the respondents, which shows significant improvement of livelihoods, employment and incomes of TOBs resulting from the project training, toolkits and mentoring. Using skills training of project target beneficiaries as the main vehicle to reach the aim of lifting vulnerable households out of vulnerability and increase their income has proved its relevance through the results obtained regarding employment generation. The toolkit component in its present form has high relevance as a premium attracting the TOBs to the training courses and making them more focused during the training sessions, but for quite a few beneficiaries, the tools have not added much to their technological level or production capacity.

A rough estimate indicated that Erbil and Sulaymaniyah Governorates had about 200,000 vulnerable households which the project has directly reached, and about 2,500 through training of a member per household. It corresponds to project coverage of a little more than one per cent of the total. This may appear very modest and a challenge to the relevancy of the project. However, increased income for poor families has a very high economic multiplier effect since almost all money will be spent with very little being saved. It means that the economic growth potential from improved income of 2,500 poor families is much larger than the actual gained income of these families. This effect together with the continuous TOB training after project completion, already initiated by MOA, will in

the short- to medium-term increase the project income and poverty relief relevancy also in quantitative terms.

The relevance of the PG component for the project's target beneficiaries remains to be seen, but through surveys and assessments the project has succeeded in selecting PGs with dynamic leadership and potentials in general to meet the outcomes expected by the project. Therefore the relevancy of the PG component is assessed to have a good chance to develop positively over time.

## **5.2 Ownership**

Project ownership has been built very strongly within MOA at all levels including to the extension service personnel functioning as TOTs. A decision has been taken to continue the project concepts and strategies in all the three KRG Governorates after project completion and a budget to be established.

MOA has already an agreement with an NGO (Immortal Barzani Charity) working with vulnerable households to assist with TOTs for training of 25 women in fruit processing. Further the Ministry was in the process supporting the establishment of three PGs, two dairy and one fruit processing, in three different villages. Two mini dairies and equipment for fruit processing had already arrived in Erbil. MOA would also assist the food TOBs and PGs in designing and printing of labels for their products and in obtaining hygiene certification to support the marketing.

Project ownership in MOI remains very weak. The chairman of the PSC has retired and his sincere interest and involvement in the project had not been relayed to the relevant sections of the MOI.

The close project cooperation with the VTCs during identification, selection and training of TOBs as well as the considerable use of their own training personnel as trainers in project courses, have imparted high feeling of project ownership in the group of project VTCs. They all have capacity for continuous TOB training and mentoring and with moderate budget backup from their parent ministries they are ready and willing to undertake the task.

A convincing indication on ownership is given by the active TOTs through their interest and willingness to assist the TOBs. They had trained in all technical and business management matters arising during their endeavour to establish themselves as self-employed entrepreneurs. Feedback from the TOBs visited by the evaluator indicated that the TOTs receive telephone calls from TOBs at all times during the day and night and that they always offered technical assistance.



### 5.3 Efficiency

The efficiency and quality of project management from June 2006 until January 2008 was not considered by the evaluator, since the problems originating from the delayed and later abandoned central VTC concept were caused by the unforeseeable KRG Government policy change and not by the project management. However, although the project was brought into a “state of limbo”, during most of the period, the management succeeded in undertaking some activities. The following overview shows the activities undertaken before January 2008 (before the 4<sup>th</sup> PSC meeting):

- Design and tendering of central VTC civil works (completed)
- Needs Assessment Study (accomplished)
- Selection and training of TOTs (non-food 75 per cent, food 80 per cent completed)
- TOB survey and selection of TOBs for training (not satisfactory)
- Training of TOBs (one course round at industrial schools in Erbil and Suli, respectively in Welding and Agro-auto repair)
- Preliminary assessment of alternative training providers (VTCs)
- Procurement of equipment for the central VTC (14 per cent of food, 50 per cent of non-food equipment arrived in Erbil)
- Development of additional training materials

Thus, the major portion of project work was left to be completed at the time of the 4<sup>th</sup> PSC meeting, and upon the decisions made at the meeting a genuine working spree began in the PMU Amman office, as well as at the Erbil and Suli offices. The tasks that need to be undertaken within about a year were overwhelming including the following:

- Interviews and selection of the remaining TOTs, agreements with international training providers, travel arrangements, visas, heavy communication traffic and later, follow-up and monitoring of the TOTs;
- Elaboration of technical specifications for procurement of the remaining VTC equipment and toolkits in cooperation with MOI and MOA, communication with UNIDO and FAO procurement offices, preparation of tax exemption letters for customs control and endorsement by various ministries. Communication with Border Control and Erbil checking point to allow the consignments to pass through. At the arrival of the project warehouse, checks and control of inventory of the goods together with the concerned ministries. Hereafter distribution of the goods for recipients,

training equipment for VTCs, and equipment for PGs and toolkits for TOB courses. Finally, it should all be correctly dispatched to the large number of locations for project activities. Moreover, quite a number TOB trainings were conducted at venues outside the VTCs within the TOB communities and training equipment needed to be moved from one place to another;

- First interviews with and selection of TOBs after the new criteria approved at the 4<sup>th</sup> PSC meeting and completing the four-page TOB format, and thereafter organize training for 2,510 TOBs. Arrange for toolkits to be issued and authorize training certificates, and finally follow up and monitor their performance;
- Assessment and selection of PGs, make local contracts for civil works, supervise the work and the equipment installations, arrange for the necessary technical and management training of the PG Leader and staff, and arrange for PG ground breaking ceremonies involving ministerial and local authorities and various media.

Considering the above-mentioned completed tasks, the project management has shown extreme high efficiency in project implementation. All inputs have been of high quality and outputs have been produced in accordance to the revised plan of 4<sup>th</sup> PSC. At the same time the management has been very concerned about the project outcome and has taken the necessary and appropriate action to maintain project efficiency along the way, based on field monitoring information.

The project has, together with the other UNIDO supported the projects in Erbil Governorate: “Enterprise Development and Investment Promotion in the SME Sector in Iraq (EDIP)”, pursued the possibility of cooperation concerning training of PG Managers. However, closer examination of the training needs of the PG Managers, revealed that 13 of the 15 PGs were at a level where training undertaken by the project’s own Business Management TOTs, would be more appropriate than the training courses arranged by EDIP. Of the remaining two PG Managers, one had just completed a comprehensive Business Management course arranged by another agency, but the remaining PG, the manager of the Bulgur PG, was found suitable for EDIP training. The evaluator assesses this decision as correct, since most of the PGs are still of a size, which do not match the profile of the enterprises being trained under EDIP.

#### **5.4 Effectiveness and impact**

The expected project outcomes are:

- Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing;

- The condition of 2,000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members.

As explained earlier in the report, capabilities have been significantly enhanced in MOA and in the project involved VTCs through project interventions. The same is not the case for MOI. The only enhanced capabilities left at this Ministry are those embedded with the 10 MOI selected TOTs, who have not been fully utilized, but still constitute a knowledge-based resource for the Ministry. It is expected that MOLSA will take over these TOTs and employ them at the ministry's central VTC in Erbil. With this development, enhanced capabilities of MOI would be shifted to MOLSA for the non-food training aspects of a MISIP type project.

The TOB survey proves that the project has reached the target beneficiaries and that the large majority of the TOBs have entered into employment and self-employment, and even within the very short project period most of them have experienced increased income and improved quality of life from their participation in training sessions and from the opportunities created by the project to engage in productive activities.

The outcome has been obtained through establishment of the following outputs:

- Relevant personnel from Ministries of Agriculture and Industry and selected VTCs, trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities;
- The number of personnel from the Ministries of Agriculture and Industry, the selected VTCs and other relevant agencies trained as trainers through the project's TOT programme accounted for 63;
- Project beneficiaries accounted for 2,510 who were trained in selected project technologies, business management, and marketing with the view to start their own business or obtain employment;
- A total of 15 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in input sourcing, marketing and business management.

The effectiveness of the outputs varies. The TOB training has proven very effective in the short term on improvement of the livelihood of the target beneficiaries. The TOT training has been important for the TOB training, but compared to the number and duration of TOB courses the number of TOTs are exaggerated. Maybe half of the number would have sufficed and the money saved could have been used for more comprehensive TOT training and/or further TOB training. The outcome expectation of the PG activities, employment and

income generation for the project target group, remains to be seen, but it is assessed by the evaluator that the probability was high for the majority of them to meet the aim. The training of relevant personnel in the project involved ministries and VTCs has, as mentioned above, given satisfactory outcomes at MOA and the involved VTCs.

The balance between the outputs - in terms of time spent on project personnel and funds used - compared to outcome, (apart from the number of TOTs trained) is assessed as reasonable. One question remains: Should the money have been rather spent on PGs, TOB training, toolkits and VTC equipment? For the PGs this question awaits their development within the forthcoming one to two years. The PG component uses money, but is not a heavy time consumer for the project personnel. The opposite is the case for the TOB training (apart from the toolkits) and it is doubtful if the project organization in its present capacity could cope with a higher number of TOB selection, training and mentoring activities. Toolkits are very important for the outcome, but it is assessed that outcome could be further improved if individual equipment needs of TOBs could be satisfied through a more flexible toolkit programme. State-of-the-art training equipment is necessary for the VTCs to conduct courses of the required standard and cost savings on this component appears less realistic.

The project impact shall be measured against the degree to which it has been contributed to economic recovery of northern Iraq (Erbil and Sulaymaniyah Governorates). However, due to the short actual implementation period (about one year) project impact on the economic recovery of northern Iraq could not be measured or firmly assessed.

## **5.5 Sustainability**

### **General**

The two main questions remain however: (1) will the project results/achievements sustain, and (2) will the project concepts and activities sustain?

The project results/achievements include: (1.1) self-employment of about 1700 TOBs and employment of approximately 500, (1.2) 15 PGs in operation, (1.3) a group of TOTs experienced in TOB training and mentoring, (1.4) 18 VTCs experienced in TOB training and mentoring.

Sustainability of project concepts and activities requires that: (2.1) project ownership is anchored amongst local project stakeholders before project completion, (2.2) plans and budgets are prepared by local project stakeholders for continuation and replication of project activities.

## **TOBs and TOTs**

The society in the KRG has experienced a longer period of peace and economic growth. The project has given a large number of people a push, in the form of training, toolkits and post training mentoring, to enter into productive engagement and income generation, but the economic conditions in the society have also created an enabling situation for this engagement to be possible and successful. A continuous good economic development of the KRG will support the sustainability of many TOB jobs and ventures, but post-training mentoring for many TOBs will still be important for the viability of their businesses. Therefore sustainability for many under achievements, (1.1) depends on the sustainability of result (1.3).

The active TOTs, as well as other VCT trainers conducting project courses have been extremely dedicated in their training and post-training support to the TOBs but without a workplan and an operational budget for these activities, it would probably be phased out. Given this background, the sustainability of project achievement (1.3) depends on the accomplishment of (2.1) and (2.2). For food TOBs the situation is bright. Project ownership is anchored solidly in MOA and the Ministry is in the process of planning and budgeting for the continuation of project concepts and activities and replication throughout the KRG. For non-food TOBs the situation is uncertain. It is unlikely that MOI can or will continue with project activities after project completion. The Ministry has no training facilities and must rely on cooperation with other Ministries in this regard. Moreover, the TOB activities are not a MOI function, but fall mainly under MOLSA and MOE. Finally, project ownership is not sufficiently anchored in MOI.

Thus, sustainability of the project's non-food TOT interventions depend on the willingness of MOLSA and MOE to plan and budget for staff and training activities. The evaluator questions whether this may happen in the short-term; if not, mentoring of the non-food TOBs is likely to be phased out. The collapse of the TOT component would have a direct impact on the general sustainability or development of a 'Phase II' MISP-type project in the KRG.

## **Conclusion TOB and TOT**

If the positive economic development in the KRG prevails, probability of TOB employment and business sustainability is assessed to be rather high, even without continuous access to TOT mentoring. The products produced and the services provided are in good demand in the local communities and the magnitude of supplies is relatively modest compared to the total market. Cheap imports from neighboring countries of certain agricultural products are a challenge to some of the food TOBs, but it is expected that the Government will

introduce some protection duties and anti-dumping duties to control the situation. As explained above the situation is better for the food TOBs than for the non-food with regard to Government support, but most non-food TOBs have the advantage of being in sectors/skills with high demand and limited or no competition from imports.

### **PGs**

The 15 PG sub-projects are not green field interventions but upgrading of existing viable MSSEs, which means that the probability of sustaining achievements (1.2) is very high. Their prospect of PGs meeting the project expectations is different compared to other aspects of the project. For a further elaboration on this, reference is made to section 4.5.2. The PGs have the full attention of MOI/MOA due to the contract signed for receiving project equipment and other support. They are observed by the media and the general public. Monitoring of their performance and development is assessed to be close also after project completion.

### **VTCs**

During the interviews with the evaluator, 18 projects which involved VTCs acknowledged that the project developed training content, methodologies and training materials were superior to their own. VTC respondents also indicated that they would endeavour to pursue the same standard in their own training courses. Within their relevant technical fields, the VTCs that received training equipment from the project, indicated that they are prepared to further develop their training delivery services with the goal to become local Centres of Excellence in the KRG.

### **Conclusion PGs and VTCs**

The likelihood that the PGs will sustain and meet the project expectations is very high. For the VTCs, the improved course standards are likely to be sustained, but the evaluator is less convinced that the status of these vocational and technical training institutes and industrial schools as Centres of Excellence can be obtained and maintained over time.



# VI

## Recommendations and Lessons Learnt

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### 6.1 Project sustainability

After cancellation of the central VTC, the role of MOI became less important. This left the non-food training activities without a firm and clear-cut counterpart at ministerial level. For post-MISP II projects, UNIDO and GOI decided to involve MOLSA as the main counterpart.

#### Recommendation:

It is recommended to replace MOI by MOLSA as the line ministry for the non-food part of the project. MOLSA should prepare plans and budgets for follow-up on non-food training and for continuation and replication of non-food project activities in northern Iraq.

#### Lesson learnt:

In cases where an overall re-design of a project is necessary as a consequence of cancelling one or more key project components, UNIDO and its project partners should not shy away from also revisiting the counterpart and project management structures, if necessary.

### 6.2 Joint project implementation responsibility of UNIDO and FAO

There is no evidence of significant advantages and synergies of UNIDO and FAO sharing the responsibility for project implementation. On the contrary, stakeholders on the ground expressed variable degrees of dissatisfaction with mixing food and non-food activities in the same project.

#### Recommendation:

Similar future projects in Iraq should be split into two parts: a) UNIDO working with MOLSA being the line ministry responsible for non-food activities and b) FAO with MOA for food related initiatives.



### **6.3 Selection of TOTs**

The identification and selection process of TOT candidates for all the involved ministries lacked transparency and has not been documented. MOA has taken some steps for transparency by defining the selection criteria and setting up an inter-ministerial selection committee, but this has not been the case for MOI and the other involved ministries.

#### Recommendation:

Detailed Terms of Reference, candidate profiles, selection criteria and score tables should be prepared for the selection of TOTs. Jobs should be publicly advertised and interviews be conducted by experienced employment officers from the involved ministries.

#### Lesson Learnt:

Weak preparation and limited transparency (insufficient or no candidate profile definition, selection criteria, score table, and TOR) may lead to sub-optimal selections of trainers.

### **6.4 Training and project involvement of TOTs**

Of the TOTs, 50 per cent would have preferred longer, higher level, and more comprehensive TOT training. Because the number of persons trained was disproportionate (63 persons trained to conduct 89 courses), the project could not make significant use of all 63 TOTs.

#### Recommendations:

Future TOT trainings should cover all important subjects and curricula should be state-of-the-art. Course contents should be defined by competent international experts. In order to use fund efficiently, the project should not train more TOTs than necessary because TOTs need to make good use of their training skills.

#### Lesson Learnt:

Under-utilization of TOTs hampers their motivation and is counterproductive to project sustainability.

### **6.5 TOT organization**

One of the main arguments for a central VTC was the advantage of having all TOTs employed at one location and under one food and one non-food manager. When the centralized VTC did not materialize, the project established a

decentralized training structure but failed to properly address the management and organization of the TOTs. This problem was particularly acute for the MOI TOTs.

Recommendation:

The non-food TOTs who are not employed at one of the VTCs under MOLSA, MOE or MOC should be employed at the MOLSA training centres in Erbil and Sulaymaniyah. The TOTs for the food area should be employed at the agricultural training centres of the MOA in Erbil and Sulaymaniyah. One focal point should be appointed for each of the two groups.

Lesson Learnt:

Dispersing TOTs organizationally and geographically without a common management weakens implementation efficiency and sustainability of the TOT resources.

## **6.6 Centralized or decentralized TOB training**

The decentralized training model has important advantages over the originally planned centralized model with only one central VTC where all TOB trainings are conducted. In the decentralized model the training venues are close to the TOB residences, which is particularly important for the participation of women.

Recommendation:

In future micro industries support projects, UNIDO and FAO should adopt the decentralized TOB training model. However, it is crucial that the TOTs are employed in groups with a common leadership at few centres (e.g. one per Governorate) and that outreach training at local VTCs is supported by up-to-date training equipment. The latter may require establishment of a number of mobile training units.

## **6.7 Selection of TOBs**

The two-pronged set of selection criteria taking into account vulnerability and basic experience proved to be appropriate. Most selected TOBs met the target beneficiary criteria and had the potential to become employed or self-employed.

Recommendation:

Future Micro-Industry Support Projects should adopt the multiple selection criteria introduced by the project covering household vulnerability and the requirement that TOBs should have a minimum of educational background and experience.

Lesson Learnt:

The requirement of a certain minimum educational background and experience is key for skills development projects to successfully generate employment and income.

### **6.8 Level of TOB courses**

The variable levels of education and knowledge of participants in the same course raised efficiency problems.

Recommendation:

Future Micro-industries Support Projects should offer two or three levels of training if the educational background and/or experience of the selected participants varies significantly. Participants should be classified during selection.

Lesson Learnt:

TOBs with a higher initial education level and experience above average gain too little additional knowledge from the courses. This is a missed opportunity and limits project efficiency and effectiveness.

### **6.9 Toolkits**

Most of the TOBs visited did not make use of the tool kit, which they had received after the training but continued using their old tools. This raises questions with regard to the appropriateness of using standard toolkits for all participants of a given course.

Recommendation:

Projects should introduce toolkit flexibility so that TOBs can choose within a given range those tools matching their level of technology and business. Typical ranges of toolkits could be: tools for basic production, tools for more sophisticated production and products and tools for quality testing, packaging and labeling.

Lesson Learnt:

The requirement for the TOBs to have already some basic experience and skills in the given subject area of training means that they often already own equipment similar to the toolkit supplied by the project. This requires more flexible solutions for the provision of toolkits.

### **6.10 Market orientation of TOB courses**

Recommendation:

Starting from offering training for a limited range of rather traditional crafts, the project gradually extend its training offer towards emerging services such as mobile telephone repair, satellite receiver installation and repair and heating and cooling installation.

Lesson Learnt:

Micro Industries Support Projects should make flexible training offers based on the creative identification of emerging market segments with unsatisfied demand. Services related to ICT and other new technologies are particularly interesting for the younger generation and job opportunities and self-employment in these areas are often a realistic possibility.

# Annex A: Terms of Reference

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## Terms of Reference

Independent Evaluation of the UNIDO/FAO Project:

“Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas in Northern Iraq”

FB/IRQ/06/002 (UNIDO project number)  
OSRO/IRQ/602/UDG (FAO project number)

### I. Background

The project is the second of a series of four similar poverty alleviation projects in Iraq. The first of these projects has been implemented in the Thi-Qar governorate in South Iraq. This project has been evaluated in 2007 and the present evaluation should build upon the findings and lessons learned from the Thi-Qar evaluation, and use a same or similar methodology in order to allow for comparison. The second project is the one under evaluation. It covers the Erbil and Suleiymaniyah governorates of Northern Iraq. The third project of this series covers Al Qadissiya Governorate in Central Iraq and is not yet sufficiently advanced for an evaluation. The fourth project has just started in Anbar Governorate in western Iraq.

All four projects are carried out jointly by UNIDO and FAO. The basic project philosophy is to increase the capability of poor and marginalized war-affected communities to engage in economically viable small-scale productive activities in order to generate income and increase employment figures. The main levers in order to achieve this objective are technical and business management trainings provided in cooperation with existing vocational training centres and the delivery of certain technical tools and basic technical equipment to the successful trainees. Furthermore, the approach involves a certain amount of rehabilitation or upgrading of vocational training centres; training of trainers and the production of training material.

A major commonality of the four projects is adverse conditions, including security problems, which have led to periods of partial or total implementation standstill. This has also caused challenges with regard to synchronizing the interventions of the two implementing agencies. The restricted access to the regions of implementation for international experts and UN officials is another major challenge. This restriction will also influence the design and implementation of the present evaluation.

## **II. Project information**

The project receives its funding from the multi-donor UN Trust Fund for Iraq (UNDG ITF). In line with the national development strategy and the UN assistance strategy and the general project philosophy described above, the project is expected to increase income and employment of the rural and urban population by facilitating self-employment of the vulnerable groups.

The promotion of micro-enterprise industry activity is seen as one the most cost effective means of creating employment and raising household incomes in rural and urban areas. The income generation activities targeted by the project are:

- burghul, beekeeping, dairy, fruit and vegetable processing and olive processing in the food area covered by FAO
- agro/auto-mechanics, welding, woodwork, machine-shop, carpet making and tailoring in the non-food area covered by UNIDO

The project expects to benefit a minimum of 2000 target beneficiaries. At project end the capacities of counterparts are expected to be strengthened through established training centres and training of trainers.

The expected outcomes (immediate objectives), outputs and planned activities of the project are described in the attached project document. The latest progress report (January – June 2008) provides the following key information on the project status:

- Base-line study, inception report, identification of micro industries, detailed project planning, selection of individual beneficiaries and producer groups: completed
- Feasibility studies and development of business plans for 16 producer groups: under finalization
- 1485 training candidates selected
- All 53 trainers and 321 beneficiaries trained
- All equipment procured, last few items in transit to delivery destination

- Equipment for agro/auto-mechanics and welding distributed to 72 beneficiaries
- Construction and equipment of vocational training centres cancelled due to unforeseen counterpart decisions. Instead, beneficiaries are trained at alternative locations
- Alternative training providers identified (7 food- and 8 non-food); equipment of these training providers supplied and courses ongoing
- Training materials: prepared

The project is jointly implemented by UNIDO and FAO following signature of an interagency agreement. The project is being implemented by a joint project office in Amman, headed by a Chief Technical Adviser (CTA) and a National Project Coordinator (NPC) in the target region. At headquarters of the two agencies, project managers, operations officers and technical backstopping officers are assigned to coordinate the overall planning and implementation the project. Short term international and national consultants are recruited for specific activities.

Partners in the Government of Iraq are the Kurdistan Regional Government (KRG) Ministries of Agriculture (MOA) and Industries (MOI).

A Project Steering Committee (PSC) composed of MOA, MOI, UNIDO and FAO has been established. The PSC has met five times since the start of the project.

The project has been approved for a period of 18 months until February 2008. This initial duration has been extended until 28 February 2009.

### III. Project budget

Total allotment	USD 6,300,116
UNDG Iraq fund	USD 5,800,116
Government input	(in kind) USD 500,000
<b>Total:</b>	<b>USD 6,300,116</b>

### IV. Evaluation purpose

The purpose of the evaluation is to assess the:

1. Project relevance with regard to the priorities and policies of the Government of Iraq, the UNDG ITF; UNIDO and FAO
2. Project effectiveness in terms of the outputs produced and outcomes achieved as compared to those planned

3. Efficiency of implementation: quantity, quality, cost and timeliness of UNIDO/FAO and counterpart inputs and activities
4. Efficiency of the cooperation arrangements between UNIDO and FAO, and if applicable make recommendations for improvements
5. Prospects for development impact
6. Long-term sustainability of the support mechanisms results and benefits

The evaluation should provide the necessary analytical basis and make recommendations to the Government, to UNIDO and to FAO for the closure of the project and for ensuring its sustainability. The evaluation should also draw lessons of wider applicability for the replication of the experience gained in this project in other projects.

## **V. Methodology and scope of evaluation**

The evaluation will be carried out in keeping with agreed evaluation standards and requirements. More specifically it will fully respect the principles laid down in the “UN Norms and Standards for Evaluation” and Evaluation Policies of UNIDO and FAO.<sup>1</sup> The evaluation shall determine as systematically and objectively as possible the relevance, efficiency, achievements (outputs, prospects for achieving expected outcomes and impact) and sustainability of the project. To this end, the evaluation will assess the achievements of the project against its key objectives, as set out in the project document and the inception report, including a review of the relevance of the objectives and of the design. It will also identify factors that have facilitated or impeded the achievement of the objectives.

While maintaining independence, the evaluation will be carried out based on a participatory approach, which seeks the views and assessments of all parties. It will address the following issues:

### **Project identification and formulation:**

- The extent to which a participatory project identification process was applied in selecting problem areas and counterparts requiring technical cooperation support
- Relevance of the project to development priorities and needs
- Clarity and realism of the project's development and immediate objectives, including specification of targets and identification of beneficiaries and prospects for sustainability

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<sup>1</sup> All documents available from the website of the UN Evaluation Group: <http://www.uneval.org/>



- Clarity and logical consistency between, inputs, activities, outputs and progress towards achievement of objectives (quality, quantity and time-frame)
- Realism and clarity in the specification of prior obligations and prerequisites (assumptions and risks)
- Realism and clarity of external institutional relationships, and in the managerial and institutional framework for implementation and the work plan
- Likely cost-effectiveness of the project design

**Project ownership:**

- The extent to which the project was formulated with the participation of the national counterpart and/or target beneficiaries
- The extent to which counterparts have been appropriately involved and have been participating in the identification of their critical problem areas, in the development of technical cooperation strategies and in the implementation of the project approach
- The extent to which counterpart contributions and other inputs have been received from the Government (including Governorates) as compared to the project document work plan, and the extent to which the project's follow-up is integrated into Government budgets and work plans

**Project coordination and management:**

- The extent to which the national management and overall field coordination mechanisms of the project have been efficient and effective
- The extent to which the UNIDO and FAO based management, coordination, quality control and input delivery mechanisms have been efficient and effective
- The extent to which monitoring and self-evaluation have been carried out effectively, based on indicators for outputs, outcomes and objectives and using that information for project steering and adaptive management
- The extent to which changes in planning documents during implementation have been approved and documented
- The extent to which coordination envisaged with any other development cooperation programmes in the country has been realized and benefits achieved
- The extent to which synergy benefits can be found in relation to other UNIDO/FAO and UN activities in the country

**Efficiency of implementation:**

Efficiency and adequacy of project implementation including: availability of funds as compared with the provisional budget (donor and national contribution); the quality and timeliness of inputs delivered by UNIDO and FAO (expertise, training, equipment, methodologies, etc.) and the Government as compared to the work plan(s); managerial and work efficiency; implementation difficulties; adequacy of monitoring and reporting; the extent of national support and commitment and the quality and quantity of administrative and technical support by UNIDO/FAO.

**Effectiveness and project results:**

Full and systematic assessment of outputs produced to date (quantity and quality as compared with work plan and progress towards achieving the immediate objectives);

The quality of the outputs produced and how the target beneficiaries use these outputs, with particular attention to gender aspects; the outcomes, which have occurred or which are likely to happen through utilization of outputs. In particular, this includes an analysis of the likely effects of micro-enterprise industry activities as a means of creating employment and raising household incomes.

**Prospects to achieve expected outcomes, impact and sustainability:**

Prospects to achieve the expected outcomes and impact and prospects for sustaining the project's results by the beneficiaries and the host institutions after the termination of the project, and identification of developmental changes (economic, environmental, social) that are likely to occur as a result of the intervention, and how far they are sustainable.

**Cost-effectiveness of the project:**

Assessment of whether the project approach represented the best use of the given resources for achieving the planned objectives.

**Recommendations for a possible next project phase, or replication elsewhere:**

Based on the above analysis the evaluators will draw specific conclusions and make proposals for any necessary further action by Government and/or UNIDO/FAO and/or the UN or other donors to ensure sustainable development, including any need for additional assistance and activities of the project prior to

its completion. The mission will draw attention to any lessons of general interest. Any proposal for further assistance should include precise specification of objectives and the major suggested outputs and inputs.

## **VI. Evaluation timing and main tasks**

The evaluation is scheduled to take place between October 2008 and March 2009.

The evaluation will be carried out through analyses of various sources of information, including desk analysis, field visits, survey data, and interviews with counterparts, beneficiaries, partner agencies, donor representatives, programme managers and through the cross-validation of data. In view of the particular aspects of this evaluation (no country visit by the international evaluation team members), particular attention will be given to the elaboration of a strategy for field surveys, the elaboration and test of Questionnaires and the implementation of the surveys in line with agreed professional and impartiality standards. (The evaluation team will also keep in touch with other ongoing evaluations in the same area, such as the recently started evaluation of 5 FAO-implemented irrigation and animal husbandry projects).

The evaluation will encompass the following main tasks:

1. Desk study of available documents and definition of the evaluation methodology with a catalogue of project specific evaluation questions, to which the evaluation should provide answers; this methodology will have to be discussed and agreed with the evaluation units of UNIDO and FAO
2. Briefing and interviews with UNIDO and FAO project staff in Vienna, Rome and/or Amman
3. Organization of a two-day kick-off meeting in Amman involving national and international project staff, counterpart representatives and the entire evaluation team
4. Analytical review of the economic, political and security conditions in the region of intervention (drawing on information received from policy makers, and also other UN Organizations and providers of technical assistance in Iraq and in the region) and investigation into the relevance, needs orientation and realism of the project design and implementation (gathering information above all from project stakeholders and private sector players in the region)

5. Design and execution of a survey on the capabilities of the trainers; this survey shall assess *inter alia*: the profile of the trainers and whether their professional qualification and experience are appropriate with a view to empowering vulnerable and marginalized groups to engage in income creation; whether the quality of the training of trainers (TOT) they received has been adequate; how many beneficiaries they have trained; under which conditions these trainings occurred; whether there have been follow-up activities (coaching); and how trainers assess the success of the trainings; this survey would address at least the 53 trainers who received training under the project until December 2007, if possible more
6. Design and execution of a survey among trainees; this survey would address a representative sample of at least 100 trainees, if possible more; this survey shall assess *inter alia*: the profile of the trainees and to what extent the selection of trainees matches the objectives of the project to support vulnerable and marginalized groups; the quality of the training and of the equipment received and whether these inputs are perceived as adequate with a view to empowering the target groups to engage in income creation; the status of the income creation activities of the trainees (self employment; business creation; employment in existing companies); the impact of the project on their income and living conditions
7. On site visits of the various project sites (vocational training centres; alternative training providers; project partners from the public and private sectors; workshops/micro-enterprises set up by individual beneficiaries and producer groups)
8. Organization of a meeting in Amman where the evaluation team will present its raw results and preliminary findings to project staff and counterparts and collect their feed-back
9. Production of a first draft evaluation report and submission of this report to the evaluation departments and project managers of UNIDO and FAO for feed-back
10. Incorporation of comments into a second draft and submission of this draft to the government, project participants and stakeholders for comments
11. Incorporation of comments into final draft

12. Final debriefing and presentation of final report with UNIDO and FAO in Vienna, Rome and/or Amman

## **VII. Evaluation requirements**

The evaluation will require the following functions, competencies and skills:

- 1) Evaluation team leader with documented experience in:
  - a) Designing and managing complex evaluations
  - b) Leading multi-disciplinary and multi-cultural teams of evaluators
  - c) Development projects in Arab speaking countries
  - d) Development projects related to income generation for vulnerable groups
  - e) Designing and supervising qualitative and quantitative field surveys
  - f) Preparing evaluation reports in line with agreed UN and DAC standards
  - g) Drafting reports in English (excellent drafting skills to be demonstrated)
- 2) Evaluators with documented experience in executing:
  - a) Development projects for income creation of vulnerable groups
  - b) Analysis of micro-enterprise industry activities as a means of creating employment and raising household incomes
  - c) Evaluation of vocational training schemes
  - d) Evaluations in Arab speaking countries
  - e) Qualitative and quantitative field surveys
  - f) Interviews in Arab language with the entire range of stakeholders from vulnerable war-affected groups to high-level officials

The evaluation team must have the necessary technical competence and experience to assess the quality of the technical assistance provided under this project to cottage level production in the areas of:

- burghul, beekeeping, dairy, fruit and vegetable processing and olive oil extraction in the food area covered by FAO
- agro/auto-mechanics, welding, woodwork, machine-stop, carpet making and tailoring in the non-food area covered by UNIDO

The above-mentioned functions, competencies and skills may be distributed among several persons in the evaluation team. Team members may be located in different countries but an effective coordination mechanism will have to be demonstrated. Evaluation team members must be independent and not have been involved in the formulation, implementation or backstopping of the project.

The execution of the evaluation will require full command and control of the specific situation in Iraq and full respect of the UN security rules for Iraq. The ability to carry out field operations in Iraq is a key requirement and must be demonstrated.

The evaluation team leader will be responsible for elaboration of an evaluation strategy, including the design of field surveys and elaboration of questionnaires; guiding the national evaluators for their field work in Iraq; analysis of survey results; gathering of complementary information from project staff, collaborators and stakeholders through telephone interviews and other means; and preparing a presentation of conclusions and recommendations as well as a final evaluation report.

The evaluator(s) will be responsible for carrying out the field surveys (under the guidance of the team leader). The field surveys will provide the foundation for the evaluation and must therefore be executed in line with the highest standards of professionalism and impartiality.

The UNIDO Evaluation Group and the FAO Evaluation Service will be jointly responsible for the quality control of the evaluation process and report. They will provide inputs regarding findings, lessons learned and recommendations from other evaluations, ensuring that the evaluation report is in compliance with established evaluation norms and standards and useful for organizational learning of all parties.

The project office in Amman will logistically and administratively support the evaluation team to the extent possible. However, it should be understood that the evaluation team is responsible for its own arrangements for transport, lodging, security etc.

### **VIII. Consultations and liaison**

Liaison of the evaluation team with the Iraqi authorities will be provided by an official nominated by the Government of Iraq.

The evaluation team will maintain close liaison with UNIDO and FAO representatives and the concerned national agencies, with the representatives of UNDP and other UN agencies, as well as with national and international project staff. The evaluation team is free to discuss with the authorities concerned anything relevant to its assignment. However, it is not authorized to make any commitments on behalf of the Government, the donor, UNIDO or FAO.

## **IX. Reporting**

The evaluation report shall follow the structure given in Annex A. Reporting language will be English. The executive summary, recommendations and lessons learned shall be an important part of the presentations to be prepared for debriefing sessions in Amman, Rome and/or Vienna.

Draft reports submitted to the UNIDO Evaluation Group and the FAO Evaluation Service was shared with the corresponding Programme or Project Officer for initial review and consultation. They may provide feedback on any errors of fact and may highlight the significance of such errors in any conclusions. The consultation also seeks agreement on the findings and recommendations. The evaluators will take the comments into consideration in preparing the final version of the report.

The evaluation will be subject to quality assessments by UNIDO Evaluation Group and the FAO Evaluation Service. These apply evaluation quality assessment criteria and are used as a tool for providing structured feedback. The quality of the evaluation report will be assessed and rated against the criteria set forth in the Checklist on evaluation report quality.

# Annex B: Questionnaires for evaluation surveys

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## A. Questionnaire for Trainers (TOT)

### Profile of the trainer

- 1) Name of respondent
- 2) Address: Governorate, District, (Sub-district), Village, contact telephone and fax numbers, and e-mail
- 3) Gender
- 4) Professional education
- 5) Professional experience
- 6) How many years experience as a trainer (if any)
- 7) What are the main subject matter expertises
- 8) Employment (employer's name and address) and position before project training
- 9) Present employment and position

### Appropriateness of professional qualifications and experiences for engaging project beneficiaries in income generating activities

- 1) Prior qualifications and experiences in socio-economic development
- 2) Prior qualifications and experiences in MSSR development
- 3) Prior qualifications and experiences in working with vulnerable households and household members

### Adequacy of received project (TOT) training

- 1) Training received under the project: List main subjects
- 2) Name and address of training institution attended
- 3) Calendar period of training/duration
- 4) Number and names of other course participants supported under the project
- 5) Main training subjects: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management
- 6) Perceived quality of the training: Satisfactory, less satisfactory, poor



- 7) Was the training evaluated by participants at completion? Result?
- 8) Which part of the training (if any) was insufficient or less comprehensive than expected?
- 9) What suggestions do you have to improve the training programme?
- 10) Was the training sufficiently comprehensive and adequate to form the basis to train project beneficiaries in engaging efficiently in income generating activities?
- 11) If not, which subjects were missing?
- 12) Acknowledgement of training effort: Diploma, acknowledgement letter, test score, other (which?)
- 13) Do you agree with the course acknowledgement you received?

### **Training conducted as a TOT trainer**

- 1) Have you conducted training of project beneficiaries after your TOT training?
- 2) How many courses have you conducted and how many beneficiaries have in total attended?
- 3) What have been the main subjects of your training courses: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management?
- 4) How useful was the TOT training you have received for the training you conducted: Very useful, useful, and less useful?
- 5) How do you judge the training material and equipment made available for your courses: Satisfactory, less satisfactory, poor?
- 6) What were the main deficiencies (if any)?
- 7) Were the training courses evaluated by participants or others at completion?
- 8) Which parts of the training (if any) were insufficient or less comprehensive than expected by the participants?
- 9) What suggestions do you have to improve your the training courses?
- 10) Have you received further training under the project after your TOT training?
- 11) If no, do you need further training? If yes, in which subjects?
- 12) Are you in (systematic) contact with your earlier trainees?
- 13) Are your trainees given the opportunity to contact you for needed advice?
- 14) Have you given post course mentoring support to your trainees?
- 15) If yes, what have been the subjects for mentoring: Technical, business planning, accounting/record keeping, marketing, financing, banking culture/loan management?
- 16) How do you assess the success of your training courses?

- 17) How do you assess the trainability of the participants in your courses considering that they upon the course should be able to commence income generating activities?

### **Sustainability of the TOT trainer group**

- 1) Have the TOT trainers been organised as a core group (with e.g. subject matter sub-groups) for experience exchange and further education, mentoring of existing beneficiaries, and continued training of other beneficiaries and additional trainers?
- 2) If yes, where have the core group/your subject matter sub-group been organizationally anchored to ensure sustainability?
- 3) If no, are you a member of any formal or informal networks established amongst the TOT trainers?
- 4) Have you undertaken TOT training for participants outside the project?
- 5) If yes, how many courses and how many participants in total?
- 6) Can you freely release yourself from other duties to undertake TOT training?
- 7) Are you satisfied with the contracts and remuneration you receive for your training courses under the project?
- 8) If no, which improvements will you propose?

## **B. Questionnaire for Trainees (Beneficiaries) (TOB)**

### **Profile of the trainee**

- 1) Name of respondent
- 2) Address: Governorate, District, (Sub-district), Village, contact telephone and fax numbers, and e-mail
- 3) Age
- 4) Gender
- 5) Household status: Head, wife, child, relative
- 6) School education: Number of years
- 7) Other education(s)/skills training before project training: Type, number of years
- 8) Name of skill/trade/profession
- 9) Occupation situation before project training: self-employed, employed, unemployed
- 10) If unemployed, how many months without job
- 11) Monthly/yearly income of the trainee before training

### **Profile of household**

- 1) Type of household: Martyr family, woman headed/widow, IDP, returnee, low income villager, other (explain)
- 2) Household size: Number of household members
- 3) Occupation/income generating activity of spouse (if any)
- 4) Monthly/yearly present income of spouse
- 5) Monthly/yearly income of the household before TOB training

### **Project training received**

- 1) Food: Dairy products, fruit and vegetable processing, beekeeping, olive processing, burghul
- 2) Non-food: Auto and agro-mechanics, textile/sewing/tailoring, metalworking/machine shop/lathe, carpet/spinning/weaving, welding, leather working, woodworking, ceramic, computer software, electric wiring, heating/cooling system, small generator repair
- 3) Name and address of VCT or other training provider
- 4) Name of project trainer(s) (TOT(s))
- 5) Trainer's organizational affiliation
- 6) Calendar period of training/duration
- 7) Number of course participants
- 8) Has group formation for after course cooperation/networking been established amongst the participants?
- 9) Main training subjects: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management
- 10) Acknowledgement of training effort: Diploma, acknowledgement letter, test score, other (which?)
- 11) Were the acknowledgement requirements (including the possible toolkit grant) transparent and clear?
- 12) Did your course include the possibility of receiving a toolkit grant?
- 13) If yes, did you receive a toolkit from the project?
- 14) If not, what is your perceived reason of this situation?

### **Quality and sufficiency of the training**

- 1) Perceived quality of the training: Satisfactory, less satisfactory, poor
- 2) Was the training evaluated by participants at completion?
- 3) If yes, what was the result?
- 4) Which part of the training (if any) was insufficient or less comprehensive than expected?

- 5) What suggestions do you have to improve the training programme?
- 6) Do you agree with the course acknowledgement you received?
- 7) Was the training sufficiently comprehensive and adequate to form the basis for you to engage efficiently in income generating activities?
- 8) If no, which subjects are missing?
- 9) Have you received post training mentoring from the project (the TOTs)?
- 10) If no, do you need post training mentoring?
- 11) If yes, what should be the subject for mentoring: Technical, business planning, accounting/record keeping, marketing, financing, banking culture/loan management, other (which)?
- 12) Please mention the three most important things you have learnt from the project training course:
  - 
  - 
  -

#### **Timeliness, quality and sufficiency of toolkit received**

- 1) Did you receive the toolkit at the end of the training course or later?
- 2) If later, how many months later?
- 3) Perceived quality of the received toolkit: Satisfactory, less satisfactory, poor
- 4) Is the toolkit sufficient and adequate for undertaking the desired trade/activity?
- 5) If no, what is missing in the toolkit to cover the needs of the desired trade/activity?

#### **Type of income generating activity resulting from project training**

- 1) Project trade/activity taken up
- 2) Food: Dairy products, fruit and vegetable processing, beekeeping, olive processing, burghul..
- 3) Non-food: Auto and agro-mechanics, textile/sewing/tailoring, metalworking/machine shop/lathe, carpet/spinning/weaving, welding, leather working, Woodworking, ceramic, computer software, electric wiring, heating/cooling system, small generator repair
- 4) Non-project trade taken up: Type?
- 5) No trade taken up: Reason?
- 6) Occupation situation after project training: self-employed, employed, unemployed
- 7) If self-employed:
- 8) Has the project training been decisive for your start of business?
- 9) Are you a member of a production network?

- 10) If yes: What are the benefits of being part of the network: Input sourcing, technical support, product development, marketing, financing, other?
- 11) If employed:
- 12) Have the project training been decisive for your employment?
- 13) Are you employed in a Producer Group?
- 14) If yes: What are the benefits of being employed in a PG?
- 15) Was the toolkit decisive/important/not important for self-employment/employment?
- 16) If unemployed: have you received a toolkit?
- 17) If yes, what use have you made of it?

#### **Impact of the project training on trainee's income**

- 1) How has the trainee's monthly income developed since completed training?
- 2) How much (amount or percentage) of the monthly income is consumed within the trainee's household?

#### **Impact of the project training on the living conditions of trainee's household**

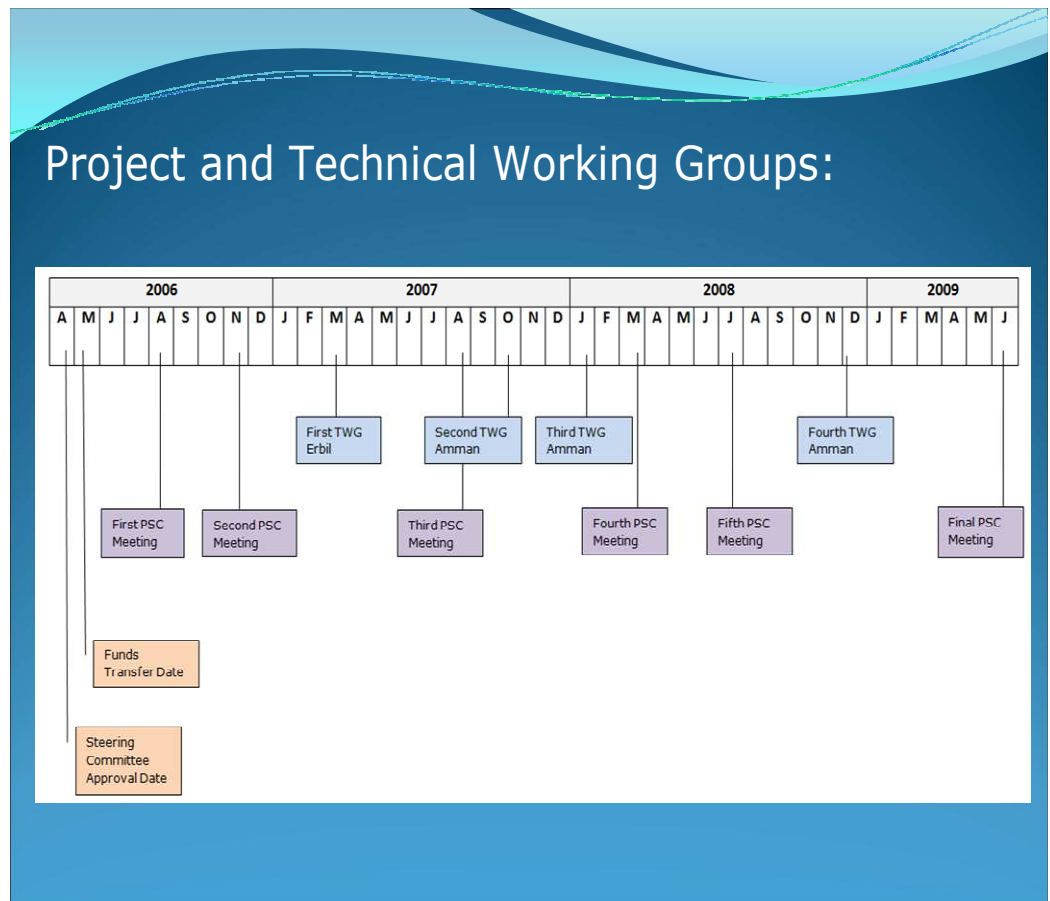
- 1) How has the monthly income of the trainee's household developed since completed training?
- 2) How in money terms has the trainee's project training impacted on the monthly income earning situation of other household members?
- 3) How have the living conditions of the household developed since training: accommodation, food, amenities, education, information, communication, other (which?)?

#### **Impact of the project training on the trainee's business development**

- 1) Has the trainee formulated a business plan?
- 2) If yes, explain main contents
- 3) Has a business accounting and costing system been established?
- 4) Has a business recording system been established?
- 5) Has a marketing network been established?
- 6) Has a bank account been opened?
- 7) Has a bank loan been obtained?
- 8) How many employees are presently engaged in the trainee's business: Household members, others?

# Annex C: Timeline for Project Steering Committee (PSC) and Technical Working Group (TWG) meetings

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# Annex D: Project Logical Framework

No.	Objectives	Indicators	Assumptions
	<b>Development Objective</b>		
	Economic recovery of Northern Iraq supported through training of individual members of vulnerable households with the view for them to be employed or to engage in viable food and non-food MSSE activities	Number/percentage of households under the vulnerability threshold decreased from X to Y	<p>The productive activities established under the project will develop and be replicated in other local communities.</p> <p>The relatively peaceful situation of the KRG continues</p>
	<b>Immediate Objectives</b>		
1.	Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing.	Budgets and programmes for MOI and MOA training and mentoring activities towards vulnerable households established	Project understanding and ownership established in the involved ministries and VTCs and formalised cooperation established. The trainers (TOTs) trained under the project acquire the needed competencies for undertaking project training of beneficiaries. The TOTs are established as a core group anchored efficiently within the MOI and MOA.
2.	The state of 2,000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members (core beneficiaries: martyr families, women headed households/widows, low income villagers, IPDs, returnees and youth)	Income of 2,000 vulnerable households in project areas increased beyond the vulnerability level through project-related activities and initiatives	<p>Project training of beneficiaries results in sustainable productive activities and employment</p> <p>Money earned by beneficiaries is used to the benefit of their respective households</p>

	<b>Outputs</b>		
1.1	Relevant personnel from Ministries of Agriculture and Industries and selected VTCs trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities	Number and duration of seminars and workshops and number and profile of participants from the involved organizations	The persons selected for training are relevant for project planning, implementation and sustainability  Formalized cooperation established between the involved ministries, the VTCs and other concerned organizations on MSSE development
1.2	60+ number of personnel from the Ministries of Agriculture and Industry, the selected VTCs, and other relevant agencies trained as trainers through the projects TOT programme	List of profile and subject matter training of the 60+ trainers and their activity schedule on active involvement in training and mentoring of project beneficiaries	The persons selected for TOT training are relevant for project implementation and sustainability
2.1	2,000 project beneficiaries trained in selected project technologies, business management, and marketing with the view to start own business or obtain employment	List of trainees who have accomplished the courses, distributed on technology, beneficiary profile, and geography (rural-urban)	The beneficiaries selected are members of vulnerable households in the project areas, meet the required profile requirements, are trainable, and have the potentials to be self-employed or employed
2.2	A minimum of 600 unemployed young men and women provided with skills enabling them to obtain jobs and/or start up an economic activity	List of trainees who have accomplished the courses, distributed on technology, beneficiary profile, and geography (rural-urban)	The beneficiaries selected are members of vulnerable households in the project areas, meet the required profile requirements, are trainable, and have the potentials to be self-employed or employed
2.3	16 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in input sourcing, marketing and business management	16 Production Groups in active and viable operation in selected vulnerable project areas	Relevant labour intensive MSSEs with potentials of sustainable growth and to be models for replication are selected for project support



	<b>Activities</b>		
1.1.1	Review the existing VTC capacities in the project areas in terms of manpower, assets, quality, relevancy, and resource needs, and select candidates for project participation	Assessment report of VTCs	The review is undertaken timely, efficiently and professionally. Selection of candidates is objective and transparent
1.1.2	Plan and conduct participatory workshops and seminars with targeted communities, Ministries of Agriculture and Industries, selected VTCs on project concepts and strategies	Agenda and proceedings from workshops and seminars. Post evaluations by participants	Workshop and seminar agendas are relevant and the events are conducted timely according to project work plan, efficiently and professionally
1.1.3	Design and develop training methodologies and curricula	Training methodology report and training curricula	Training methodologies and curricula are at state-of-the-art level
1.2.1	Plan and organise the training of trainers programme (TOT) and select candidates for training in close cooperation with all relevant involved parties	Training plan and post training evaluation reports.	Course contents are relevant and courses are conducted timely, efficiently and professionally. Selection of candidates for training is objective and transparent
1.2.2	Plan and organise training for local extension staff in selected project technologies and in technology transfer methodologies	Training plan and post training evaluation reports. List of trainees who have accomplished the courses, distributed on their profiles and subject matter trained	Course contents for local extension staff are relevant and courses are conducted timely, efficiently and professionally
2.1.1 + 2.2.1	Plan and organise training of project beneficiaries in technical subject matters and basic entrepreneurial skills, and select candidates for training	Training plan and post training evaluation reports	Course contents are relevant and courses are conducted timely, efficiently and professionally. Selection of candidates for training is objective and transparent

2.2.2	Further develop beneficiaries' skills through mentoring consultations and practical demonstrations	Project planning and implementation recording	Resources are made available for post training mentoring and practical demonstrations
2.2.3	Evaluate training effectiveness and make recommendations for improvement	Training assessment reports	Evaluation is undertaken efficiently and professionally
2.2.4	Prepare the technical specifications of and procure the equipment to be supplied to selected beneficiaries by the project	Detailed list of procurement distributed on technology	The technical specifications are appropriate, procurement is timely, and quality and durability of procured equipment high
2.3.1	Support the establishment of Production Groups, train them in business management, and facilitate their access to finance and linkages with markets	Production Group visits and interviews	Sufficient number of existing relevant MSSEs are ready to fulfill the conditions connected to Production Group status
2.3.2	Prepare the technical specifications of and procure the required equipment for the selected Production Groups and supervise its installation	Detailed list of procurement. Verification of installations	The technical specifications are appropriate, procurement is timely, and quality and durability of procured equipment high
<b>Inputs</b>			
	<u>Through the UNDG-ITF:</u>	<u>USD</u>	Funds are available timely and sufficiently according to project budget and work plan
	National Project Personnel	183,600	
	Long Term Int. expertise	414,000	
	Short Term National Cons.	51,000	
	Short Term Int. expertise	120,000	
	Contracts	1,029,000	Engaged international and national experts fulfill their assignments satisfactory according to their TORs
	Trainings	681,360	
	Equipments	2,474,569	
	Supplies & Commodities	111,000	
	Travel	114,120	
	<b>Project sub-total</b>	<b>5,178,673</b>	Procured equipment has the required capacity and quality and is delivered timely
	Miscellaneous 3%	155,360	
	Security 2%	103,573	
	Agency support cost 7%	362,507	
	<b>Project sub-total UNDG-ITF</b>	<b>5,800,116</b>	

	<p><u>Through the Government:</u></p> <p>In kind contribution constituted by the provision of buildings for the project office, storage of equipment and training facilities; and personnel to be released for the project activities and training</p>	<p><b>500,000</b></p>	<p>In kind contributions are available timely and sufficiently according to project agreement and work plan</p>
	<p><b>Total project cost, USD</b></p>	<p><b>6,300,116</b></p>	

# Annex E: PG and VTC

## Investment costs

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Table 1: Investment cost per PG (approximate)

	PGs	Equipment	Total Investment USD
<b>Non Food PGs</b>			
1	Machine shop-Erbil	Equip. with civil works	55,000
2	Agro mechanic repair-Erbil	Equip. with civil works	28,620
3	Sewing-Tailoring -Erbil	Equip. with civil works	9,270
4	Carpet weaving-Erbil	Equip. with civil works	22,000
5	Auto repair mechanics-Suli.	Equip. with civil works	22,465
6	Woodworking-carpentry-Suli.	Equip. with civil works	26,255
7	Carpet weaving-Suli.	Equip. with civil works	22,000
8	Welding & fabrications-Suli.	Equip. with civil works	49, 930
<b>TOTAL Non Food PGs</b>			<b>235,540</b>
<b>Food PGs</b>			
1	Bulgur /seed processing-Erbil	Equip. with civil works	60,000
2	Fruit processing-Erbil	Equip. with civil works	15,000
3	Dairy processing-Erbil	Equip. with civil works	14,000
4	Beekeeping processing-Erbil	Equip. with civil works	15,000
5	Fruit processing-Suli.	Equip. with civil works	15,000
6	Beekeeping processing-Suli.	Equip. with civil works	15,000
7	Dairy processing-Suli.	Equip. with civil works	14,000
<b>TOTAL Food PGs</b>			<b>148,000</b>
<b>GRAND TOTAL</b>			<b>383,540</b>

**Table 2: Investment cost per VTC (approximate)**

	<b>Non-Food VTCs</b>	<b>Equipment</b>	<b>Total Investment USD</b>
1	Erbil mechanical industrial school	Woodworking department	15,000
		Machine shop department	35,000
		Welding , Metal departments	25,000
2	Sulimanyhia mechanical industrial school	Woodworking department	15,000
		Machine shop department	35,000
		Welding , metal departments	25,000
3	Wasta Rajab vehicle industrial school	Auto repair equipments	33,000
4	Agro mechanical repair industrial school	vehicle repair equipments	33,000
5	Hand Carpet factory Erbil	Weaving & spinning equipment	6,000
6	Hand Carpet factory in Sulimanyhia	Weaving & spinning equipment	6,000
7	Handicraft centre Erbil	Leather equipments	42,000
8	Handicraft centre Sulimanyhia	Sewing toolkits, weaving equipment	6,000
9	MOLSA /training centre Erbil	Sewing equipment	133,000
10	MOLSA/training centre Sulimanyhia	Sewing toolkits	2,000
	Main prison-Erbil	Sewing toolkits	11,000
	Main prison–Sulimanyhia	Sewing toolkits	11,000
<b>TOTAL Non-Food VTCs</b>			<b>433,000</b>

	<b>Food VTCs</b>	<b>Equipment</b>	<b>Total Investment USD</b>
1	Main agricultural training centre/Erbil	Beekeeping equipment	40,000
2	Main agricultural training centre/Sulimanyhia-Bakrajo	Fruit processing equipment	68,400
		Dairy processing training equipment	10,000
3	Agricultural research centre/Erbil	Olive oil processing	62,852
		Diesel generator	25,580
4	Agricultural extension centre–Salahaddin sub district	Dairy processing training equipment	10,000
5	Agricultural extension centre–Soran district	Beekeeping training equipment	10, 000
<b>TOTAL Food VTCs</b>			<b>226,832</b>
<b>GRAND TOTAL VTCs</b>			<b>659,832</b>



# Independent Evaluation Report

## IRAQ

### Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas of Northern IRAQ (MISP II)

FB/IRQ/06/002 (UNIDO Project Number)  
OSRO/IRQ/602/UDG (FAO Project Number)



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



Food and Agriculture Organization  
of the United Nations





UNIDO EVALUATION GROUP

## Independent Evaluation

# IRAQ

Community Livelihoods and Micro-Industry  
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# MAP OF PROJECT AREA

PROJECT AREA: Erbil and Sulaymaniyah governorates



## Abbreviations and acronyms

CTA	Chief Technical Advisor
EDIP	Enterprise Development and Investment Promotion Project (UNIDO)
FAO	Food and Agriculture Organization of the United Nations
ID	Iraqi Dinar
IDP	Internally Displaced Person
GOI	Government of Iraq
KRG	Kurdistan Regional Government
MDG	Millennium Development Goals
MOI	Ministry of Industry
MSSE	Micro- and Small-Scale Enterprise
MOA	Ministry of Agriculture
MOE	Ministry of Education
MOC	Ministry of Culture
MOLSA	Ministry of Labour and Social Affairs
NDS	National Development Strategy
NPC	National Project Coordinator
PG	Production Group
PMU	Project Management Unit
PSC	Project Steering Committee
TOB	Training of Beneficiaries, but also in the project, and therefore in this report, used as abbreviation for “Trained Beneficiaries”
TOR	Terms of Reference
TOT	Training of Trainers, but also in the project, and therefore in this report, used as abbreviation for “Trained Trainers”
UNAMI	United Nations Assistance Mission for Iraq
TWG	Technical Working Group
UNEP	United Nation Environment Programme
UNDG	United Nations Development Group
UNDG-ITF	United Nations Development Group – Iraq Trust Fund
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
VTC	Vocational Training Centre

## Glossary of evaluation related terms

Term	Definition
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change due directly or indirectly to an intervention.
Effectiveness	The extent to which the development objectives of an intervention were or are expected to be achieved.
Efficiency	A measure of how economically inputs (through activities) are converted into outputs.
Impact	Positive and negative, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factors that provide a means to measure the changes caused by an intervention.
Intervention	An external action to assist a national effort to achieve specific development goals.
Lessons learned	Generalizations based on evaluation experiences that abstract from specific to broader circumstances.
Log frame (logical framework approach)	Management tool used to guide the planning, implementation and evaluation of an intervention. System based on MBO (management by objectives) also called RBM (results based management) principles.
Outcomes	The achieved or likely effects of an intervention's outputs.
Outputs	The products in terms of physical and human capacities that result from an intervention.
Relevance	The extent to which the objectives of an intervention are consistent with the requirements of the end-users, government and donor's policies.
Risks	Factors, normally outside the scope of an intervention, which may affect the achievement of an intervention's objectives.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed.
Target groups	The specific individuals or organizations for whose benefit an intervention is undertaken.





# Executive Summary

This independent end-of-project evaluation was implemented through meetings with UNIDO and FAO staff in Vienna and Amman, two field visits and two questionnaire surveys among trainers and beneficiaries. The evaluation was conducted by HAP Consultants, hereafter referred to as “the evaluator”.

## **The project under evaluation**

The UNIDO/FAO project “Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas of Northern Iraq” (MISP II) funded by the Iraq Trust Fund (UNDG-ITF) aimed at initiating sustainable income generation through increased employment and self-employment among small farmers in rural areas of the Erbil and Sulaymaniyah Governorates.

MISP II is a replication of MISP I in the Thi-Qar Governorate of Southern Iraq. The main instruments of the MISP approach are: Training of Trainers (TOTs) in technical and business training; Training of selected Beneficiaries (TOBs) by these trainers; distribution of toolkits to the successful trainees that would allow them to use their newly acquired skills for income generation, either employed or self-employed.

MISP II started in May 2006 for a planned duration of 18 months with the Ministry of Industry (MOI) as the main counterpart. However, for a number of reasons, the project was delayed and the original completion date of November 2007 became the effective starting date. The project was extended three times and closed on 31 July 2009.

## **The VTC component**

The core of the initial project strategy was the creation of a central Vocational Training Centre (VTC) as a location for TOT and TOB. The project planning was based on the assumption that MOI would make available the necessary premises. However, contrary to this assumption, the Ministry decided to use these premises for other purposes.

In early 2008 the project steering committee abandoned the idea of a central VTC and decided to use existing training providers instead. At the same time, it was decided to involve also other Ministries (Labor; Education and Culture) and their extension services for project implementation.

This decision for a decentralized training strategy was implemented by selecting 18 existing training organizations located throughout the intervention area (see table 2, page 10). Fifteen of these training providers received equipment from the project for an approximate total amount of USD 660,000.

The decentralized training strategy was successful in different respects. Training venues came closer to the target beneficiaries. The curricula were developed in cooperation with the experienced training providers who complemented their existing training materials with those from UNIDO and FAO. The project involved the training providers in the selection of TOBs and used trainers from these organizations together with project-trained TOTs for delivering TOB training. The necessary training equipment was installed on time and is being regularly used in the training courses.

The training providers recognize that the content, methodologies and training materials are often superior to their own and have expressed an interest in adopting the same standard for their own training programmes.

### **Selection and training of trainers**

The project trained 63 trainers. Most of these TOTs took place outside Iraq, either in other Arab countries or in Europe. In the food sector 34 trainers were selected by the MOA and approved by an inter-ministerial committee. Most of these trainers belonged to MOA extension services and had experience in delivering agro-related training.

The situation was less favorable in the non-food sector. There, the selection of the 10 trainers nominated by MOI lacked transparency and most of these candidates had only limited or no training experience. The remaining 19 non-food trainers were trained by the project after abandoning the centralized VTC model. They are all professional trainers employed at training centres of MOLSA, MOE and MOC.

Most of the trainers found that the training they had received was adequate as a basis for delivering training to the beneficiaries. However, 50 per cent of them would have preferred longer, more advanced and more comprehensive training programmes.

### **Selection and training of beneficiaries**

The project trained 2150 beneficiaries. Most of these TOBs took place at the 18 local training organizations which the project supported with delivery of equipment and material.

The multi-dimensional selection criteria for TOBs are related to vulnerability at the one hand and to education and experience at the other. These selection criteria were already laid down in the project document and confirmed by the steering committee and were applied in an objective and transparent manner.

All TOB survey respondents were satisfied with the courses although 27 per cent of them would have preferred a more comprehensive training. Uneven levels of education and knowledge among the participants were mentioned as a problem.

The close proximity of training centres to the target groups was particularly important for the female TOBs and one of the reasons for the high participation rates for female TOBs.

Post-training mentoring was a core component of the project and almost all participants had been visited and supported by their trainers.

### **Distribution of toolkits**

Upon successful completion of the training courses, 1,790 toolkits were granted to 2,510 TOBs. The average cost of a toolkit is USD 400, resulting in a total cost of about USD 716,000. Overall, the toolkit component seems to be recognized as a very important feature of the project. 97 per cent of those who had received toolkits declared that the toolkits were adequate for their current or intended profession and 61 per cent stated that the toolkit was important for gaining employment or self-employment. However, this perception is in contrast with the findings of the evaluators from their visits to TOB premises. Most of the toolkit recipients still used their old tools, which they apparently considered more appropriate. Only the sewing ladies (4 of the 17 TOBs visited) made use of the donated equipment. It appears that composition of the toolkits was not sufficiently needs-oriented and should have been more tailor-made.

### **The “Production Groups”**

The project supported or created 15 “Production Groups” (PGs). These PGs have four main purposes: (1) to undertake production and services that are in demand but unavailable or scarce; (2) to create employment and income for a larger number of employees; (3) to be available for on-site training of TOBs; (4) to constitute a model for other enterprises.

The selection of the PGs was well prepared and based on a detailed methodological approach. The selection criteria were adequate and the selection process has been well documented and fair.

The project invested about USD 380,000 in civil works and refurbishment of the PGs premises including their equipment, thus on average USD 25,000 per PG.

The evaluator visited all 15 PG workshops and found them clean, in good order and well equipped with modern and good quality tools and machinery, with a trained leader and staff. However, the project outcome and impact at PG level remain to be seen because, at the time of evaluation, all PGs had only just been completed.

### **Project relevance**

The project was found to be highly relevant to the national and international programmes in Iraq and to the mandates of UNIDO and FAO. It addresses the National Development Strategy (NDS) of the Government of Iraq (GOI) and the assistance strategy of the United Nations Development Group (UNDG) for employment creation, sustainable food production, and income improvement for vulnerable groups in rural and urban areas of Iraq.

### **Project ownership**

Project ownership of the MOA is high at all levels. By contrast, project ownership of the MOI is rather weak. Ownership of the training providers is generally high. As a result of their cooperation with the project, these training providers strengthened their capacity for continuous TOB training and mentoring. Provided the line ministries make available a moderate budget support, the training providers declared themselves ready to undertake the task of intensifying the technical and vocational skills base of the vulnerable, unemployed and at-risk groups in the Kurdistan Regional Government (KRG).

The TOTs demonstrated ownership by their commitment to assist the TOBs in post-training technical and business management follow-up, as well as in supporting micro-enterprise development for project trained TOBs.

### **Project efficiency**

Between June 2006 and January 2008 the efficiency of the project was low. However, these problems were caused by unforeseeable Government decisions. This situation changed radically once the Steering Committee had redefined the project strategy and, from March 2008 onwards, implementation of the project became quite efficient. All project outputs were produced in accordance with the revised planning.

However, the efficiency of the TOT training component could be questioned because, considering the number and duration of the TOB courses and participants, the number of TOTs appears to be disproportionate. Another point of concern is the limited use of the toolkits. The standardized composition of these

toolkits is not entirely needs-driven and may have had negative consequences on efficiency.

All parties raised concerns with regard to the efficiency of collaboration between UNIDO and FAO. Project managers as well as MOA and MOI were skeptical about bringing food and non-food activities under the same project. They felt that the diverse mandates of UN organizations, areas of competency, planning perceptions and organizational cultures of the involved organizations had a negative influence on project efficiency.

Similar considerations also apply to the cooperation between MOA and MOI. Views in both Ministries seem to converge that their collaboration in this particular area may be discontinued after project completion.

### **Project effectiveness and impact**

Of the trained beneficiaries, 1,707 were women, 803 men and 741 were youth. These figures were almost identical with the expectations in the project document. The main project outcome of the training has been that a majority of the 61.3 per cent unemployed before training had become employed or self-employed at the time of evaluation. The employment status before training and at the time of evaluation is shown below:

	Status of employment before training (percentage)	Status of employment at the time of evaluation (percentage)
Employed	6.5	20.0
Self-Employed	32.2	68.4
Unemployed	61.3	11.6

Of the trainees and the households, a corresponding 85 and 89 per cent confirmed that their income had improved. The combination of better skills and increased income means that vulnerability and living conditions have improved.

With regard to employment created by the 68 per cent of self-employed TOBs, the survey indicates that, on average, 1.94 employees were self-employed. Thus, for the total of 1,717 self-employed TOBs the generated employment amounts to 3,331 persons. According to the respondents, these positive changes flow directly from the project investments made in technical and skills upgrading and

training, the provision of locally relevant and appropriate toolkits, and the mentoring activities of TOTs and project staff.

The project reached out to about 2500 out of an estimated 200.000 vulnerable households in the target Governorates. The resulting project coverage of about one per cent may appear modest but the increased income of beneficiaries is expected to generate positive externalities in local economies, which could exceed the direct income benefits.

Some intangible impact occurred with regard to the new standards set by the training courses of the project and the improved capabilities of the TOTs, which suggest that in the short- to medium-term, the VTCs will generally benefit from the increased standards in training delivery and management.

While the capabilities of MOA and VTC staff have considerably improved through project interventions, the same is not necessarily the case with MOI. There, the only improved capabilities are the improved skills of the 10 TOTs, even if these were not properly utilized.

### **Project sustainability**

Under the assumption of a continuous positive economic development in the target regions, the probability of sustainable TOB activity is rather high, even without continuous access to TOT mentoring. Most non-food TOBs are in sectors/skills with high demand and limited or no competition from imports. However, for certain agricultural products cheap imports from neighboring countries are a challenge. It is expected that the Government will address this situation by protecting these markets through tariffs and anti-dumping duties.

Another important sustainability assumption is the expectation that MOLSA will employ the TOTs at its central VTC in Erbil. MOLSA's continuous commitment is therefore instrumental for the sustainability of the project.

The likelihood that the PGs will become sustainable is very high. For the VTCs and industrial schools the improved course standards are likely to be sustained but it is not clear whether they will be able to maintain their status as Centres of Excellence over time.

### **Recommendations for the follow-up of the ongoing project**

It is recommended that MOLSA becomes the main counterpart for the non-food part of the project. MOLSA should prepare plans and budgets for following-up on this part of the project and for continuation and replication of non-food project activities in Northern Iraq.

It is recommended that the MOLSA training centres in Erbil and Sulaymaniyah hire the non-food TOTs who are currently not employed by MOLSA, MOE, MOC or VTC. In the same way, all TOTs in the food sector should be employed at the MOA's main agricultural training centres in Erbil and Sulaymaniyah and one leader appointed for each of the two groups.

### **Recommendations for future projects**

It is recommended that, in future Micro-Industries Support Projects, UNIDO and FAO should pursue the decentralized TOB training model.

For future UNIDO Micro-Industry Support Programmes in Iraq, MOI should be replaced by MOLSA as the direct counterpart Ministry for training programmes.

UNIDO and FAO should consider executing future projects separately, with UNIDO and MOLSA collaborating on non-food training activities and FAO working with MOA on post-harvesting and other food related training initiatives.

For future projects, improvements in the selection process for TOTs are recommended. Detailed profiles, selection criteria, score tables and Terms of References (TORs) should be prepared for the TOT positions prior to TOT identification and selection. The TOT jobs should be publicly advertised and participation in the selection process should be open for all candidates with relevant skills and experience. Interviews should be conducted by experienced employment officers from the involved ministries.

TOT training programmes in the future should be more comprehensively structured. Course contents must be defined by relevant international experts. All subjects should be covered and the transferred knowledge and technologies should be state-of-the-art. Furthermore, it is recommended that the number of trained TOTs matches the demand for TOB training and follow-up, and training of trainers.

It is also recommended that future projects adopt the multi-dimensional selection criteria developed under the project covering both vulnerability and competence aspects. It is unlikely that TOBs without the necessary educational and professional background will be able to successfully absorb the training.

Future projects should offer courses at two or even three levels to compensate for the variable educational and professional background of the TOBs. TOB candidates should be stratified depending on their levels of competence.

Toolkit flexibility should be introduced so that the TOBs could choose - within a certain range - which toolkit 'package' would be the most appropriate for them. There could be, for instance, different kits for different uses, such as tools for basic production, tools for more sophisticated production and products, and tools for quality testing, packaging and labeling.



# I

## Introduction

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### Evaluation programme

This independent end-of-project evaluation has been carried out by HAP Consultants, Greve, Denmark, hereafter referred to as “the evaluator”. The contract for the evaluation assignment was signed 4 February 2009, whereupon collection and scrutinizing of all relevant project documents took place at the evaluator’s home office in Denmark. The TOR is attached as Annex A.

On the 2 and 3 March 2009 an introductory and clarification meeting was held at UNIDO HQs in Vienna, where the evaluator met with the UNIDO and FAO Project Managers, responsible officers from the evaluation offices of the two agencies and the project’s Chief Technical Adviser (CTA). The evaluation work plan and methodology were discussed and agreed upon.

On the 24 and 25 March 2009, the evaluator met with the CTA and his staff in Amman, Jordan to discuss the detailed evaluation programme and the sample methodology for the project beneficiary survey. A meeting was also held with the project responsible FAO officer in Amman.

During the period 26 March to 2 April 2009, the evaluator made his first visit to Kurdistan. During this stay he met the National Project Coordinator (NPC) and his team, the main project stakeholders, some project involved vocational training centres (VTC) and project trained trainers (TOT). In addition, he paid visits to a number of project target beneficiaries (TOB) and project supported production groups (PG).

Back in the office, the evaluator prepared the Evaluation Interim Report presenting the evaluation strategy and methodology and the TOT and TOB survey Questionnaires. The TOT survey would comprise of all 63 project trained trainers, while the TOB survey would be based on a stratified random sample of 155 of the 2,151 trained TOBs (at the time of evaluation).

The TOT and TOB surveys were carried out during the period 4th to 14th May in Erbil and Sulaymaniyah Governorates of Kurdistan.

During the two visits to the project area, the evaluator worked closely with the NPC and his team. He also met with:

- The Chairman of the Project Steering Committee (PSC) from Ministry of Industries (MOI)
- The PSC representative of Ministry of Agriculture (MOA)
- The Director of MOA Directorate in Sulaymaniyah
- The Director of MOA District Directorate in Koya
- Seven of the 18 VTC used by the project for TOB training
- The NPC of UNIDO Entrepreneurship Development Project

Visits were paid to 17 TOBs in two urban and six rural districts of the two project Governorates, and to 13 of 15 PGs supported under the project. Interviews were held with approximately 30 of the 63 TOTs, on top of the Questionnaire survey.

All meetings, visits and interviews were conducted with the view to judge the validity of the Questionnaire findings and to get an in-depth understanding of the project performance and the realities of the projects outcome and impact expectations.

## **Evaluation methodology**

### **Methodology of trainers (TOT) survey**

The project has recently completed an overall online survey of project TOT trainers. It means that all contact information for this group was available. Since the TOR of the evaluation requires a total survey of the TOT trainers no stratification and sampling have been undertaken. The survey was conducted through personal interviews, but a few were interviewed by telephone. The interviews took place at selected VTCs in the cities of Erbil and Sulaymaniyah. The Questionnaire used for the interview is attached as Annex 2.

### **Methodology of beneficiaries (TOB) survey**

The trainee survey was geographically confined to three districts, one urban and two rural, in each of the project Governorates. The selection criteria for districts to be covered by the survey were as follows:

- 1) Large number of people trained in the district
- 2) Maximum number of economic activity types represented
- 3) Total number of economic activity types to be represented

**Table 1: Number of trained beneficiaries**

<b>Erbil Governorate</b>	
Erbil Centre (urban)	701
Kweisengeq (rural)	115
Shaglawaw (rural)	370
<b>Total Erbil Governorate</b>	<b>1,186</b>
<b>Sulaymaniyah Governorate</b>	
Sulaymaniyah Centre (urban)	265
Dokan (rural)	74
Sharbazher (rural)	95
<b>Total Sulaymaniyah Governorate</b>	<b>434</b>
<b>Grand total</b>	<b>1,620</b>

Of the 1,620 TOBs 1,570 previously trained were additionally grouped for further training based on topics and 10 per cent were taken randomly from each training topic group. Thus the example resulted in 157 TOBs distributed over all training topics/fields.

Individual interviews were undertaken with each TOB at convenient locations in the six districts, where they were met in groups of 5-10 people. Visits were paid to 10 per cent of the people interviewed. The Questionnaire used for the interview is attached as Annex 2.

### **Overall project objectives and expected outputs**

For discussion on the project's Logical Framework and its revisions, reference is made to section 4.3. The description below reflects the Logical Framework version upon which the project was actually implemented.

#### **The development objective of the project is:**

"Economic recovery of North Iraq (Erbil and Sulaymaniyah Governorates) supported through training of individual members of vulnerable households with the view for them to be employed or to engage in viable food and non-food MSSE activities"

#### **The immediate objectives are:**

- 1) "Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing"

- 2) “The state of 2000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members (core project beneficiaries are: martyr families, women headed households/widows, low income villagers, IPDs, returnees and youth)”

**The expected outputs are:**

- 1) Relevant personnel from Ministries of Agriculture and Industries and selected VTCs trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities
- 2) 60 plus personnel from the MOA and MOI, selected VTCs, and other relevant agencies trained as trainers through the projects TOT programme
- 3) A minimum of 2,000 project beneficiaries trained in selected project technologies, business management, and marketing with a view to start their own business or to be employed
- 4) A minimum of 600 unemployed young men and women provided with skills, enabling them to obtain jobs and/or start up an economic activity
- 5) 16 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in; input sourcing, marketing and business management

**Project management, time frame and budget**

The project is implemented under joint responsibility of UNIDO and FAO. UNIDO is responsible for the non-food section of project activities and FAO for the food project. The Project Management Unit (PMU) with offices in Amman, Erbil and Sulaymaniyah implements the project. The office in Amman is headed by the project Chief Technical Adviser (CTA) and the local offices supervised by the National Project Coordinator (NPC).

The project implementation period was initially planned to be 18 months from 24 May 2006 to 24 November 2007. A series of project extensions were applied for and granted and the final project end dates became 31 July 2009. The project budget is 6.3 million USD, 5.8 million USD through UNDG-ITF and 0.5 million USD through the KRG Government (contribution in kind).

# II

## Socio-Economic Context

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Despite its considerable potential for growth the northern region of Iraq, covering Dohuk, Erbil, Sulaymaniyah and Kirkuk Governorates, contains some of the poorest areas in the country. Slow economic and social progress has left most of the region's population (more than 5 million) without access to basic services and sustainable incomes. It is estimated that 35 per cent of the households (about 300 000) in the region live under the vulnerability level, defined as household income of less than 400USD per month. Also, the number of internally displaced people (IDP) is high exceeding 20 per cent of the total population in some areas.

The majority of the population in the governorates of Erbil and Sulaymaniyah, (according to statistics in 2008), 1.6 million in Erbil and 1.9 million in Sulaymaniyah, are situated in rural areas (approximately 60 per cent). They are mainly small farmers with land holdings around five hectares, 70 per cent of which are rain-fed. They live in relatively remote villages far from the markets (up to 70 per cent of villages are on the average 60 km away from city centres). Potentially they could produce larger quantities of processed agricultural products, but they are constrained by low level, low quality preservation and processing tools. Assuming that approximately 35 per cent of households are vulnerable, in the Erbil and Sulaymaniyah Governorates, the total number here would be around 200,000.

The isolation of villages/village clusters also contributes to raising household vulnerability. However, the establishment of micro industries in strategic and appropriate locations would help to create market outlets for agricultural produce in these remote areas and help to facilitate income generation for people engaged in agro-processing and the marketing of agricultural related goods and services.

Existing (mostly governmental) support institutions have difficulty in providing their services effectively and efficiently due to lack of trained manpower, the necessary financial resources to support economic activities and limited involvement of the private sector. Particularly, the younger part of the population is a victim of this circumstance which has left them with lack of training, education

and employment opportunities in their home areas and no funds to initiate any kind of income-generating activity.

The new political situation in Iraq and relatively stable security situation in KRG is bringing hope for the region and its population. It offers the opportunity for developing early economic recovery activities with the aim of providing the local population with the means to build and sustain their livelihoods.

It is a high priority of the Iraqi Government, as well as the KRG to enhance the skills of the vulnerable part of the population with the view to improve their income and livelihoods through employment and self-employment. The endeavour of the Government is fully coinciding with the policy of UNIDO and FAO within skills training and micro-industry development.



# Project Planning

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## 3.1 Project identification

This project (MISP II) is a replication of the UNIDO/FAO supported “Promotion of Cottage Industries in Rural and Urban Areas Project” (MISP I) in the Thi-Qar Governorate of Southern Iraq. The needs assessment for supporting the development of micro activities/micro industries in Iraq was prepared by FAO in cooperation with the Ministry of Agriculture in Baghdad. This assessment also included Northern Iraq and concluded that this area had a particular need for support to develop employment and income generation at cottage level. The needs assessment was supported by a project outline prepared by FAO entitled: “Support to Promotion of Food related Cottage Industries”, and a project brief prepared by UNIDO entitled: “Development of Cottage Industries for the Reintegration of IDPs and Returnees”.

## 3.2 Project formulation

The project formulation background is presented as follows in the Project Document: “The experience gained by FAO and UNIDO in a similar project in the south of Iraq, Thi-Qar Governorate, will facilitate speedy project implementation, since the training manuals, design of facilities, technical specifications of most of the equipment, process of identification of beneficiaries, documents for preparation of contracts and procurement, etc., can be easily adapted to the new project area”.

The Project Document was prepared in cooperation with and approved by the Kurdistan Regional Government (KRG) on 18 August 2005. The Document states that the project would be implemented with the Regional Ministry of Agriculture (MOA) and Regional Ministry of Labour and Social Affairs (MOLSA) despite the fact that the latter was not established at the time. It was still not established as of 10 May 2006 when the Document was signed by UNDG-ITF, but the Project Document was not revised. However, at the 1st PSC meeting held on 2 August 2006, MOLSA reportedly on request from the KRG, was replaced by Ministry of Industry (MOI), but the change of project partner did not induce any change in the Project Document and was not explained or documented in the minutes of the

PSC meeting. The MOI representative was appointed as Chairman of the Committee for the first six months, but actually held this position until project completion.

The natural partner for UNIDO on Micro and Small-Scale Enterprise (MSSE) development in Iraq is MOLSA as it is with the MOA for FAO. This was also the case in MISP I (Thi-Qar). The change for MISP II is explained by the Project Management Unit (PMU) as follows: MOLSA was nominally established by the KRG Cabinet in mid-late 2006 and by 2007 the institutional framework for the Ministry was only beginning to solidify and ministries were negotiating transfer of assets and facilities with MOLSA - including training centres. The present MOLSA training centres were at that time under the administration of the Ministry of Health and Social Affairs, but the Directorate responsible for the centres suffered from a number of issues:

- Little experience in the delivery of training programmes and poorly trained staff with the requisite experience in mechanical and technical fields
- Weak institutional structure and funding streams
- Very small directorate which had yet to secure placement of a Director General

Given the above, MOI was then brought into the project since:

- It committed to provide a facility for rehabilitation that would be used for vocational training
- It had a number of staff that had backgrounds in mechanical and technical matters with a great deal of experience in the installation, commissioning, and management of various processing lines as a result of the Oil for Food investments

The Project Document constitutes a good guideline for project implementation particularly regarding the descriptions under Chapter 2: "Project Justification". The Project Logical Framework as presented in the Project Document and later repeated with minor changes in the Project Inception Report is not fully developed and includes some inconsistencies, wrong phrasings and missing links between outputs and activities. For more details please refer to the Evaluation Interim Report in Annex 2. It is, however, possible for the project implementation team to establish a fairly good picture of the project's concepts and strategies and use it as the basis for preparing the project action plans.

### **3.3 The planning base for project implementation**

The transfer date of project funds from UNDG-ITF was 24 May 2006. This date was regarded as the project starting date. The Project Document defines the



project duration as 18 months with project completion 24 November 2007. However, important project counterproductive events unfolded which severely hampered the project's progress and the original completion date became the effective starting date for the project. As a result, the Project Management Unit prepared and the UNDG-ITF approved a number of project extensions with the final project end date becoming 31 July 2009.

The main obstacle to the project's progress was, the action taken by the MOI to sell the premises, which the Ministry had promised to make available for the project to house the project's central VTC, to a private investor. The central VTC was a core project component, to which the project had already made serious investment in money and time in the form of design, tender, procurement of equipment, etc. The existing buildings would be renovated and equipped with training equipment for the project's training activities. The project's TOTs were supposed to be anchored here, and most of the TOB training was to have taken place at this centre.

In order to compensate for this development, the MOI made an agreement with the private investor that he would establish a buildings(s) for the central VTC at an alternative site (belonging to MOA). The private investor accepted to build new and renovate existing buildings for the VTC purpose. Some activities have taken place at the new site. However, construction start up and the speed of work site activities was severely slow and 'spotty'. At the time of the project evaluation, completion of the project buildings was not yet completed.

The project was waiting for the new facilities, but the first Technical Working Group (TWG) meeting which took place in March 2007, decided to prepare for an alternative solution using a number of existing local training providers for the TOB training. An identification and assessment process was initiated and the resulting report was presented in August 2007 at the 3rd PSC meeting. The meeting approved the recommendations of the report and decided that the project should begin transferring training equipment and other resources to the VTCs being selected for participation in the project TOB training programmes. At the same time the meeting continued to give the central VTC a chance to be completed for project use.

The second TWG meeting in October 2007 decided to start TOB training using the recommended alternative local training providers, as listed in Table 2:

**Table 2: List of VTCs and technical schools**

MOLSA training Centre – Erbil	MOLSA
Mechanical Industrial School – Erbil	MOE
Mechanical Industrial School – Sulaymaniyah	MOE
Vehicle Industrial School – Erbil	MOE
Vehicle Industrial School – Sulaymaniyah	MOE
Handicraft Training Centre – Erbil	MOE
Handicraft Training Centre – Sulaymaniyah	MOE
Hand Carpet Centre – Erbil	MOC
Hand Carpet Centre – Kaznasan	MOC
Hand Carpet Centre – Sulaymaniyah	MOC
Central Agricultural Training Centre – Erbil	MOA
Central Agricultural Training Centre – Sulaymaniyah	MOA
Agricultural Extension Service Centre – Shaqlawa	MOA
Agricultural Extension Service Centre – Tanjaro	MOA
Agricultural Extension Service Centre – Koisnjaq	MOA
Agricultural Extension Service Centre – Qushtuppa	MOA
Agricultural Extension Service Centre – Sahaladdin	MOA
Agricultural Extension Service Centre – Chawarta	MOA

January 2008 constituted a turning point for the project. The CTA took up a position in Amman early January 2008, and the third TWG meeting was held on 15 to 18 January 2008. During this meeting the PSC recommended that the centralized VTC training be abandoned and that project equipment be distributed to the selected alternative local training providers (VTCs).

At the same time monitoring of the TOB training “start-up” had shown that the TOB selection process in many cases had not managed to select the desired target beneficiary groups. Therefore, the TWG decided to introduce a new set of selection criteria and a more transparent and objective selection process whereby the existing list of 1,500 TOBs would be reviewed.

Further, the draft end-of-project evaluation report for MISP I was submitted at the end of year 2007. One of the major conclusions was that the Production Association/Group model applied by the project as an innovative feature had

proved to be an expensive and highly subsidized activity with a capacity utilization below 50 per cent and with questionable prospects of long-term sustainability. As a result, the report recommended abandoning this model in MISIP II and to develop an alternative project component.

The fourth PSC meeting held on 9 and 10 March 2008 endorsed the above-mentioned TWG recommendations. The meeting once again gave the centralized VTCs a chance for completion, however, subject to a firm deadline of end May 2008. When this deadline was not met the project shifted to using the alternative local training providers.

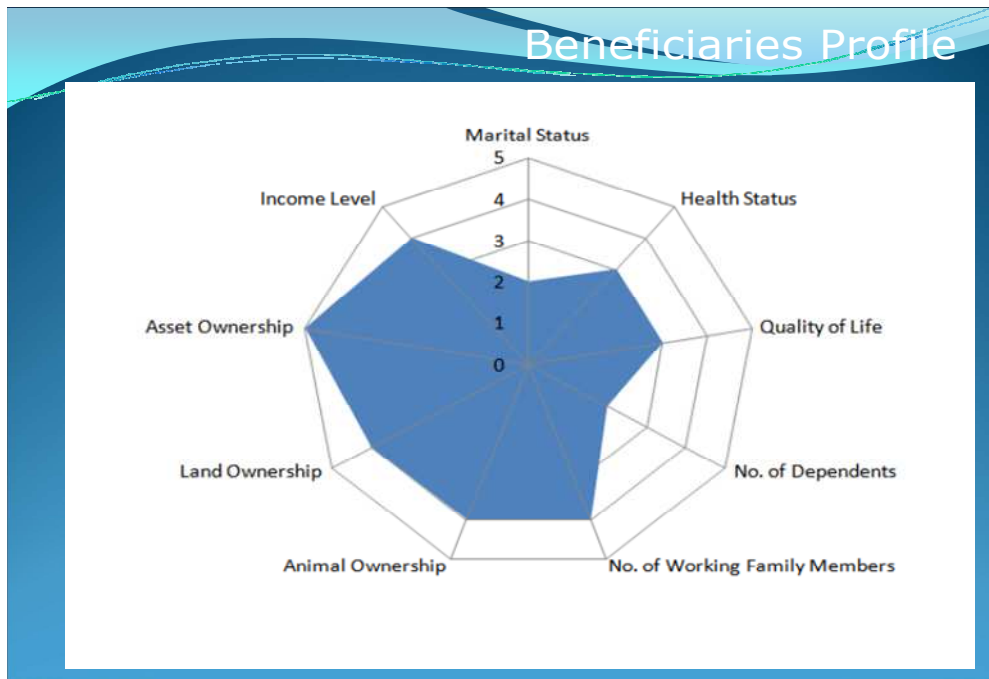
Ten other important decisions were made at the meeting:

### **1) Target beneficiaries**

Target beneficiaries were re-defined as members of vulnerable households with special consideration to martyr, IDP, returnee, women/widow and low income village households and particularly unemployed youth. The earlier purely income related vulnerability criterion: "household income less than 400 USD/month" was replaced by a more complex set of nine criteria reflecting an entire range of objective and subjective dimensions of vulnerability:

- Marital status
- Health status
- Perceived quality of life
- Number of dependants
- Number of working family members
- Animal ownership
- Land ownership
- Asset ownership
- Household income level

Each criterion is rated from zero to 5 points. Eligibility requires less than 28 points and less than 400 USD/month of household income. For dairy farmers, eligibility ceilings were set at 80 goats or 20 cows and for beekeepers at 20 bee hives. A mini survey was undertaken to replace and add candidates in accordance with the above eligibility criteria from the existing list of 1,500 identified candidates. Figure 1 illustrates how the project used spider web diagrams to depict the candidate's eligibility.



**Figure 1: Spider diagram showing the eligibility of candidates**

In addition to the vulnerability criteria, a minimum of relevant educational and/or experimental background was introduced as a second important dimension for candidates to be eligible for TOB training.

## 2) Needs assessment report

It was decided to revisit the original needs assessment study with the view to including additional skills and products with a high demand.

## 3) Project area coverage

Due to the delays caused by the central VTC case and the limited implementation time left it was decided to reduce the number of districts for project intervention from 23 (which include all districts in the two Governorates) to 12 in order to increase the geographical focus of the project and ease the logistical burden. However, at the time of evaluation, intervention had actually taken place in 17 districts, as shown in Table 3.

**Table 3: Districts effectively covered by the project**

<b>Erbil Governorate</b>	<b>Sulaymaniyah Governorate</b>
Erbil Centre	Sulaymaniyah Centre
Dashty Hawler	Sharbazher
Khabat	Halabja
Koysnjag	Saed Sadiq
Mergasur	Dokan
Choman	Darbendekhan
Soran	Qaradaq
Shaqlawa	Penjween
Rawandoz	

The districts were selected based on the findings of the initial needs assessment study, which had identified communities with high numbers of project target beneficiaries, availability of input materials for MSSE activities and presence of MSSE activities to be supported by project intervention.

#### **4) Production Groups**

The business association/production association concept was abandoned and replaced by the Production Group (PG) concept, which puts emphasis on clear ownership to and management of the project supported PG enterprises. It was decided that the identification and approval of PGs should be subject to a positive feasibility study.

#### **5) Level of project intervention**

Although not recorded in any TWG or PSC meeting, it is clear that the project cooperation and coordination with the KRG public authorities is mainly with the MOA at central and Governorate Directorate levels, and with the MOI at central level. Some very limited interaction took place with District and Sub-District authorities and village elders during the identification of TOB candidates. The project was targeting individuals and not households as such and does not use local communities as vehicles for project support. The Logical Framework in the Inception Report does not reflect this mode of intervention and further adjustments to the Log Frame have not taken place. However, according to discussions of the evaluator with the CTA, the revised Log Frame presented in Annex D constitutes the basis for project implementation from mid-January 2008 (the third TWG meeting).

#### **6) Project engagement situation of TOTs**

A considerable number of TOTs (in particular for non-food activities) were not affiliated to any training institution and their background and expertise were often

not matching the ones of the trainers at the local VTCs. Consequently the PSC decided that efforts had to be made to find opportunities for these TOTs to contribute to the project and endorsed the proposal of the CTA to use them as training assistants and as mentors for TOBs after project training.

## **7) Equipment to VTCs**

The PSC defined the conditions for transferring the equipment already procured for the abandoned central VTC to individual local training providers as follows:

- The transferred equipment can not be sold/transferred to other parties;
- The equipment must be properly maintained and primarily be used for training of project beneficiaries;
- The equipment must be installed properly and in adequate premises within a month of reception;
- MOA/MOI can take back the equipment if a VTC does not meet the conditions and expected activity level.

The equipment was handed over to the VTCs with the view that they should be developed into Local Centres of Excellence within the specific area of production corresponding to the equipment delivered.

## **8) Disbursement of project funds and procurement**

Because disbursement of procurement funds was lagging behind, decision was made to introduce a new MOD tracking system to expedite the resource allocation of project activities.

## **9) Project monitoring**

The PSC endorsed the plan of the CTA to further develop the project monitoring system that would monitor the:

- activities of the project trained TOTs;
- distribution and use of equipment and toolkits procured by the project;
- changes in the employment and income levels of project beneficiaries;
- development of the project-resourced production groups.

## **10) Project counterpart structure**

Unfortunately the project redesign process did not include reconsideration of project management and line ministry attachments. Such consideration would have revealed the weaknesses of maintaining MOI as the non-food counterpart and would have opened up discussions on the possibility of shifting the MOI responsibilities to either MOLSA or MOC.

# IV

## Project Implementation

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### 4.1 General

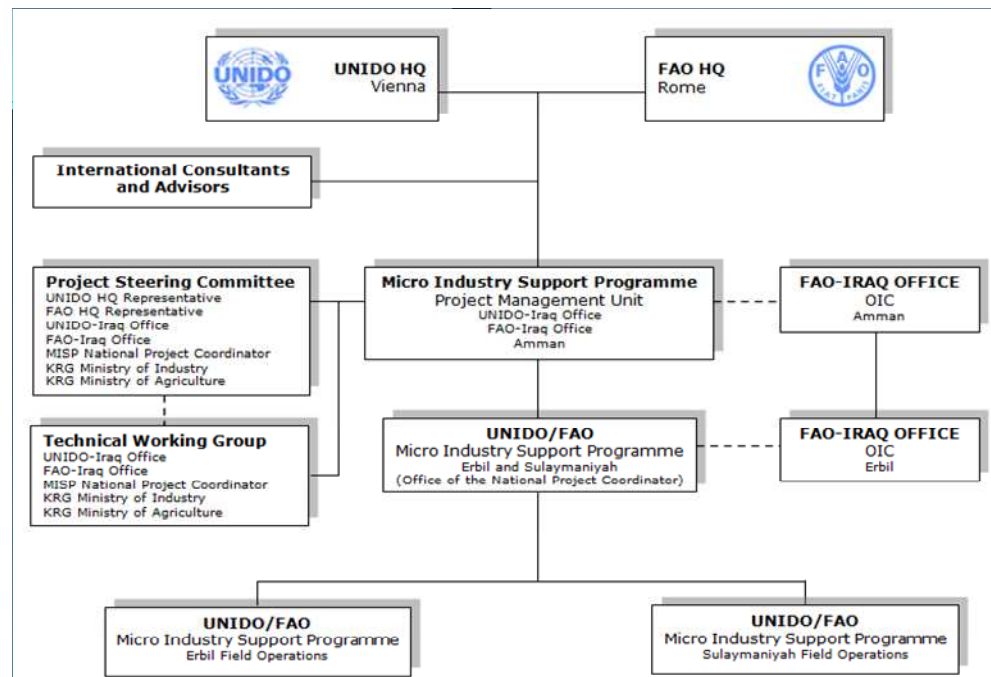
The project aims at initiating a process of sustainable income generation for vulnerable households in Northern Iraq through increased employment and self-employment of household members. The vehicle for this desired development is technical and business management training of selected beneficiaries undertaken by a number of project trained trainers (TOTs) and a toolkit programme supporting the trainees (TOBs) in performing their acquired skills as employed or self-employed. In most cases the TOT training has taken place in other Arabic countries and Europe. The TOB training has been conducted at 18 project-selected local VTCs. These VTCs have been strengthened by the project through TOT technical training of relevant members of their staff and provision of training equipment and materials.

Fifteen production groups have been established and supported with machinery, equipment and training with the view to generate employment for TOBs, deliver needed services to their communities, and as production models give inspiration to others, existing and potential entrepreneurs, within their respective fields.

At the time of project evaluation, the project had trained 63 TOTs and 2,151 TOBs (at project completion the TOB figure had increased to 2,510). A total of 107 TOB training courses were conducted using the 18 local VTCs. The TOBs came from 185 villages in 34 sub-districts within 16 districts of the two project Governorates.

## 4.2 Project management

Figure 2 presents the project organizational structure.



**Figure 2: Project organizational chart**

The PSC supervised project progress and performance. The PSC provided strategic directions for project interventions and ensures effective cooperation between project stakeholders. The TWG is a sub-committee under the PSC which dealt with overall technical matters in project implementation. For international procurement the project is supported by the procurement offices in UNIDO and FAO HQs.

The project management at PSC and TWG level has functioned efficiently characterized by good report and cooperation between all parties. The ability of PSC and TWG to adapt to changed circumstances was clearly displayed when project progress was in limbo due to the lacking central VTC and bold decisions were taken at the fourth PSC meeting. Based on TWG recommendations, which completely changed the project training strategy from centralized to decentralized implementation involving training facilities of additional KRG ministries (MOLSA, MOE and MOC) thereby diminishing the role of MOI; and revisited the TOB selection criteria and process.



At the operational level the situation was different. PMU as well as MOA and MOI, all expressed less satisfaction with the mixing of food and non-food activities in the same project involving diverse organizational perceptions and cultures.. Without giving specific examples, this situation was not always easy for the PMU. The cooperation between the CTA (located in the Iraq UNIDO office in Amman and paid from UNIDO payroll), and the Iraq FAO office in Amman was at times stressful, as was the collaboration between the NPC in Erbil (paid by FAO) and MOI.

MOI has much experience in establishing and managing factories, but the enterprises resulting from project training and support are micro and small and based on skills training, which is not the expertise of this ministry. After procurement of project machinery and equipment and the shift to the decentralized training model, which involved VTCs of MOLSA, MOE and MOC, MOI's role became minor. MOI has no representations at governorate, district and sub-district levels like MOA, MOLSA and MOE, and it does not have any training centres for TOBs.

With much of the project implementation out of the hands of MOI, the roles of MOA and MOI became uneven. The MOI TOTs were rarely available or participated, and many of their responsibilities were taken over by trainers employed at the local VTCs used for project training. The trainers who did not participate in external project training accounted for 23 persons. MOA on the other hand has full control of the food TOTs and their TOB training activities. There were some frustrations and the opinion of the two ministries is that, as the project has developed, the partnership is sub-optimal and should not continue after project completion. Further, they both are of the opinion that possible future projects for employment and income generation should be anchored in only one line ministry, in case of food at MOA and for non-food, depending on the size of businesses dealt with, either at MOLSA or MOI.

Project progress monitoring is documented in five half yearly Project Progress Reports, six PSC meeting minutes, four TWG meeting minutes and nine Field Meeting Notes. All major project decisions were documented. Project timeline presenting TWG and PSC meetings, are presented in Annex 4.

Project outcome monitoring was introduced by the 4th PSC meeting and at the time of Evaluation the availability, use and engagement of the TOTs, had been monitored twice and measures taken to improve the situation. TOB performance after training was monitored once showing a positive outcome. A PG performance monitoring was in progress at the time of Evaluation.

The project was considered by SCANTEAM under its stocktaking review of all UNDG-ITF funded projects in Iraq. The review's findings, presented in the report of January 2009, were positive and generally in line with those of the evaluator. However, it found that the project at that time, did not have a well articulated exit and sustainability strategy. In response to this finding the project has prepared a sustainability report, which addresses project exit and sustainability strategy.

### **4.3 The TOT component**

#### **4.3.1 TOT selection and training**

Under the project, 34 food TOTs were trained. All were selected by MOA and approved by the project. Most of them belonged to the Ministry's extension service organization attached to central and local MOA training centres. Few are from MOA Departments and Directorates. It means that almost all have subject matter experience as well as experience in training. Thus, the training under the project for these people can be regarded as skills upgrading.

Prior to the TOT selection the project prepared plans for all TOT training, including; number of trainees per area of training, their required education and experience, background, venue and duration of training. For MOA the main criteria used were the following:

- Education at BSc level
- 2-3 years employment experience
- Good knowledge on the concerned training subject(s)
- Good command of English and/or Arabic language

An inter-ministerial committee was formed to interview and select the candidates for TOT training, which were identified by the ministry. More candidates than the actual number to be selected were identified. After the interview, Personal History Forms and CVs were prepared for the selected candidates and forwarded to the project for approval.

The 29 non-food TOTs comprised of; 10 selected by MOI, 19 by the project in cooperation with MOLSA, MOE and MOC. The MOI selection was less successful. Since MOI has no extension staff or training centres the candidates were taken from factories and MOI Departments. None of the TOTs had a training background working with vulnerable people or experience in the delivery of vocational and/or technical skills training. After the training these TOTs have conducted very few of the TOB courses. The selection took place early in the project when the central VTC was still on the drawing table, and if it had materialized and the group had been transferred hereto, the situation may have

been otherwise. Without the central VTC, the TOTs have just continued with their earlier job with little time for preparation and conducting TOB training.

The remaining 19 non-food TOTs are all educated trainers employed at training centres belonging to MOLSA, MOE, and MOC and trained by the project after abandoning the central VTC model.

The identification criteria and selection process for the TOT candidates for all the direct line ministries or involved ministries have neither been documented nor are transparent. Regarding transparency in selection of MOA candidates, MOA has taken some steps forward through definition of main selection criteria and formation of an inter-ministerial selection committee, but for MOI and the other involved ministries the evaluator doubts that such transparency was present.

Table 4 presents the subjects for the project TOT courses and the number of TOTs trained per subject.

**Table 4: Number of TOTs trained per subject**

<b>TOT course subject</b>	<b>Number of TOTs trained</b>
Business Management	6
Beekeeping	5
Fruit and vegetable processing	9
Bulgur	4
Olive processing	5
Dairy	10
Leather	2
Machine shop	5
Carpet weaving	6
Sewing and Tailoring	6
Agro-auto repair	2
Welding	1
<b>TOTAL</b>	<b>63</b>

The project training received by the TOTs was assessed by the TOTs completing an evaluation survey. Only 4 per cent responded with less satisfactory. However, 16 per cent found the training course too compressed, 14 per cent (being trained in Iraq and other Arab countries) believe that similar courses outside the Arab world would be superior, 18 per cent have specific wishes for additional subjects to be covered under the courses, and 2 per cent found the course facilities and equipment unsatisfactory. Those wanting a longer period of training, superior level and more comprehensive training, constituted 50 per cent of all TOTs.

Of the responding TOTs, 100 per cent answered “yes” to the following question: “Was the training sufficiently comprehensive and adequate to form the basis to train project beneficiaries in engaging efficiently in income generating activities?” With regards to the question: “How useful was the TOT training you have received for the training you conducted?” 57 per cent said “very useful”, 18 per cent said “useful” and 25 per cent have not participated on any project training course. The two answers support each other. The 25 per cent who did not participate on the TOB training course, experienced and judged subjectively that their TOT course had enabled them to meet the TOB training requirements efficiently.

#### 4.3.2 Use and availability of TOTs

The TOT courses were short (2-4 weeks) and seven out of 18 different courses (39 per cent) were conducted only one or two times. Table 5 shows the different courses, their duration, number of times they were conducted in the Erbil and Sulaymaniyah Governorates and number of TOTs trained for each course subject.

**Table 5: Number of TOB courses and TOTs trained by subject**

COURSE	ERBIL	SULI	TOTAL	Nos. of TOTs
Olive Processing	1	0	1	5
Seed Cleaning	1	0	1	4
Bulgur Processing	1	1	2	
Fruit Processing	7	5	12	9
Dairy	9	7	16	10
Beekeeping	10	5	15	5
<b>FOOD</b>	<b>29</b>	<b>18</b>	<b>47</b>	<b>33</b>
Woodworking	1	1	2	0
Machine Shop	2	1	3	5
Electric Wiring	2	0	2	0
Small Generator Repair	2	0	2	0
Heating and Cooling	2	0	2	0
Welding	4	3	7	3
Computer Software	3	2	5	0
Ceramic	4	1	5	0
Leather	4	0	4	2
Agro-auto Repair	4	3	7	2
Sewing	5	4	9	6
Carpet weaving	8	4	12	6
<b>NON-FOOD</b>	<b>41</b>	<b>19</b>	<b>60</b>	<b>24</b>
<b>TOTAL</b>	<b>70</b>	<b>37</b>	<b>107</b>	<b>57*</b>

\*The 6 business management TOTs are not counted in this table, since business management is a subject included in all courses. It takes place the last day of the course.

Table 5 shows that the project had TOTs for only 12 out of 18 course subjects and that the number of TOTs per subject for several subjects were deemed excessive, given the number of courses actually carried out under the project. The numbers of TOTs for olive processing, seed processing and machine shop appear exaggerated and those for fruit processing, dairy and sewing are also on the high side. The over-representation of TOTs for those subjects were partly due to the fact that some course providers charged the same fee for one trainee as for a group of five trainees. This encouraged the project to train a group instead of the required ToT training targets.

The lack of TOTs for woodworking, electric wiring, small generator repair, heating and cooling, Computer software and ceramic reflects the 4<sup>th</sup> PSC decision that the original Needs Assessment Report should be revisited with the view to include skills and products with highly unsatisfactory market demand. These subjects were not part of the recommendations in the Needs Assessment Report and at the time of their introduction, the TOT training was completed. The new courses were conducted by the concerned VTCs using their own training staff. 18 courses have been arranged this way leaving only 107 courses for (potentially) 63 project TOTs.

It is evident from the above figures that it has not been possible for the project to make significant use of all 63 TOTs. The 63 TOTs were meant to constitute the core cadre of not only the project's relevant specialists, but also for the whole of the KRG. In addition, the majority of the TOTs have other working responsibilities and hold positions in various government departments; VTCs, private companies, etc. More than half of the TOTs have answered in the evaluation survey that they are not freely available for conducting courses under the project. The TOT survey shows that (25 per cent) have not conducted any courses after TOT training, (21 per cent) have conducted only one course, (29 per cent) from 2-5 courses, (20 per cent) 6-10 courses and (5 per cent), the business management trainers, more than 10 courses.

The situation is frustrating for the project as well as for the TOTs. A large majority of the TOTs want to utilize their new competences more intensively, and at an evaluation interview session attended by a number of the MOI selected TOTs, they all expressed interest in leaving their present jobs and positions, to become full time trainers and subject matter specialists.

Due to the reasons explained above, only about 30 per cent of the TOTs are significantly engaged with project tasks. They are regarded as key TOTs by the National Project Director (NPC) and they assist him and his staff not only in

training, but in many other aspects of project implementation. He tries to activate the remaining TOTs by encouraging them to assist the active TOTs in TOB mentoring and to participate in TOB courses as assistants to the responsible trainers.

This strategy was newly initiated and at the time of evaluation it was not possible to judge if it would be successful. Post training mentoring is a huge task. The TOB survey shows that all (100 per cent) of the TOBs have needs for support. In the survey the TOBs focus almost entirely on technical assistance, but actually the business management TOTs are also frequently contacted by the TOBs for support. 99 per cent of the TOBs confirmed that they have received post training mentoring from the project. This was confirmed by all the 17 TOBs visited by the evaluator. They all also confirmed that they had close contact to their TOT and problems were often solved by telephone and through site visits of the TOT.

#### **4.3.3 TOT organization**

Initially it was the project's intention that all project TOTs should be anchored/employed as a group at the central VTC. Unfortunately, without this centralized training facility all TOTs are back in their original positions in MOI and MOA directorates, departments and factories, and in MOA, MOLSA, MOE and MOC VTCs all over the project area. Their salaries are paid by the Government, but per diems and travel allowances in connection with TOB course activities are paid by the project.

In order to maintain the TOT expertise developed under the project and make efficient use of their services, MOA has decided to employ all the food TOTs. They are anchored in many MOA VTCs and extension centres, at the main agricultural training centre in Erbil and Sulaymaniyah, respectively, to let them concentrate on the training of other trainers such as, TOB training sessions and TOB mentoring activities relevant to their expertise.

A similar solution is sought by the project for the non-food TOTs. Those trainers who were not already anchored at MOLSA, MOC and MOE, the VTC. Would be recommended for relocation at the MOLSA training centres in Erbil and Sulaymaniyah.. The centres are market oriented and very well equipped for training within welding, computer, auto repair, electric wiring, small generator repair, heating and cooling, and new subjects like satellite receiver installation and mobile telephone repair. During the evaluation the evaluator had interviewed a number of the concerned non-food TOTs, and they all supported the MOLSA solution. A meeting with the Director General of MOLSA confirmed that MOLSA is available for such employment.

There have been no common seminars or workshops for the TOTs, arranged by the project during project implementation, or any other arrangements which could contribute to the formation of the TOTs as a core group of Subject Matter Experts for MSSE training and development.

#### **4.3.4 TOT output, outcome and impact analysis**

63 persons have been trained as TOTs as foreseen in the Project Document. The TOT evaluation survey reveals that all selected TOTs have the relevant educational background and more than 90 per cent relevant professional experience. However, the identification process of TOT candidates for MOA, MOI and other involved ministries is not documented and has not been transparent. The actual selection of candidates, at least for MOA, has more transparency since interviews have been undertaken by an inter-ministerial committee, and scores related to the criteria have reportedly been used and been decisive for the final selection of candidates. For MOI and the other involved ministries, the evaluator doubts that such transparency has been present.

Terms of Reference for the responsibilities of the TOTs after training have not been prepared, and no project evaluation of their training performance under the project has been undertaken apart from the post course evaluation carried out by the TOBs. According to the TOT survey, only 36 per cent of the TOTs had earlier worked with socio-economic/MSSE development and only about half of these had worked with vulnerable households. On the other hand, the TOB survey shows that almost all TOBs are satisfied with the TOT training courses and the TOT follow-up support post-training.

The TOT project outcome expectation is that a cadre of TOT Subject Matter Specialists with state-of-the-art knowledge within their technical fields would be established with the view to train other trainers and TOBs. Due to the missing central VTC, the cadre concept has been markedly diluted, but if the project and MOA succeeds in grouping the most important and useful TOTs in 3-4 training centres this part of the outcome expectation may eventually reach a reasonable level.

Regarding the level of knowledge gained by the TOTs from the training courses, 54 per cent of the TOTs found the courses insufficient and expressed a need for more advanced and comprehensive training (48 per cent of the non-food TOTs and 59 per cent of the food TOTs). This picture covers all training areas except garment design/sewing and dairy, where all expressed full satisfaction. The others found generally, the courses too short and less comprehensive than expected. Specifically some respondents would like more practical training,

others more training on quality control, food safety including weaving TOTs for more training on horizontal weaving.

During an interview session with the evaluator, some TOTs questioned the need for a high number of TOTs selected for training. They preferred a limited number with more comprehensive training than a more of them achieving a general level of expertise. On the other hand the general level appears appropriate to train the TOBs to their satisfaction. Amongst the TOTs it is the general perception that their status after project training was increased amongst their colleagues and that their professional advice was appreciated.

It is a significant outcome problem that the availability of a number of TOTs due to their present working conditions is low, and that the high number of TOTs compared to the number of courses to be conducted leaves a considerable part of the TOTs with little course activities.

Due to the short effective implementation period (approximately one year) the project's lasting impact on the KRG food and non-food training activities could not be measured accurately at the time of evaluation. However, the planned concentration of the food TOTs at two centres (one in each project Governorate) and strong indications that the MOA will plan and budget for the continuation of project activities, including further training and development of the TOT cadre, all point towards an important and positive project impact on food training quality and quantity.

For non-food some TOT grouping has already taken place at MOLSA, MOE and MOC VCTs. There are indications that a larger group can be established at MOLSA Central Training Centre in Erbil, but it is too early to judge whether MOLSA, MOE and MOC actually will adopt the project's visions; planning methodologies, and budgetary framework for a continuation of the project goals and activities.

#### **4.4 The TOB component**

##### **4.4.1 TOB selection and training**

Following a decision at the 4th PSC meeting, that the list of 1,500 identified TOB candidates should be revised. Using a new set of eligibility criteria, many TOBs were replaced by others. The TOB survey shows the result of the new selection of TOBs to be trained as follows:



**Table 6: Result of the new selection of TOBs to be trained**

<b>Age</b>	<b>Percent</b>
15-25	46.5
26-44	46.5
45+	7.0

<b>Gender</b>	<b>Percent</b>
Men	29
Women	71

<b>Household Position</b>	<b>Percent</b>
Husband	14.2
Wife/Widow	29.7
Child	56.1

<b>Type of Household</b>	<b>Percent</b>
IDP	58.1
Martyr	17.4
Low income villager	23.2
Prisoner	1.3

<b>Household Size</b>	<b>Percent</b>
2-4	23.9
5-7	46.4
8-10	25.8
11+	3.9

<b>School Education</b>	<b>Percent</b>
None	2.6
Primary 3-6 years	57.4
Intermediary 7-9 years	17.4
Secondary 12 years	20.0
College and BA	2.6

<b>Skills before Training</b>	<b>Percent</b>
Without skills	8
With relevant skills	92

<b>Occupation before Training</b>	<b>Percent</b>
Employee	6.5
Self-Employed	32.2
Unemployed	61.3

<b>Trainee Income before Training (USD)</b>	<b>Percent</b>
None	32.3
1-49 per month	19.4
50-99 per month	16.8
100-199 per month	14.8
200-299 per month	7.1
300-399 per month	2.6
400+ per month *	7.1

\* The 400+ USD/month category belong to 9 dairy trainees, 1 bulgur and 1 olive trainee.

### **Household income before training**

Of the trainee households 13 per cent had more than USD400 on average, monthly income before the TOB training.

### **The TOB training**

The TOB project training venues, have all been geographically placed close to the participating trainees to avoid boarding costs. This has particularly been of importance for the female TOBs, and according to the project management, one of the main reasons for the high number of female TOBs participants. The number of trainees per course is approximately 20 and they each receive USD10 per day from the project to cover the cost of travel and meals, plus compensation for any loss of possible daily income.

The above TOB survey results show that the Project Document and 4th PSC meeting requirements have largely been met regarding youth, gender, household type, education and experience, unemployment and income. The selection process of TOBs has been objective and transparent. Courses and interview dates and times were advertised by posters, through various media and channelling information down to village councils and village elders. On the given dates, many candidates queued up to attend an interview. The panel consisted of; one representative from the project, one from the relevant VTC, and one TOT from the related training subject. Sometimes a representative from MOA also joined the panel. During the interview, points were awarded for the various criteria and those with the lowest points of up to 28 and below including points for the other defined ceilings, were selected (see target beneficiaries in section 3.3). The evaluator found the selection process very satisfactory.

Subjects and number of courses are detailed in Table 5. According to the TOB survey, 4.5 per cent of the TOBs have attended a course of only one week duration, 54.8 per cent have attended a two week training course, 25.8 per cent a

three week training course, 13.5 per cent a four week training course and 1.3 per cent for more than four weeks. They all express satisfaction with the courses, which they have all been post-training evaluated and rated 'high'. However, on the question: *"Do you have any suggestion/s to improve the training?"* 27 per cent answered that the training should be more comprehensive and diversified. Number of TOBs per training subject is presented in table 7.

During the evaluation the evaluator visited 17 TOBs. They all had relevant skills and experience to participate in their TOB training sessions. It means that they had basic, often even good knowledge of the technical aspects that they were trained in. In spite of this, all 17 TOBs could mention three important new items they had learnt during their course. Apart from that, however, it was clear that most of them had the capacity and interest to learn more.

Some of the TOTs mentioned in the survey, that it is a problem regarding the varying levels of education and knowledge amongst the TOBs attending the course. It means that time has to be spent on basic points for some TOBs, which is not needed for others. A better composition of course participants may improve this situation and give more time for the advanced TOBs for a higher level of training.

All project training courses include a one day session on business management, which includes business planning, accounting, recording and marketing. The TOB survey indicates that 50 per cent of the TOBs have a business plan, 30 per cent a business recording system and 26 per cent a business accounting and costing system.

Post-training mentoring is a need mentioned by all (100 per cent) the respondents in the TOB survey, and 99 per cent had actually been visited, called and received support from their TOT. Post-training mentoring is a core component of the project and its inclusion in the project reflects the experience that UNIDO and FAO have with working in fragile states where extension service providers are in short supply. The use of trainers as mentors is consistent with the Project Document. The project pays for the transportation and communication costs associated with follow-up and mentoring of beneficiaries. The mentoring is granted free of charge to the beneficiaries. Given the socio-economic conditions amongst the TOB households, the evaluator supports this decision.

#### 4.4.2 The toolkit component

Table 7 presents the final status at project completion of the TOB training and the toolkits allocation. 1,790 toolkits have been granted to 2,510 TOBs upon their successful completion of training. The average cost of a toolkit is USD400, which gives an estimated total cost of USD716,000 for the toolkit component of the project. All TOBs within agro-auto repair, welding, woodworking, spinning, and satellite receiver installation have received a kit. In the areas of dairy, fruit and vegetable processing, bulgur, and beekeeping, approximately 90 per cent received toolkits. For leather work 75 per cent. electric wiring, cooling heating system, and small generator repairs approximately 70 per cent. For sewing and oil pickling 60 per cent, weaving 40 per cent, and for the remaining subjects, toolkits were not issued. In courses with less than 100 per cent toolkits, the kits were given to those who were performing best during training. This was explained to all TOBs before start of training and at the end the TOT decided who should receive kits. From the TOB survey, those TOBs receiving toolkits said the procedure was clear with a transparent explanation from the beginning and it appears to have been received well amongst all TOBs,.

The 90-100 per cent toolkits coverage for certain training subjects reflects that these kits are imported and that the purchase orders were given early in the project before the exact number of trainees were known and the performance-based toolkit policy was formulated. The lower coverage of toolkits for the remaining areas reflects the project management's toolkit distribution through competition while attempting to avoid the previous experience from MISP I where a number of toolkits were sold rather than be used by the intended beneficiaries. Toolkits should only be awarded to the top achievers in the various training programmes.

The cut-off point for toolkit distribution was based upon a simple Technology Adoption Model. Under a standard model (see Figure 3 below) the combined value of Innovators (2.5 per cent), Early Adopters (13.5), Early Majority (34 per cent), and half of the Late Majority (17 per cent - The Initial Late Majority) worked out to 67 per cent. By making the toolkit distribution based upon competition, proficiency, competency, dynamism, etc. it was felt that the project would be able to target beneficiaries who would be the most likely to be located in this portion of the Technology Adoption Model.

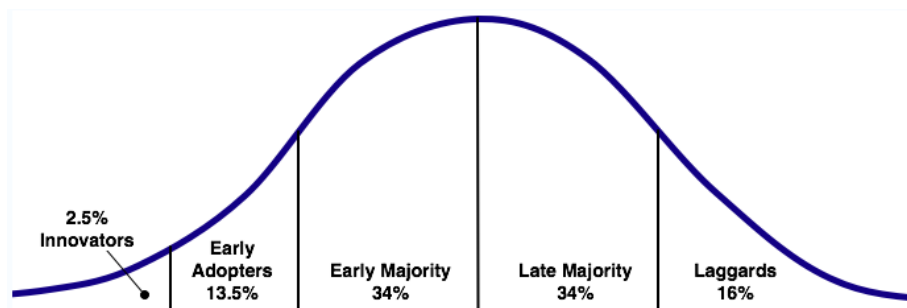


Figure 3: Standard Technology Adoption Model (Roger Bell Curve)

Table 7: Number of TOBs and toolkits per training subject

#	Activity - Category	TRAINING STATUS				TRAINING LOCATION		BENEFICIARY STATUS			SERVICE DELIVERED
		Target *	Trained	To be trained	Under Training	Erbil	Suli.	M	F	Youth	Toolkits
1	Agro Auto Repair	100	123	0	0	78	45	123	0	0	140
2	Welding & Fabrication	118	118	0	0	60	58	118	0	0	120
3	Machine Shop(Lathe).	82	58	0	0	38	20	58	0	0	0
4	Wood	40	40	0	0	20	20	40	0	0	60
5	Sewing (Tailoring),	84	207	0	0	115	92	64	143	120	125
6	Carpet Weaving, spinning	175	240	0	0	165	75	2	238	165	100
7	Leather working		81	0	0	81	0	1	80	60	60
8	Ceramic		74	0	0	59	15	19	55	74	0
9	Electric Wiring		45	0	0	45	0	31	14	45	30
10	Cooling Heating system		45	0	0	45	0	36	9	45	30
11	Electric small Generator		45	0	0	45	0	45	0	45	30
12	Computer skills.		100	0	0	60	40	32	68	100	0
13	Mig Mag welding		12	0	0	12	0	12	0	12	0
14	coiffeur - haircutter		45	0	0	0	45	30	15	30	0
15	spinning		71	0	0	48	23	0	71	0	75
16	satellite , installation and		60	0	0	30	30	60	0	60	60
#	<b>Total Non-Food</b>	<b>599</b>	<b>1364</b>	<b>0</b>	<b>0</b>	<b>823</b>	<b>410</b>	<b>671</b>	<b>693</b>	<b>696</b>	<b>830</b>
1	Honey bee keeping	272	325	0	0	225	100	0	325	0	270
2	Diary farm processing	357	387	0	0	217	170	0	387	0	360
3	Fruit & Vegetable	221	285	0	0	175	110	0	285	25	260
4	Olive pickling	21	45	0	0	45	0	45	0	0	25
5	Burgle processing	39	50	0	0	25	25	50	0	0	45
6	Seed cleaner/ Youth		20	0	0	20	0	20	0	20	0
7	KRG/ extension staff		34	0		17	17	17	17	0	0
	<b>Total Food</b>	<b>910</b>	<b>1146</b>	<b>0</b>	<b>0</b>	<b>724</b>	<b>422</b>	<b>132</b>	<b>1014</b>	<b>45</b>	<b>960</b>
	<b>Grand Total</b>	<b>1509</b>	<b>2510</b>	<b>0</b>	<b>0</b>	<b>1547</b>	<b>832</b>	<b>803</b>	<b>1707</b>	<b>741</b>	<b>1790</b>

The evaluator as well as the local project management staff had not come across TOBs who have sold or disposed of their toolkits. That includes the 100 per cent covered TOBs and the competitive ones. One obvious reason may be that the project and the TOTs actually follow-up on the TOBs after training, and have made it clear already during the training, that selling of the kits will not be tolerated. Of the TOBs, 97 per cent find the toolkits satisfactory and sufficient for their existing or intended activity. Out of those who received toolkits, 61 per cent confirmed that the toolkit has been important for their post-training employment or self-employment.

There is universal recognition on the part of TOBs, TOTs, MOA, MOI and project personnel that the toolkit component of the project is fundamentally important. However, this importance may be more connected to the mere possession of the kit rather than due to its actual use. The evaluator visited the following TOBs: four sewing ladies, four dairy farmers, two welders, three agro-auto mechanics, three beekeepers and one olive processor. All except the olive processor had received a toolkit and they were all happy to present their kits. However, only the sewing ladies made use of it in practice. All the others used their old tools that were similar to the kit but well used, and in some cases of less quality than the kit, though appropriate for their business activities. Obviously the toolkit has played a variety of roles in strengthening the project. Toolkits have attracted beneficiaries to the project's various training courses: the possibility of receiving a toolkit at the end of a training programme has helped trainees concentrate on the training sessions; and more importantly raised their self confidence and social status within their communities.

Eventually most of the toolkits would be put to use. For the dairy farmers, welders and beekeepers, this may happen when the old equipment is worn out. However, the extra bee boxes from the toolkit will be used at the beginning of the new honey season, and the gas welding equipment when the demand occurs and the welder can afford to pay for the gas cylinders. The Agro-auto mechanics would rather prefer to buy new cheap Chinese-made tools than bring the high quality tools from the project to the workshop, for fear of damage or possibility of being stolen.

The evaluator observed and raised the question, if it was a good idea to have a uniform set of toolkits for all participants on a given course or whether it would be better if each TOB could decide for themselves, within a predefined amount of funds, particular tools he/she would prefer in order to develop their business. Such a solution is possible since an increasing number of relevant equipment for project skills and activities are available locally.

#### 4.4.3 TOB output, outcome and impact analysis

At project completion stage, 2,510 project target beneficiaries, 1,364 food and 1,146 non-food TOBs, have been trained to their own declared satisfaction. 1,707 of the TOBs are women and 803 men. Youth constitutes 741 of the total number of TOBs. These numbers meet within minor variations the output expectations of the project document.

All TOTs having conducted TOB courses, judged the trainability and interest amongst the TOBs as good or very good with the exception of two TOTs where one TOT who trained in weaving and the other in sewing were generally not satisfied with the participants' trainability.

The main outcome of the training was that the majority of the 61.3 per cent who were unemployed before training, had become employed or self-employed at the time of evaluation. The status of employment before training and at the time of evaluation is presented in table 8 below.

**Table 8 – Employment status before training and during evaluation**

	<b>Status of employment before training (percentage)</b>	<b>Status of employment at the time of evaluation (percentage)</b>
Employed	6.5	20.0
Self-Employed	32.2	68.4
Unemployed	61.3	11.6

Of those unemployed before training, 57 per cent had become self-employed, and 24 per cent employed. Those still unemployed in the survey sample were all in the non-food category. Out of those TOTs who participated in ceramic, computer, electric wiring, heating and cooling, sewing, weaving and woodwork training, 78 per cent were in the young age group 18-25 years and the remaining 22 per cent between 26 to 30 years of age. Toolkits were available for sewing and weaving, but not for all trainees and the unemployed within these activities had not qualified for this acknowledgement. The courses in computer, electric wiring, heating/cooling and woodwork commenced very late in the project, and some had just finished or about to complete their course at the time of evaluation. This fact has been appraised by the evaluator as the main reason for the unemployment within these subjects.

Generally the TOB incomes have increased, but it was difficult for the respondents during the evaluation survey, to give clear and exact answers on incomes before training and at the time of evaluation, but several indications were given. About 85 per cent of TOBs had indicated that their income had

improved, leaving only 15 per cent of the TOBs without improvement. Information from the few who had indicated an actual income increase shows increases from USD20 to USD450 a month, therefore on average USD185 a month. Most of the TOB incomes were consumed by the household, i.e. not used as pocket money. Table 9 represents the results of the survey:

**Table 9: TOB income by household**

<b>TOBs (percentage)</b>	<b>TOB income by household (percentage)</b>
1.5	10-24
5.1	25-49
20.4	50-74
23.0	75-99
50.0	100
Total: 100	

The income situation of the households after TOB training presents the same picture. After TOB training, 89 per cent had experienced income improvements and only 11 per cent remained on the same level. Only eight of the 155 TOB respondents had given actual figures for increased household income. Five of them had doubled their income from USD100, USD150 and USD200 a month, respectively, to USD200, USD300 and USD400, while three respondents had their income increased from USD50, USD60 and USD75 to USD200, USD450 and USD350, respectively.

All the TOBs visited by the evaluator had increased their income or were expected to do so. The latter group comprised of two beekeepers and two dairy farmers, who due to seasonal or other problems, had not yet applied their training course knowledge or put the toolkit bee boxes to use. On average, the remaining TOBs who provided income figures had increased their income by 150 per cent. In all cases the increased TOB income together with the food basket and modest income from husband/wife had brought the households beyond the defined vulnerability level of USD400 a month.

Moreover, vulnerability has been further reduced through improved living conditions experienced by the households from the combination of training and subsequent increases in income. On the survey question: *“How have the living conditions of the TOB household developed at the time of evaluation compared to the time before training?”* the TOB respondents indicated the following four improvements of; (1) food (2) education (3) accommodation and (4) communication. About 22 per cent mentioned only one of the four improvements,



66 per cent mentioned two improvements and the rest 12 per cent indicated three improvements. If percentages are added up based on type of improvement 81 per cent mentioned food, 69 per cent education, 16 per cent accommodation and 10 per cent communication.

With regard to employment which has been created due to 68.4 per cent of the TOBs being self-employed, the survey indicates that on the average one self-employed at the time of evaluation had 1.94 employees. Of the self-employed, 34 per cent had one employee, 48 per cent two employees, 10 per cent three employees, 5 per cent four employees and 3 per cent five employees. A grand total of 1,717 self-employed TOBs had generated employment of 3,331 persons.

## **4.5 The PG component**

### **4.5.1 PG selection and training**

The selection of the 15 Production Groups (PGs) was based on thorough preparation. The PGs have four main purposes: (1) undertake production and services which are lacking/scarce, but highly needed in a certain geographical area, (2) create employment and income for an increasing number of employees, (3) be available for on-site-training of TOBs, (4) constitute a model for other enterprises within the same trade.

After the fourth PSC meeting, the project selected 15 geographical locations for the PGs. The selection was based on information in the initial Needs Assessment Study and the later Economic Feasibility Study, statistical and survey information from MOA and MOI, and overview of relevant TOB concentrations and TOT availability. A specific production activity was decided for each location.

Upon PSC approval of location and activities, the national project staff conducted a survey in each location with the aim of preparing a list of PG enterprises for project support. The best enterprise was selected after an individual feasibility assessment was undertaken for each enterprise who was then invited to participate in the project PG component. The selection criteria and the score table (1-5) were documented and assessed to be relevant. Further, it was the evaluator's assessment, that the selection process had been fair and that the PGs had been selected on objective criteria. However, some of the enterprises having being considered, but were not selected, had informed the MOA and MOI both in writing and verbally, of their dissatisfaction about the selection process. These complaints could be indicated as a process that had not been sufficiently transparent. Information of the involved parties, documentation of the selection process and its results, were missing.

In order to join the project, the selected PG candidate has to sign a contract with MOA/MOI which included the following main conditions:

- Equipment made available by the project shall be properly installed, operated and maintained
- The equipment cannot be sold or otherwise disposed of, without the sanction of MOA/MOI
- The equipment can be withdrawn by the project or MOA/MOI if abused or not properly maintained
- Preference shall be given to project TOBs in case of new employments
- Business records, accounts and costing must be properly kept and made available to project staff/TOTs
- A credible business plan must be developed
- The PG must be available for on-site training of TOBs

Business management training and mentoring will be extended on-site by the project TOTs. Technical support will also be available from the project as and when required.

The selected PGs comprise of the following economic activities:

#### **Food PGs**

- 1) Bulgur and seed processing, Erbil Governorate
- 2) Fruit processing, Erbil Governorate
- 3) Dairy processing, Erbil Governorate
- 4) Beekeeping and honey processing, Erbil Governorate
- 5) Fruit processing, Suli. Governorate
- 6) Dairy processing, Suli. Governorate
- 7) Beekeeping and honey processing, Suli. Governorate

#### **Non-food PGs**

- 1) Machine shop, Erbil Governorate
- 2) Agro-auto mechanic repair, Erbil Governorate
- 3) Sewing & tailoring, Erbil Governorate
- 4) Carpet weaving, Erbil Governorate
- 5) Auto mechanic repair, Suli. Governorate
- 6) Wood work, Suli. Governorate
- 7) Carpet weaving, Suli. Governorate
- 8) Welding & steel fabrication, Suli. Governorate

#### **4.5.2 PG output, outcome and impact analysis**

The evaluator visited 13 of the 15 PGs. They were all newly upgraded. Three PGs had single ownership and 10 were owned by two or more partners.

Altogether the owners counted 36 persons. The total number of employees in the 13 PGs was 29 persons, of which 10 were employed before the project intervention. Extrapolation from 13 to 15 PGs says, 74 people engaged in all groups together. The total amount of money invested by the project in equipment, equipment installation, civil works and refurbishment for the PGs totaled approximately USD380,000 equaling USD25,000 per PG on the average. Investment costs per PG are presented in Annex 5 in addition to the technical training (when needed) of the PG staff and the business management training of the PG Leaders. Some staff and Leaders had joined the project TOB training, but others had received the project training on-site. Close TOT follow-up and mentoring of all PGs, are an additional project workload. The evaluator assesses the costs of investment and support to the PGs as a modest view of the potentials created (see table 10).

The project output was 15 workshops: clean, newly painted, in good order, well equipped with modern quality tools and machinery and a trained leader and staff. The project outcome remains to be seen, but in table 10 overleaf the evaluator has made an attempt to judge to what extent the visited PGs would meet the project outcome expectations regarding: employment creation, service provision, a model for others, a place for on-site training of TOBs. The appraised probability for meeting those expectations is rated: low, medium to high.

**Table 10: Outcome expectations for the PGs**

<b>PG Activity</b>	<b>No. of Partners</b>	<b>No. of Employees</b>	<b>Employment Creation</b>	<b>Service for the Area</b>	<b>Model for Others</b>	<b>On site Training</b>
Bulgur Erbil	4	0	Low	High	High	High
Fruit Processing Erbil	4	0	Low	High	High	High
Beekeeping Suli	3	2	Medium	High	High	High
Fruit processing Suli	3	0	Low	High	High	High
Dairy Suli	1	4	Low	High	High	High
Machine shop Erbil	1	12	High	High	High	High
Sewing & Tailoring Erbil (1)	2	1	High	High	High	High
Sewing & Tailoring Erbil (2)	3	2	High	High	High	High
Agro-auto repair Erbil	3	1	High	High	High	High
Carpet weaving Erbil	3	1	Low	Low	High	High
Agro-auto repair Suli	2	2	High	High	High	High
Wood working Suli	1	4	High	High	High	High
Carpet weaving Suli	6	0	Low	Low	High	High

All the PG leaders who were met by the evaluator were dynamic, eager to develop their enterprises and utilize the increased capacities and capabilities from the project investments. However, due to different market situations, the prospects for expansion varied considerably. The open market policy for imports (mainly Turkey, Iran and Jordan) has made it very difficult for larger local producers of Bulgur, processed fruits and dairy products to compete. There is still a market for local products but if anything, it appears to be shrinking. Possibility for expansion awaits a shift in Government policy from open border to

introduction of much needed protection and anti-dumping duties for these and other locally produced agricultural products.

Following the visit to a carpet weaving PG in Suli, it seemed clear that just keeping the six PG lady partners busy in weaving would not only be a challenge, but only be possible due to the PG leader's widespread social connections and marketing skills.

Sewing and tailoring, woodworking, and agro-auto repair are home market activities which generally do not compete with imports but the demand for these services is high and increasing. The possibility for these PGs to grow from small to medium and to large units is not unrealistic.

As service providers for customers and other producers in the concerned areas, all PGs except the carpet weaving PGs have an important role. As a result, customers would receive better quality products/services and wheat growers, dairy farmers, orchard owners, beekeepers and other producers are provided with an opportunity to have their raw materials processed, vehicles and agricultural machines repaired and workshops equipped.

As "models" for others to learn and to be inspired from the PGs, this would be a perfect example. They display new standards in appearance, technology and business management, and most importantly it had been obtained by short-term training and moderate investments. Everyone in the PG locations are aware of them and according to the PG owners, most people around these locations have come to have a look and ask questions about the changed setup and appearance.

The project is already using some of the PGs for practical on-site training of TOBs, and all the PGs visited by the evaluator, confirmed that this is an activity they would wholeheartedly support.

## **4.6 The VTC component**

### **4.6.1 VTC selection and strategy for decentralized training**

After the 4<sup>th</sup> PSC meeting it became clear that the chances were slim for the central VTC to materialize in time to be used by the project. The project developed a new decentralized training strategy. The main element of this strategy was that training venues should be as close as possible to the target beneficiaries which would then make it possible for the project to attract those

potential TOBs, who would not be prepared to travel long distances or able to stay away from home for long durations.

The national project staff undertook, in cooperation with the concerned ministries, a survey of relevant training providers. From the result a list of 18 VTCs were selected. They included three carpet weaving centres under MOC, six Industrial schools under MOE, one centre under MOSLA, and eight centres under MOA (see section 4.3). The evaluator assessed the selection process as being objective, but no documentation was available and it was not transparent for those VTCs considered and for those not selected.

Of the 18 VTCs, 15 have received training equipment from the project at a total investment cost of approximately USD660,000 (see details in Annex 5). The grants have a double purpose: (1) to ensure relevant and efficient TOB training (2) to develop local centres of excellence within the chosen project technologies.

#### **4.6.2 Training courses and materials**

The project has worked with the selected VTCs to design training courses (syllabuses) reflecting the training goals. Wherever possible, existing relevant training materials available from UNIDO and FAO were adapted and integrated into the training programmes. UNIDO contributed mainly booklets, and FAO provided DVDs. In early 2008 UNIDO had also contracted a consultant who was recruited to standardize the non-food training programmes. This work enabled the project to produce a wide number of DVDs (37 in total). Many of the food training courses displayed on these DVD were presented on Television during the weekly MOA agricultural programme. For the VTCs, the DVDs also constitute a documentation of the project training methodologies and contents.

For the “new” market demand driven training courses – aimed mostly at unemployed youth – syllabuses and training materials were available from the course conducted by VTCs, but adaptations were made to suit the project purposes. It should be mentioned that the VTCs in question have up-to-date training programmes and materials, which they have received from other donors and NGOs. They have the ability to adapt training to market needs.

#### **4.6.3 VTC output, outcome and impact analysis**

The 18 selected VTCs projects have successfully been involved in a selection of TOB projects and conducting of project courses using their own staff as well as TOT projects. Their foundation in the local communities, for food related training courses, for the use of outreach training facilities connected to agricultural extension service (MOA), have been instrumental in attracting a high number of

target beneficiaries, meeting the project eligibility criteria particularly women who may have problems with spending time away from home.

Training equipment granted by the project to the VTCs, had been installed in a timely manner and had been used in the various project training courses. Also, these VTCs had, wherever possible, utilized training materials developed under UNIDO and FAO agro-industry programme in the country.

During the evaluation, the evaluator visited seven of the 18 project VTCs. They were all very satisfied being involved in the TOB selection process and found those selected for training very motivated and eager to learn. The VTCs recognized that the project courses regarding content, methodology and training manuals and materials were often more superior than their own, and they expressed an interest in pursuing the same standard in their own courses. To this end it had been a great help that some of their in-house training staff had received project training under the TOT component.

Within the fields where the VTCs had received training equipment from the project, they were prepared to further develop the concerned departments and meet the expectation to become Local Centres of Excellence for these activities.

At the time of evaluation, the possible impact from the initiated positive outcome process was not in a measurable magnitude. The evaluator assessed that the new standards set by the project courses and the improved capabilities of the project which involved trainers in the short- to medium-term, would result in increased standards of the VTCs as a whole, and though the educated trainees having greater possibilities to fulfill their aims, like income generation from employment or self-employment.

#### **4.7 Project financing**

The project budget as per the Project Document and the expenditures up to the time of evaluation are presented in table 11 overleaf.

**Table 11: Project budget and expenditures**

<b>Category</b>	<b>Project Document Budget (US dollars)</b>	<b>Expenditures at the Time of Evaluation (US dollars)</b>	<b>Variation (US dollars)</b>
National Project Personnel	183,600	195,688	12,088
International Project Personnel	414,000	414,000	0
National Consultants	51,000	124,981	73,981
International Consultants	120,000	324,636	273,636
Contracts	1,029,000	413,569	-615,431
Training	681,360	880,469	199,109
Equipment	2,474,569	2,119,702	-354,867
Supplies & Commodities	111,000	111,000	0
Travel	114,144	114,834	690
Miscellaneous	155,360	133,551	-21,809
Security	103,573	71,157	-32,416
Agency Management Support	362,507	304,216	-58,291
<b>Total</b>	<b>5,800,113</b>	<b>5,206,803</b>	<b>-593,310</b>

The change in training strategy from the central VTC to the decentralized solution has implications on contracts (civil works), equipment (one mini-training dairy and a two-ton trucks are omitted) and training costs (many local training venues instead of one central). Saving on security reflects the improved security situation in the KRG during the project period.

Table 12 shows the breakdown of equipment expenditures on toolkits, PGs and VTCs:

**Table 12 – Expenditure on toolkits, PGs and VTCs**

<b>Equipment</b>	<b>Expenditure (US dollars)</b>
Toolkits	716,000
PGs	384,000
VTCs	660,000
Others	360,000
<b>Total</b>	<b>2,120,000</b>



# V

## Assessment of Project Performance

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### 5.1 Relevance

Overall, the objectives of the project and related outputs were assessed to be highly pertinent to the national and international programme framework for Iraq, as well as being consistent with UNIDO and FAO core competencies and mandates. The project addressed both the GOI National Development Strategy (NDS) and the UN assistance strategy with respect to employment creation, sustainable food production, and income improvement of vulnerable groups in rural and urban areas. As part of the United Nations Development Group – Iraq Trust Fund (UNDG-ITF) and members of the UN Country team, UNIDO and FAO have been active partners in the UN's programming for Iraq since March 2003. In addition, in relation to Millennium Development Goals (MDGs), the project was particularly relevant to Goal 1 (eradication of extreme poverty and hunger) and to Goal 3 (promotion of gender equality and empowerment of women).in Iraq.

The project approach puts a lot of emphasis on training: training of trainers (TOTs), training of target beneficiaries and support to VTCs with regard to training equipment and materials. Most of the TOT training and the procurement of training equipment for the planned central VTC were completed at the time when the project had to depart from the centralized VTC model and move to the decentralized model. It meant that crucial elements duly planned and implemented for one training model had to be adapted to a completely different model. This of course resulted primarily in sub-optimal solutions for the decentralized model and with regard to utilization of the TOTs. From the point of view of many TOTs, the lack of employment as trainers at a VTC and the insufficient utilization of their acquired expertise have made the project less relevant for them. On the other hand, the decentralized training model is much more relevant for the target beneficiaries, particularly for women, in the local communities than the central VTC solution.

The cancellation of the central VTC model dislocated the original planned intervention link between the VTC and TOT components of the project. Under the original terms of the project trainers, it was supposed to be anchored at the central VTC, but instead they all remained in their current job positions with the result that quite a number could not free themselves for TOT tasks. Before project completion the project would try to find ways of grouping the TOTs at selected VTCs in cooperation with the involved ministries, so as to make better use of their expertise acquired under the project. As the project changed strategy, the TOT component became less relevant and it remains to be seen if it can resume its key role as intended.

The interview survey with a number of VTCs included by the decentralized project training model revealed that all those surveyed regarded the support by the project as being relevant for development of their expertise and training capabilities. They acknowledged that adoption of project training methodologies and acquisition of state-of-the-art training equipment and materials have increased their level of competence and service delivery options.

From the TOB survey it is clear that the TOBs generally perceive the project as the socio-economic 'driver' for their improved living conditions. The relevance of the project for the target beneficiaries is proved from the TOB survey and according to the respondents, which shows significant improvement of livelihoods, employment and incomes of TOBs resulting from the project training, toolkits and mentoring. Using skills training of project target beneficiaries as the main vehicle to reach the aim of lifting vulnerable households out of vulnerability and increase their income has proved its relevance through the results obtained regarding employment generation. The toolkit component in its present form has high relevance as a premium attracting the TOBs to the training courses and making them more focused during the training sessions, but for quite a few beneficiaries, the tools have not added much to their technological level or production capacity.

A rough estimate indicated that Erbil and Sulaymaniyah Governorates had about 200,000 vulnerable households which the project has directly reached, and about 2,500 through training of a member per household. It corresponds to project coverage of a little more than one per cent of the total. This may appear very modest and a challenge to the relevancy of the project. However, increased income for poor families has a very high economic multiplier effect since almost all money will be spent with very little being saved. It means that the economic growth potential from improved income of 2,500 poor families is much larger than the actual gained income of these families. This effect together with the continuous TOB training after project completion, already initiated by MOA, will in

the short- to medium-term increase the project income and poverty relief relevancy also in quantitative terms.

The relevance of the PG component for the project's target beneficiaries remains to be seen, but through surveys and assessments the project has succeeded in selecting PGs with dynamic leadership and potentials in general to meet the outcomes expected by the project. Therefore the relevancy of the PG component is assessed to have a good chance to develop positively over time.

## **5.2 Ownership**

Project ownership has been built very strongly within MOA at all levels including to the extension service personnel functioning as TOTs. A decision has been taken to continue the project concepts and strategies in all the three KRG Governorates after project completion and a budget to be established.

MOA has already an agreement with an NGO (Immortal Barzani Charity) working with vulnerable households to assist with TOTs for training of 25 women in fruit processing. Further the Ministry was in the process supporting the establishment of three PGs, two dairy and one fruit processing, in three different villages. Two mini dairies and equipment for fruit processing had already arrived in Erbil. MOA would also assist the food TOBs and PGs in designing and printing of labels for their products and in obtaining hygiene certification to support the marketing.

Project ownership in MOI remains very weak. The chairman of the PSC has retired and his sincere interest and involvement in the project had not been relayed to the relevant sections of the MOI.

The close project cooperation with the VTCs during identification, selection and training of TOBs as well as the considerable use of their own training personnel as trainers in project courses, have imparted high feeling of project ownership in the group of project VTCs. They all have capacity for continuous TOB training and mentoring and with moderate budget backup from their parent ministries they are ready and willing to undertake the task.

A convincing indication on ownership is given by the active TOTs through their interest and willingness to assist the TOBs. They had trained in all technical and business management matters arising during their endeavour to establish themselves as self-employed entrepreneurs. Feedback from the TOBs visited by the evaluator indicated that the TOTs receive telephone calls from TOBs at all times during the day and night and that they always offered technical assistance.

### 5.3 Efficiency

The efficiency and quality of project management from June 2006 until January 2008 was not considered by the evaluator, since the problems originating from the delayed and later abandoned central VTC concept were caused by the unforeseeable KRG Government policy change and not by the project management. However, although the project was brought into a “state of limbo”, during most of the period, the management succeeded in undertaking some activities. The following overview shows the activities undertaken before January 2008 (before the 4<sup>th</sup> PSC meeting):

- Design and tendering of central VTC civil works (completed)
- Needs Assessment Study (accomplished)
- Selection and training of TOTs (non-food 75 per cent, food 80 per cent completed)
- TOB survey and selection of TOBs for training (not satisfactory)
- Training of TOBs (one course round at industrial schools in Erbil and Suli, respectively in Welding and Agro-auto repair)
- Preliminary assessment of alternative training providers (VTCs)
- Procurement of equipment for the central VTC (14 per cent of food, 50 per cent of non-food equipment arrived in Erbil)
- Development of additional training materials

Thus, the major portion of project work was left to be completed at the time of the 4<sup>th</sup> PSC meeting, and upon the decisions made at the meeting a genuine working spree began in the PMU Amman office, as well as at the Erbil and Suli offices. The tasks that need to be undertaken within about a year were overwhelming including the following:

- Interviews and selection of the remaining TOTs, agreements with international training providers, travel arrangements, visas, heavy communication traffic and later, follow-up and monitoring of the TOTs;
- Elaboration of technical specifications for procurement of the remaining VTC equipment and toolkits in cooperation with MOI and MOA, communication with UNIDO and FAO procurement offices, preparation of tax exemption letters for customs control and endorsement by various ministries. Communication with Border Control and Erbil checking point to allow the consignments to pass through. At the arrival of the project warehouse, checks and control of inventory of the goods together with the concerned ministries. Hereafter distribution of the goods for recipients,

training equipment for VTCs, and equipment for PGs and toolkits for TOB courses. Finally, it should all be correctly dispatched to the large number of locations for project activities. Moreover, quite a number TOB trainings were conducted at venues outside the VTCs within the TOB communities and training equipment needed to be moved from one place to another;

- First interviews with and selection of TOBs after the new criteria approved at the 4<sup>th</sup> PSC meeting and completing the four-page TOB format, and thereafter organize training for 2,510 TOBs. Arrange for toolkits to be issued and authorize training certificates, and finally follow up and monitor their performance;
- Assessment and selection of PGs, make local contracts for civil works, supervise the work and the equipment installations, arrange for the necessary technical and management training of the PG Leader and staff, and arrange for PG ground breaking ceremonies involving ministerial and local authorities and various media.

Considering the above-mentioned completed tasks, the project management has shown extreme high efficiency in project implementation. All inputs have been of high quality and outputs have been produced in accordance to the revised plan of 4<sup>th</sup> PSC. At the same time the management has been very concerned about the project outcome and has taken the necessary and appropriate action to maintain project efficiency along the way, based on field monitoring information.

The project has, together with the other UNIDO supported the projects in Erbil Governorate: “Enterprise Development and Investment Promotion in the SME Sector in Iraq (EDIP)”, pursued the possibility of cooperation concerning training of PG Managers. However, closer examination of the training needs of the PG Managers, revealed that 13 of the 15 PGs were at a level where training undertaken by the project’s own Business Management TOTs, would be more appropriate than the training courses arranged by EDIP. Of the remaining two PG Managers, one had just completed a comprehensive Business Management course arranged by another agency, but the remaining PG, the manager of the Bulgur PG, was found suitable for EDIP training. The evaluator assesses this decision as correct, since most of the PGs are still of a size, which do not match the profile of the enterprises being trained under EDIP.

#### **5.4 Effectiveness and impact**

The expected project outcomes are:

- Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing;

- The condition of 2,000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members.

As explained earlier in the report, capabilities have been significantly enhanced in MOA and in the project involved VTCs through project interventions. The same is not the case for MOI. The only enhanced capabilities left at this Ministry are those embedded with the 10 MOI selected TOTs, who have not been fully utilized, but still constitute a knowledge-based resource for the Ministry. It is expected that MOLSA will take over these TOTs and employ them at the ministry's central VTC in Erbil. With this development, enhanced capabilities of MOI would be shifted to MOLSA for the non-food training aspects of a MISIP type project.

The TOB survey proves that the project has reached the target beneficiaries and that the large majority of the TOBs have entered into employment and self-employment, and even within the very short project period most of them have experienced increased income and improved quality of life from their participation in training sessions and from the opportunities created by the project to engage in productive activities.

The outcome has been obtained through establishment of the following outputs:

- Relevant personnel from Ministries of Agriculture and Industry and selected VTCs, trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities;
- The number of personnel from the Ministries of Agriculture and Industry, the selected VTCs and other relevant agencies trained as trainers through the project's TOT programme accounted for 63;
- Project beneficiaries accounted for 2,510 who were trained in selected project technologies, business management, and marketing with the view to start their own business or obtain employment;
- A total of 15 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in input sourcing, marketing and business management.

The effectiveness of the outputs varies. The TOB training has proven very effective in the short term on improvement of the livelihood of the target beneficiaries. The TOT training has been important for the TOB training, but compared to the number and duration of TOB courses the number of TOTs are exaggerated. Maybe half of the number would have sufficed and the money saved could have been used for more comprehensive TOT training and/or further TOB training. The outcome expectation of the PG activities, employment and

income generation for the project target group, remains to be seen, but it is assessed by the evaluator that the probability was high for the majority of them to meet the aim. The training of relevant personnel in the project involved ministries and VTCs has, as mentioned above, given satisfactory outcomes at MOA and the involved VTCs.

The balance between the outputs - in terms of time spent on project personnel and funds used - compared to outcome, (apart from the number of TOTs trained) is assessed as reasonable. One question remains: Should the money have been rather spent on PGs, TOB training, toolkits and VTC equipment? For the PGs this question awaits their development within the forthcoming one to two years. The PG component uses money, but is not a heavy time consumer for the project personnel. The opposite is the case for the TOB training (apart from the toolkits) and it is doubtful if the project organization in its present capacity could cope with a higher number of TOB selection, training and mentoring activities. Toolkits are very important for the outcome, but it is assessed that outcome could be further improved if individual equipment needs of TOBs could be satisfied through a more flexible toolkit programme. State-of-the-art training equipment is necessary for the VTCs to conduct courses of the required standard and cost savings on this component appears less realistic.

The project impact shall be measured against the degree to which it has been contributed to economic recovery of northern Iraq (Erbil and Sulaymaniyah Governorates). However, due to the short actual implementation period (about one year) project impact on the economic recovery of northern Iraq could not be measured or firmly assessed.

## **5.5 Sustainability**

### **General**

The two main questions remain however: (1) will the project results/achievements sustain, and (2) will the project concepts and activities sustain?

The project results/achievements include: (1.1) self-employment of about 1700 TOBs and employment of approximately 500, (1.2) 15 PGs in operation, (1.3) a group of TOTs experienced in TOB training and mentoring, (1.4) 18 VTCs experienced in TOB training and mentoring.

Sustainability of project concepts and activities requires that: (2.1) project ownership is anchored amongst local project stakeholders before project completion, (2.2) plans and budgets are prepared by local project stakeholders for continuation and replication of project activities.

## **TOBs and TOTs**

The society in the KRG has experienced a longer period of peace and economic growth. The project has given a large number of people a push, in the form of training, toolkits and post training mentoring, to enter into productive engagement and income generation, but the economic conditions in the society have also created an enabling situation for this engagement to be possible and successful. A continuous good economic development of the KRG will support the sustainability of many TOB jobs and ventures, but post-training mentoring for many TOBs will still be important for the viability of their businesses. Therefore sustainability for many under achievements, (1.1) depends on the sustainability of result (1.3).

The active TOTs, as well as other VCT trainers conducting project courses have been extremely dedicated in their training and post-training support to the TOBs but without a workplan and an operational budget for these activities, it would probably be phased out. Given this background, the sustainability of project achievement (1.3) depends on the accomplishment of (2.1) and (2.2). For food TOBs the situation is bright. Project ownership is anchored solidly in MOA and the Ministry is in the process of planning and budgeting for the continuation of project concepts and activities and replication throughout the KRG. For non-food TOBs the situation is uncertain. It is unlikely that MOI can or will continue with project activities after project completion. The Ministry has no training facilities and must rely on cooperation with other Ministries in this regard. Moreover, the TOB activities are not a MOI function, but fall mainly under MOLSA and MOE. Finally, project ownership is not sufficiently anchored in MOI.

Thus, sustainability of the project's non-food TOT interventions depend on the willingness of MOLSA and MOE to plan and budget for staff and training activities. The evaluator questions whether this may happen in the short-term; if not, mentoring of the non-food TOBs is likely to be phased out. The collapse of the TOT component would have a direct impact on the general sustainability or development of a 'Phase II' MISP-type project in the KRG.

## **Conclusion TOB and TOT**

If the positive economic development in the KRG prevails, probability of TOB employment and business sustainability is assessed to be rather high, even without continuous access to TOT mentoring. The products produced and the services provided are in good demand in the local communities and the magnitude of supplies is relatively modest compared to the total market. Cheap imports from neighboring countries of certain agricultural products are a challenge to some of the food TOBs, but it is expected that the Government will



introduce some protection duties and anti-dumping duties to control the situation. As explained above the situation is better for the food TOBs than for the non-food with regard to Government support, but most non-food TOBs have the advantage of being in sectors/skills with high demand and limited or no competition from imports.

### **PGs**

The 15 PG sub-projects are not green field interventions but upgrading of existing viable MSSEs, which means that the probability of sustaining achievements (1.2) is very high. Their prospect of PGs meeting the project expectations is different compared to other aspects of the project. For a further elaboration on this, reference is made to section 4.5.2. The PGs have the full attention of MOI/MOA due to the contract signed for receiving project equipment and other support. They are observed by the media and the general public. Monitoring of their performance and development is assessed to be close also after project completion.

### **VTCs**

During the interviews with the evaluator, 18 projects which involved VTCs acknowledged that the project developed training content, methodologies and training materials were superior to their own. VTC respondents also indicated that they would endeavour to pursue the same standard in their own training courses. Within their relevant technical fields, the VTCs that received training equipment from the project, indicated that they are prepared to further develop their training delivery services with the goal to become local Centres of Excellence in the KRG.

### **Conclusion PGs and VTCs**

The likelihood that the PGs will sustain and meet the project expectations is very high. For the VTCs, the improved course standards are likely to be sustained, but the evaluator is less convinced that the status of these vocational and technical training institutes and industrial schools as Centres of Excellence can be obtained and maintained over time.



# VI

## Recommendations and Lessons Learnt

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### 6.1 Project sustainability

After cancellation of the central VTC, the role of MOI became less important. This left the non-food training activities without a firm and clear-cut counterpart at ministerial level. For post-MISP II projects, UNIDO and GOI decided to involve MOLSA as the main counterpart.

#### Recommendation:

It is recommended to replace MOI by MOLSA as the line ministry for the non-food part of the project. MOLSA should prepare plans and budgets for follow-up on non-food training and for continuation and replication of non-food project activities in northern Iraq.

#### Lesson learnt:

In cases where an overall re-design of a project is necessary as a consequence of cancelling one or more key project components, UNIDO and its project partners should not shy away from also revisiting the counterpart and project management structures, if necessary.

### 6.2 Joint project implementation responsibility of UNIDO and FAO

There is no evidence of significant advantages and synergies of UNIDO and FAO sharing the responsibility for project implementation. On the contrary, stakeholders on the ground expressed variable degrees of dissatisfaction with mixing food and non-food activities in the same project.

#### Recommendation:

Similar future projects in Iraq should be split into two parts: a) UNIDO working with MOLSA being the line ministry responsible for non-food activities and b) FAO with MOA for food related initiatives.

### **6.3 Selection of TOTs**

The identification and selection process of TOT candidates for all the involved ministries lacked transparency and has not been documented. MOA has taken some steps for transparency by defining the selection criteria and setting up an inter-ministerial selection committee, but this has not been the case for MOI and the other involved ministries.

#### Recommendation:

Detailed Terms of Reference, candidate profiles, selection criteria and score tables should be prepared for the selection of TOTs. Jobs should be publicly advertised and interviews be conducted by experienced employment officers from the involved ministries.

#### Lesson Learnt:

Weak preparation and limited transparency (insufficient or no candidate profile definition, selection criteria, score table, and TOR) may lead to sub-optimal selections of trainers.

### **6.4 Training and project involvement of TOTs**

Of the TOTs, 50 per cent would have preferred longer, higher level, and more comprehensive TOT training. Because the number of persons trained was disproportionate (63 persons trained to conduct 89 courses), the project could not make significant use of all 63 TOTs.

#### Recommendations:

Future TOT trainings should cover all important subjects and curricula should be state-of-the-art. Course contents should be defined by competent international experts. In order to use fund efficiently, the project should not train more TOTs than necessary because TOTs need to make good use of their training skills.

#### Lesson Learnt:

Under-utilization of TOTs hampers their motivation and is counterproductive to project sustainability.

### **6.5 TOT organization**

One of the main arguments for a central VTC was the advantage of having all TOTs employed at one location and under one food and one non-food manager. When the centralized VTC did not materialize, the project established a

decentralized training structure but failed to properly address the management and organization of the TOTs. This problem was particularly acute for the MOI TOTs.

Recommendation:

The non-food TOTs who are not employed at one of the VTCs under MOLSA, MOE or MOC should be employed at the MOLSA training centres in Erbil and Sulaymaniyah. The TOTs for the food area should be employed at the agricultural training centres of the MOA in Erbil and Sulaymaniyah. One focal point should be appointed for each of the two groups.

Lesson Learnt:

Dispersing TOTs organizationally and geographically without a common management weakens implementation efficiency and sustainability of the TOT resources.

## **6.6 Centralized or decentralized TOB training**

The decentralized training model has important advantages over the originally planned centralized model with only one central VTC where all TOB trainings are conducted. In the decentralized model the training venues are close to the TOB residences, which is particularly important for the participation of women.

Recommendation:

In future micro industries support projects, UNIDO and FAO should adopt the decentralized TOB training model. However, it is crucial that the TOTs are employed in groups with a common leadership at few centres (e.g. one per Governorate) and that outreach training at local VTCs is supported by up-to-date training equipment. The latter may require establishment of a number of mobile training units.

## **6.7 Selection of TOBs**

The two-pronged set of selection criteria taking into account vulnerability and basic experience proved to be appropriate. Most selected TOBs met the target beneficiary criteria and had the potential to become employed or self-employed.

Recommendation:

Future Micro-Industry Support Projects should adopt the multiple selection criteria introduced by the project covering household vulnerability and the requirement that TOBs should have a minimum of educational background and experience.

Lesson Learnt:

The requirement of a certain minimum educational background and experience is key for skills development projects to successfully generate employment and income.

### **6.8 Level of TOB courses**

The variable levels of education and knowledge of participants in the same course raised efficiency problems.

Recommendation:

Future Micro-industries Support Projects should offer two or three levels of training if the educational background and/or experience of the selected participants varies significantly. Participants should be classified during selection.

Lesson Learnt:

TOBs with a higher initial education level and experience above average gain too little additional knowledge from the courses. This is a missed opportunity and limits project efficiency and effectiveness.

### **6.9 Toolkits**

Most of the TOBs visited did not make use of the tool kit, which they had received after the training but continued using their old tools. This raises questions with regard to the appropriateness of using standard toolkits for all participants of a given course.

Recommendation:

Projects should introduce toolkit flexibility so that TOBs can choose within a given range those tools matching their level of technology and business. Typical ranges of toolkits could be: tools for basic production, tools for more sophisticated production and products and tools for quality testing, packaging and labeling.

Lesson Learnt:

The requirement for the TOBs to have already some basic experience and skills in the given subject area of training means that they often already own equipment similar to the toolkit supplied by the project. This requires more flexible solutions for the provision of toolkits.

### **6.10 Market orientation of TOB courses**

Recommendation:

Starting from offering training for a limited range of rather traditional crafts, the project gradually extend its training offer towards emerging services such as mobile telephone repair, satellite receiver installation and repair and heating and cooling installation.

Lesson Learnt:

Micro Industries Support Projects should make flexible training offers based on the creative identification of emerging market segments with unsatisfied demand. Services related to ICT and other new technologies are particularly interesting for the younger generation and job opportunities and self-employment in these areas are often a realistic possibility.

# Annex A: Terms of Reference

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## Terms of Reference

Independent Evaluation of the UNIDO/FAO Project:

“Community Livelihoods and Micro-Industry Support Project in Rural and Urban Areas in Northern Iraq”

FB/IRQ/06/002 (UNIDO project number)  
OSRO/IRQ/602/UDG (FAO project number)

### I. Background

The project is the second of a series of four similar poverty alleviation projects in Iraq. The first of these projects has been implemented in the Thi-Qar governorate in South Iraq. This project has been evaluated in 2007 and the present evaluation should build upon the findings and lessons learned from the Thi-Qar evaluation, and use a same or similar methodology in order to allow for comparison. The second project is the one under evaluation. It covers the Erbil and Suleiymaniyah governorates of Northern Iraq. The third project of this series covers Al Qadissiya Governorate in Central Iraq and is not yet sufficiently advanced for an evaluation. The fourth project has just started in Anbar Governorate in western Iraq.

All four projects are carried out jointly by UNIDO and FAO. The basic project philosophy is to increase the capability of poor and marginalized war-affected communities to engage in economically viable small-scale productive activities in order to generate income and increase employment figures. The main levers in order to achieve this objective are technical and business management trainings provided in cooperation with existing vocational training centres and the delivery of certain technical tools and basic technical equipment to the successful trainees. Furthermore, the approach involves a certain amount of rehabilitation or upgrading of vocational training centres; training of trainers and the production of training material.



A major commonality of the four projects is adverse conditions, including security problems, which have led to periods of partial or total implementation standstill. This has also caused challenges with regard to synchronizing the interventions of the two implementing agencies. The restricted access to the regions of implementation for international experts and UN officials is another major challenge. This restriction will also influence the design and implementation of the present evaluation.

## **II. Project information**

The project receives its funding from the multi-donor UN Trust Fund for Iraq (UNDG ITF). In line with the national development strategy and the UN assistance strategy and the general project philosophy described above, the project is expected to increase income and employment of the rural and urban population by facilitating self-employment of the vulnerable groups.

The promotion of micro-enterprise industry activity is seen as one the most cost effective means of creating employment and raising household incomes in rural and urban areas. The income generation activities targeted by the project are:

- burghul, beekeeping, dairy, fruit and vegetable processing and olive processing in the food area covered by FAO
- agro/auto-mechanics, welding, woodwork, machine-shop, carpet making and tailoring in the non-food area covered by UNIDO

The project expects to benefit a minimum of 2000 target beneficiaries. At project end the capacities of counterparts are expected to be strengthened through established training centres and training of trainers.

The expected outcomes (immediate objectives), outputs and planned activities of the project are described in the attached project document. The latest progress report (January – June 2008) provides the following key information on the project status:

- Base-line study, inception report, identification of micro industries, detailed project planning, selection of individual beneficiaries and producer groups: completed
- Feasibility studies and development of business plans for 16 producer groups: under finalization
- 1485 training candidates selected
- All 53 trainers and 321 beneficiaries trained
- All equipment procured, last few items in transit to delivery destination

- Equipment for agro/auto-mechanics and welding distributed to 72 beneficiaries
- Construction and equipment of vocational training centres cancelled due to unforeseen counterpart decisions. Instead, beneficiaries are trained at alternative locations
- Alternative training providers identified (7 food- and 8 non-food); equipment of these training providers supplied and courses ongoing
- Training materials: prepared

The project is jointly implemented by UNIDO and FAO following signature of an interagency agreement. The project is being implemented by a joint project office in Amman, headed by a Chief Technical Adviser (CTA) and a National Project Coordinator (NPC) in the target region. At headquarters of the two agencies, project managers, operations officers and technical backstopping officers are assigned to coordinate the overall planning and implementation the project. Short term international and national consultants are recruited for specific activities.

Partners in the Government of Iraq are the Kurdistan Regional Government (KRG) Ministries of Agriculture (MOA) and Industries (MOI).

A Project Steering Committee (PSC) composed of MOA, MOI, UNIDO and FAO has been established. The PSC has met five times since the start of the project.

The project has been approved for a period of 18 months until February 2008. This initial duration has been extended until 28 February 2009.

### III. Project budget

Total allotment	USD 6,300,116
UNDG Iraq fund	USD 5,800,116
Government input	(in kind) USD 500,000
<b>Total:</b>	<b>USD 6,300,116</b>

### IV. Evaluation purpose

The purpose of the evaluation is to assess the:

1. Project relevance with regard to the priorities and policies of the Government of Iraq, the UNDG ITF; UNIDO and FAO
2. Project effectiveness in terms of the outputs produced and outcomes achieved as compared to those planned

3. Efficiency of implementation: quantity, quality, cost and timeliness of UNIDO/FAO and counterpart inputs and activities
4. Efficiency of the cooperation arrangements between UNIDO and FAO, and if applicable make recommendations for improvements
5. Prospects for development impact
6. Long-term sustainability of the support mechanisms results and benefits

The evaluation should provide the necessary analytical basis and make recommendations to the Government, to UNIDO and to FAO for the closure of the project and for ensuring its sustainability. The evaluation should also draw lessons of wider applicability for the replication of the experience gained in this project in other projects.

## **V. Methodology and scope of evaluation**

The evaluation will be carried out in keeping with agreed evaluation standards and requirements. More specifically it will fully respect the principles laid down in the “UN Norms and Standards for Evaluation” and Evaluation Policies of UNIDO and FAO.<sup>1</sup> The evaluation shall determine as systematically and objectively as possible the relevance, efficiency, achievements (outputs, prospects for achieving expected outcomes and impact) and sustainability of the project. To this end, the evaluation will assess the achievements of the project against its key objectives, as set out in the project document and the inception report, including a review of the relevance of the objectives and of the design. It will also identify factors that have facilitated or impeded the achievement of the objectives.

While maintaining independence, the evaluation will be carried out based on a participatory approach, which seeks the views and assessments of all parties. It will address the following issues:

### **Project identification and formulation:**

- The extent to which a participatory project identification process was applied in selecting problem areas and counterparts requiring technical cooperation support
- Relevance of the project to development priorities and needs
- Clarity and realism of the project's development and immediate objectives, including specification of targets and identification of beneficiaries and prospects for sustainability

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<sup>1</sup> All documents available from the website of the UN Evaluation Group: <http://www.uneval.org/>

- Clarity and logical consistency between, inputs, activities, outputs and progress towards achievement of objectives (quality, quantity and time-frame)
- Realism and clarity in the specification of prior obligations and prerequisites (assumptions and risks)
- Realism and clarity of external institutional relationships, and in the managerial and institutional framework for implementation and the work plan
- Likely cost-effectiveness of the project design

**Project ownership:**

- The extent to which the project was formulated with the participation of the national counterpart and/or target beneficiaries
- The extent to which counterparts have been appropriately involved and have been participating in the identification of their critical problem areas, in the development of technical cooperation strategies and in the implementation of the project approach
- The extent to which counterpart contributions and other inputs have been received from the Government (including Governorates) as compared to the project document work plan, and the extent to which the project's follow-up is integrated into Government budgets and work plans

**Project coordination and management:**

- The extent to which the national management and overall field coordination mechanisms of the project have been efficient and effective
- The extent to which the UNIDO and FAO based management, coordination, quality control and input delivery mechanisms have been efficient and effective
- The extent to which monitoring and self-evaluation have been carried out effectively, based on indicators for outputs, outcomes and objectives and using that information for project steering and adaptive management
- The extent to which changes in planning documents during implementation have been approved and documented
- The extent to which coordination envisaged with any other development cooperation programmes in the country has been realized and benefits achieved
- The extent to which synergy benefits can be found in relation to other UNIDO/FAO and UN activities in the country

**Efficiency of implementation:**

Efficiency and adequacy of project implementation including: availability of funds as compared with the provisional budget (donor and national contribution); the quality and timeliness of inputs delivered by UNIDO and FAO (expertise, training, equipment, methodologies, etc.) and the Government as compared to the work plan(s); managerial and work efficiency; implementation difficulties; adequacy of monitoring and reporting; the extent of national support and commitment and the quality and quantity of administrative and technical support by UNIDO/FAO.

**Effectiveness and project results:**

Full and systematic assessment of outputs produced to date (quantity and quality as compared with work plan and progress towards achieving the immediate objectives);

The quality of the outputs produced and how the target beneficiaries use these outputs, with particular attention to gender aspects; the outcomes, which have occurred or which are likely to happen through utilization of outputs. In particular, this includes an analysis of the likely effects of micro-enterprise industry activities as a means of creating employment and raising household incomes.

**Prospects to achieve expected outcomes, impact and sustainability:**

Prospects to achieve the expected outcomes and impact and prospects for sustaining the project's results by the beneficiaries and the host institutions after the termination of the project, and identification of developmental changes (economic, environmental, social) that are likely to occur as a result of the intervention, and how far they are sustainable.

**Cost-effectiveness of the project:**

Assessment of whether the project approach represented the best use of the given resources for achieving the planned objectives.

**Recommendations for a possible next project phase, or replication elsewhere:**

Based on the above analysis the evaluators will draw specific conclusions and make proposals for any necessary further action by Government and/or UNIDO/FAO and/or the UN or other donors to ensure sustainable development, including any need for additional assistance and activities of the project prior to

its completion. The mission will draw attention to any lessons of general interest. Any proposal for further assistance should include precise specification of objectives and the major suggested outputs and inputs.

## **VI. Evaluation timing and main tasks**

The evaluation is scheduled to take place between October 2008 and March 2009.

The evaluation will be carried out through analyses of various sources of information, including desk analysis, field visits, survey data, and interviews with counterparts, beneficiaries, partner agencies, donor representatives, programme managers and through the cross-validation of data. In view of the particular aspects of this evaluation (no country visit by the international evaluation team members), particular attention will be given to the elaboration of a strategy for field surveys, the elaboration and test of Questionnaires and the implementation of the surveys in line with agreed professional and impartiality standards. (The evaluation team will also keep in touch with other ongoing evaluations in the same area, such as the recently started evaluation of 5 FAO-implemented irrigation and animal husbandry projects).

The evaluation will encompass the following main tasks:

1. Desk study of available documents and definition of the evaluation methodology with a catalogue of project specific evaluation questions, to which the evaluation should provide answers; this methodology will have to be discussed and agreed with the evaluation units of UNIDO and FAO
2. Briefing and interviews with UNIDO and FAO project staff in Vienna, Rome and/or Amman
3. Organization of a two-day kick-off meeting in Amman involving national and international project staff, counterpart representatives and the entire evaluation team
4. Analytical review of the economic, political and security conditions in the region of intervention (drawing on information received from policy makers, and also other UN Organizations and providers of technical assistance in Iraq and in the region) and investigation into the relevance, needs orientation and realism of the project design and implementation (gathering information above all from project stakeholders and private sector players in the region)

5. Design and execution of a survey on the capabilities of the trainers; this survey shall assess *inter alia*: the profile of the trainers and whether their professional qualification and experience are appropriate with a view to empowering vulnerable and marginalized groups to engage in income creation; whether the quality of the training of trainers (TOT) they received has been adequate; how many beneficiaries they have trained; under which conditions these trainings occurred; whether there have been follow-up activities (coaching); and how trainers assess the success of the trainings; this survey would address at least the 53 trainers who received training under the project until December 2007, if possible more
6. Design and execution of a survey among trainees; this survey would address a representative sample of at least 100 trainees, if possible more; this survey shall assess *inter alia*: the profile of the trainees and to what extent the selection of trainees matches the objectives of the project to support vulnerable and marginalized groups; the quality of the training and of the equipment received and whether these inputs are perceived as adequate with a view to empowering the target groups to engage in income creation; the status of the income creation activities of the trainees (self employment; business creation; employment in existing companies); the impact of the project on their income and living conditions
7. On site visits of the various project sites (vocational training centres; alternative training providers; project partners from the public and private sectors; workshops/micro-enterprises set up by individual beneficiaries and producer groups)
8. Organization of a meeting in Amman where the evaluation team will present its raw results and preliminary findings to project staff and counterparts and collect their feed-back
9. Production of a first draft evaluation report and submission of this report to the evaluation departments and project managers of UNIDO and FAO for feed-back
10. Incorporation of comments into a second draft and submission of this draft to the government, project participants and stakeholders for comments
11. Incorporation of comments into final draft

12. Final debriefing and presentation of final report with UNIDO and FAO in Vienna, Rome and/or Amman

## **VII. Evaluation requirements**

The evaluation will require the following functions, competencies and skills:

- 1) Evaluation team leader with documented experience in:
  - a) Designing and managing complex evaluations
  - b) Leading multi-disciplinary and multi-cultural teams of evaluators
  - c) Development projects in Arab speaking countries
  - d) Development projects related to income generation for vulnerable groups
  - e) Designing and supervising qualitative and quantitative field surveys
  - f) Preparing evaluation reports in line with agreed UN and DAC standards
  - g) Drafting reports in English (excellent drafting skills to be demonstrated)
- 2) Evaluators with documented experience in executing:
  - a) Development projects for income creation of vulnerable groups
  - b) Analysis of micro-enterprise industry activities as a means of creating employment and raising household incomes
  - c) Evaluation of vocational training schemes
  - d) Evaluations in Arab speaking countries
  - e) Qualitative and quantitative field surveys
  - f) Interviews in Arab language with the entire range of stakeholders from vulnerable war-affected groups to high-level officials

The evaluation team must have the necessary technical competence and experience to assess the quality of the technical assistance provided under this project to cottage level production in the areas of:

- burghul, beekeeping, dairy, fruit and vegetable processing and olive oil extraction in the food area covered by FAO
- agro/auto-mechanics, welding, woodwork, machine-stop, carpet making and tailoring in the non-food area covered by UNIDO

The above-mentioned functions, competencies and skills may be distributed among several persons in the evaluation team. Team members may be located in different countries but an effective coordination mechanism will have to be demonstrated. Evaluation team members must be independent and not have been involved in the formulation, implementation or backstopping of the project.



The execution of the evaluation will require full command and control of the specific situation in Iraq and full respect of the UN security rules for Iraq. The ability to carry out field operations in Iraq is a key requirement and must be demonstrated.

The evaluation team leader will be responsible for elaboration of an evaluation strategy, including the design of field surveys and elaboration of questionnaires; guiding the national evaluators for their field work in Iraq; analysis of survey results; gathering of complementary information from project staff, collaborators and stakeholders through telephone interviews and other means; and preparing a presentation of conclusions and recommendations as well as a final evaluation report.

The evaluator(s) will be responsible for carrying out the field surveys (under the guidance of the team leader). The field surveys will provide the foundation for the evaluation and must therefore be executed in line with the highest standards of professionalism and impartiality.

The UNIDO Evaluation Group and the FAO Evaluation Service will be jointly responsible for the quality control of the evaluation process and report. They will provide inputs regarding findings, lessons learned and recommendations from other evaluations, ensuring that the evaluation report is in compliance with established evaluation norms and standards and useful for organizational learning of all parties.

The project office in Amman will logistically and administratively support the evaluation team to the extent possible. However, it should be understood that the evaluation team is responsible for its own arrangements for transport, lodging, security etc.

#### **VIII. Consultations and liaison**

Liaison of the evaluation team with the Iraqi authorities will be provided by an official nominated by the Government of Iraq.

The evaluation team will maintain close liaison with UNIDO and FAO representatives and the concerned national agencies, with the representatives of UNDP and other UN agencies, as well as with national and international project staff. The evaluation team is free to discuss with the authorities concerned anything relevant to its assignment. However, it is not authorized to make any commitments on behalf of the Government, the donor, UNIDO or FAO.

## **IX. Reporting**

The evaluation report shall follow the structure given in Annex A. Reporting language will be English. The executive summary, recommendations and lessons learned shall be an important part of the presentations to be prepared for debriefing sessions in Amman, Rome and/or Vienna.

Draft reports submitted to the UNIDO Evaluation Group and the FAO Evaluation Service was shared with the corresponding Programme or Project Officer for initial review and consultation. They may provide feedback on any errors of fact and may highlight the significance of such errors in any conclusions. The consultation also seeks agreement on the findings and recommendations. The evaluators will take the comments into consideration in preparing the final version of the report.

The evaluation will be subject to quality assessments by UNIDO Evaluation Group and the FAO Evaluation Service. These apply evaluation quality assessment criteria and are used as a tool for providing structured feedback. The quality of the evaluation report will be assessed and rated against the criteria set forth in the Checklist on evaluation report quality.

# Annex B: Questionnaires for evaluation surveys

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## A. Questionnaire for Trainers (TOT)

### Profile of the trainer

- 1) Name of respondent
- 2) Address: Governorate, District, (Sub-district), Village, contact telephone and fax numbers, and e-mail
- 3) Gender
- 4) Professional education
- 5) Professional experience
- 6) How many years experience as a trainer (if any)
- 7) What are the main subject matter expertises
- 8) Employment (employer's name and address) and position before project training
- 9) Present employment and position

### Appropriateness of professional qualifications and experiences for engaging project beneficiaries in income generating activities

- 1) Prior qualifications and experiences in socio-economic development
- 2) Prior qualifications and experiences in MSSR development
- 3) Prior qualifications and experiences in working with vulnerable households and household members

### Adequacy of received project (TOT) training

- 1) Training received under the project: List main subjects
- 2) Name and address of training institution attended
- 3) Calendar period of training/duration
- 4) Number and names of other course participants supported under the project
- 5) Main training subjects: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management
- 6) Perceived quality of the training: Satisfactory, less satisfactory, poor

- 7) Was the training evaluated by participants at completion? Result?
- 8) Which part of the training (if any) was insufficient or less comprehensive than expected?
- 9) What suggestions do you have to improve the training programme?
- 10) Was the training sufficiently comprehensive and adequate to form the basis to train project beneficiaries in engaging efficiently in income generating activities?
- 11) If not, which subjects were missing?
- 12) Acknowledgement of training effort: Diploma, acknowledgement letter, test score, other (which?)
- 13) Do you agree with the course acknowledgement you received?

### **Training conducted as a TOT trainer**

- 1) Have you conducted training of project beneficiaries after your TOT training?
- 2) How many courses have you conducted and how many beneficiaries have in total attended?
- 3) What have been the main subjects of your training courses: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management?
- 4) How useful was the TOT training you have received for the training you conducted: Very useful, useful, and less useful?
- 5) How do you judge the training material and equipment made available for your courses: Satisfactory, less satisfactory, poor?
- 6) What were the main deficiencies (if any)?
- 7) Were the training courses evaluated by participants or others at completion?
- 8) Which parts of the training (if any) were insufficient or less comprehensive than expected by the participants?
- 9) What suggestions do you have to improve your the training courses?
- 10) Have you received further training under the project after your TOT training?
- 11) If no, do you need further training? If yes, in which subjects?
- 12) Are you in (systematic) contact with your earlier trainees?
- 13) Are your trainees given the opportunity to contact you for needed advice?
- 14) Have you given post course mentoring support to your trainees?
- 15) If yes, what have been the subjects for mentoring: Technical, business planning, accounting/record keeping, marketing, financing, banking culture/loan management?
- 16) How do you assess the success of your training courses?

- 17) How do you assess the trainability of the participants in your courses considering that they upon the course should be able to commence income generating activities?

### **Sustainability of the TOT trainer group**

- 1) Have the TOT trainers been organised as a core group (with e.g. subject matter sub-groups) for experience exchange and further education, mentoring of existing beneficiaries, and continued training of other beneficiaries and additional trainers?
- 2) If yes, where have the core group/your subject matter sub-group been organizationally anchored to ensure sustainability?
- 3) If no, are you a member of any formal or informal networks established amongst the TOT trainers?
- 4) Have you undertaken TOT training for participants outside the project?
- 5) If yes, how many courses and how many participants in total?
- 6) Can you freely release yourself from other duties to undertake TOT training?
- 7) Are you satisfied with the contracts and remuneration you receive for your training courses under the project?
- 8) If no, which improvements will you propose?

## **B. Questionnaire for Trainees (Beneficiaries) (TOB)**

### **Profile of the trainee**

- 1) Name of respondent
- 2) Address: Governorate, District, (Sub-district), Village, contact telephone and fax numbers, and e-mail
- 3) Age
- 4) Gender
- 5) Household status: Head, wife, child, relative
- 6) School education: Number of years
- 7) Other education(s)/skills training before project training: Type, number of years
- 8) Name of skill/trade/profession
- 9) Occupation situation before project training: self-employed, employed, unemployed
- 10) If unemployed, how many months without job
- 11) Monthly/yearly income of the trainee before training

### **Profile of household**

- 1) Type of household: Martyr family, woman headed/widow, IDP, returnee, low income villager, other (explain)
- 2) Household size: Number of household members
- 3) Occupation/income generating activity of spouse (if any)
- 4) Monthly/yearly present income of spouse
- 5) Monthly/yearly income of the household before TOB training

### **Project training received**

- 1) Food: Dairy products, fruit and vegetable processing, beekeeping, olive processing, burghul
- 2) Non-food: Auto and agro-mechanics, textile/sewing/tailoring, metalworking/machine shop/lathe, carpet/spinning/weaving, welding, leather working, woodworking, ceramic, computer software, electric wiring, heating/cooling system, small generator repair
- 3) Name and address of VCT or other training provider
- 4) Name of project trainer(s) (TOT(s))
- 5) Trainer's organizational affiliation
- 6) Calendar period of training/duration
- 7) Number of course participants
- 8) Has group formation for after course cooperation/networking been established amongst the participants?
- 9) Main training subjects: Technical, business planning, accounting and costing, record keeping, marketing, financing, banking culture/loan management
- 10) Acknowledgement of training effort: Diploma, acknowledgement letter, test score, other (which?)
- 11) Were the acknowledgement requirements (including the possible toolkit grant) transparent and clear?
- 12) Did your course include the possibility of receiving a toolkit grant?
- 13) If yes, did you receive a toolkit from the project?
- 14) If not, what is your perceived reason of this situation?

### **Quality and sufficiency of the training**

- 1) Perceived quality of the training: Satisfactory, less satisfactory, poor
- 2) Was the training evaluated by participants at completion?
- 3) If yes, what was the result?
- 4) Which part of the training (if any) was insufficient or less comprehensive than expected?

- 5) What suggestions do you have to improve the training programme?
- 6) Do you agree with the course acknowledgement you received?
- 7) Was the training sufficiently comprehensive and adequate to form the basis for you to engage efficiently in income generating activities?
- 8) If no, which subjects are missing?
- 9) Have you received post training mentoring from the project (the TOTs)?
- 10) If no, do you need post training mentoring?
- 11) If yes, what should be the subject for mentoring: Technical, business planning, accounting/record keeping, marketing, financing, banking culture/loan management, other (which)?
- 12) Please mention the three most important things you have learnt from the project training course:
  - 
  - 
  -

#### **Timeliness, quality and sufficiency of toolkit received**

- 1) Did you receive the toolkit at the end of the training course or later?
- 2) If later, how many months later?
- 3) Perceived quality of the received toolkit: Satisfactory, less satisfactory, poor
- 4) Is the toolkit sufficient and adequate for undertaking the desired trade/activity?
- 5) If no, what is missing in the toolkit to cover the needs of the desired trade/activity?

#### **Type of income generating activity resulting from project training**

- 1) Project trade/activity taken up
- 2) Food: Dairy products, fruit and vegetable processing, beekeeping, olive processing, burghul..
- 3) Non-food: Auto and agro-mechanics, textile/sewing/tailoring, metalworking/machine shop/lathe, carpet/spinning/weaving, welding, leather working, Woodworking, ceramic, computer software, electric wiring, heating/cooling system, small generator repair
- 4) Non-project trade taken up: Type?
- 5) No trade taken up: Reason?
- 6) Occupation situation after project training: self-employed, employed, unemployed
- 7) If self-employed:
- 8) Has the project training been decisive for your start of business?
- 9) Are you a member of a production network?

- 10) If yes: What are the benefits of being part of the network: Input sourcing, technical support, product development, marketing, financing, other?
- 11) If employed:
- 12) Have the project training been decisive for your employment?
- 13) Are you employed in a Producer Group?
- 14) If yes: What are the benefits of being employed in a PG?
- 15) Was the toolkit decisive/important/not important for self-employment/employment?
- 16) If unemployed: have you received a toolkit?
- 17) If yes, what use have you made of it?

#### **Impact of the project training on trainee's income**

- 1) How has the trainee's monthly income developed since completed training?
- 2) How much (amount or percentage) of the monthly income is consumed within the trainee's household?

#### **Impact of the project training on the living conditions of trainee's household**

- 1) How has the monthly income of the trainee's household developed since completed training?
- 2) How in money terms has the trainee's project training impacted on the monthly income earning situation of other household members?
- 3) How have the living conditions of the household developed since training: accommodation, food, amenities, education, information, communication, other (which?)?

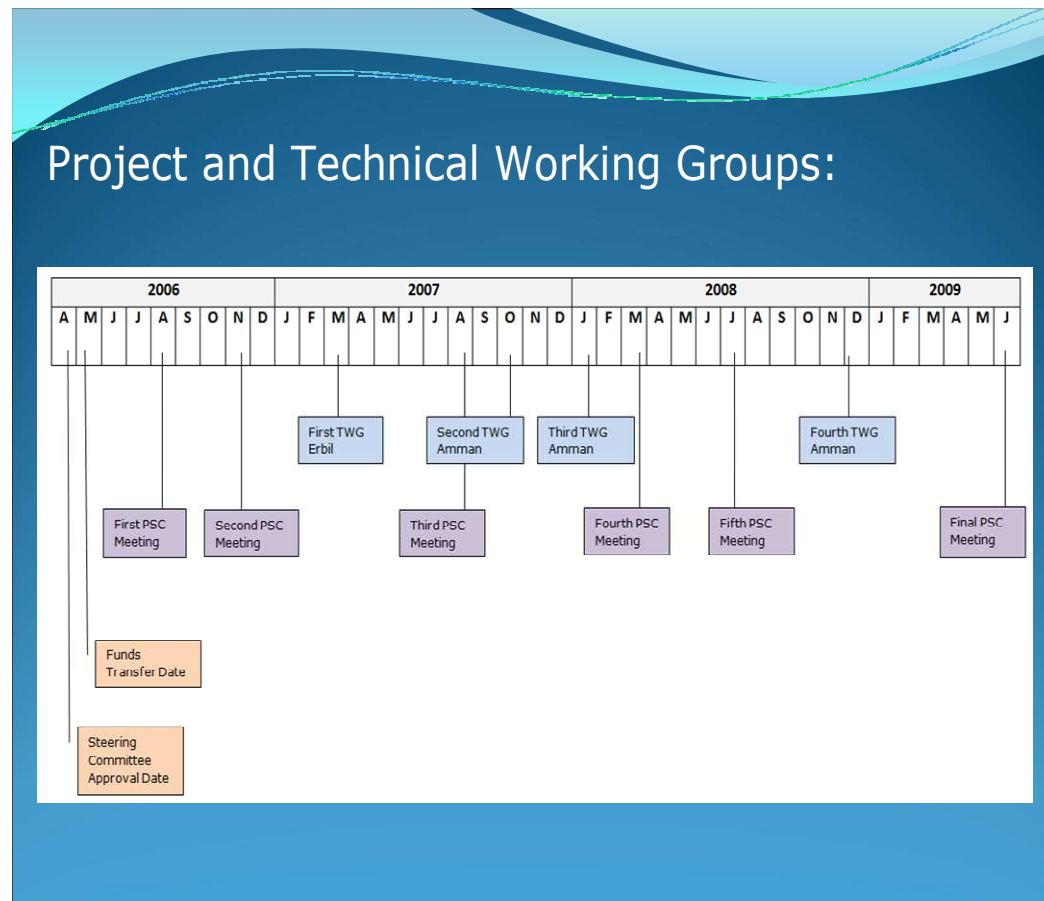
#### **Impact of the project training on the trainee's business development**

- 1) Has the trainee formulated a business plan?
- 2) If yes, explain main contents
- 3) Has a business accounting and costing system been established?
- 4) Has a business recording system been established?
- 5) Has a marketing network been established?
- 6) Has a bank account been opened?
- 7) Has a bank loan been obtained?
- 8) How many employees are presently engaged in the trainee's business: Household members, others?



# Annex C: Timeline for Project Steering Committee (PSC) and Technical Working Group (TWG) meetings

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# Annex D: Project Logical Framework

No.	Objectives	Indicators	Assumptions
	<b>Development Objective</b>		
	Economic recovery of Northern Iraq supported through training of individual members of vulnerable households with the view for them to be employed or to engage in viable food and non-food MSSE activities	Number/percentage of households under the vulnerability threshold decreased from X to Y	The productive activities established under the project will develop and be replicated in other local communities.  The relatively peaceful situation of the KRG continues
	<b>Immediate Objectives</b>		
1.	Capabilities enhanced in the Ministries of Industry and Agriculture and the selected VTCs for training and mentoring project beneficiaries in selected categories of appropriate technologies, business management and marketing.	Budgets and programmes for MOI and MOA training and mentoring activities towards vulnerable households established	Project understanding and ownership established in the involved ministries and VTCs and formalised cooperation established. The trainers (TOTs) trained under the project acquire the needed competencies for undertaking project training of beneficiaries. The TOTs are established as a core group anchored efficiently within the MOI and MOA.
2.	The state of 2,000 vulnerable households in 12 districts of Erbil and Sulaymaniyah Governorates improved beyond the vulnerability threshold through self and other employment of household members (core beneficiaries: martyr families, women headed households/widows, low income villagers, IPDs, returnees and youth)	Income of 2,000 vulnerable households in project areas increased beyond the vulnerability level through project-related activities and initiatives	Project training of beneficiaries results in sustainable productive activities and employment  Money earned by beneficiaries is used to the benefit of their respective households

	<b>Outputs</b>		
1.1	Relevant personnel from Ministries of Agriculture and Industries and selected VTCs trained through project seminars and workshops on engaging members of vulnerable households in viable food and non-food MSSE activities	Number and duration of seminars and workshops and number and profile of participants from the involved organizations	The persons selected for training are relevant for project planning, implementation and sustainability  Formalized cooperation established between the involved ministries, the VTCs and other concerned organizations on MSSE development
1.2	60+ number of personnel from the Ministries of Agriculture and Industry, the selected VTCs, and other relevant agencies trained as trainers through the projects TOT programme	List of profile and subject matter training of the 60+ trainers and their activity schedule on active involvement in training and mentoring of project beneficiaries	The persons selected for TOT training are relevant for project implementation and sustainability
2.1	2,000 project beneficiaries trained in selected project technologies, business management, and marketing with the view to start own business or obtain employment	List of trainees who have accomplished the courses, distributed on technology, beneficiary profile, and geography (rural-urban)	The beneficiaries selected are members of vulnerable households in the project areas, meet the required profile requirements, are trainable, and have the potentials to be self-employed or employed
2.2	A minimum of 600 unemployed young men and women provided with skills enabling them to obtain jobs and/or start up an economic activity	List of trainees who have accomplished the courses, distributed on technology, beneficiary profile, and geography (rural-urban)	The beneficiaries selected are members of vulnerable households in the project areas, meet the required profile requirements, are trainable, and have the potentials to be self-employed or employed
2.3	16 Production Groups for food and non-food processing/manufacturing established/technically upgraded and trained in input sourcing, marketing and business management	16 Production Groups in active and viable operation in selected vulnerable project areas	Relevant labour intensive MSSEs with potentials of sustainable growth and to be models for replication are selected for project support

	<b>Activities</b>		
1.1.1	Review the existing VTC capacities in the project areas in terms of manpower, assets, quality, relevancy, and resource needs, and select candidates for project participation	Assessment report of VTCs	The review is undertaken timely, efficiently and professionally. Selection of candidates is objective and transparent
1.1.2	Plan and conduct participatory workshops and seminars with targeted communities, Ministries of Agriculture and Industries, selected VTCs on project concepts and strategies	Agenda and proceedings from workshops and seminars. Post evaluations by participants	Workshop and seminar agendas are relevant and the events are conducted timely according to project work plan, efficiently and professionally
1.1.3	Design and develop training methodologies and curricula	Training methodology report and training curricula	Training methodologies and curricula are at state-of-the-art level
1.2.1	Plan and organise the training of trainers programme (TOT) and select candidates for training in close cooperation with all relevant involved parties	Training plan and post training evaluation reports.	Course contents are relevant and courses are conducted timely, efficiently and professionally. Selection of candidates for training is objective and transparent
1.2.2	Plan and organise training for local extension staff in selected project technologies and in technology transfer methodologies	Training plan and post training evaluation reports. List of trainees who have accomplished the courses, distributed on their profiles and subject matter trained	Course contents for local extension staff are relevant and courses are conducted timely, efficiently and professionally
2.1.1 + 2.2.1	Plan and organise training of project beneficiaries in technical subject matters and basic entrepreneurial skills, and select candidates for training	Training plan and post training evaluation reports	Course contents are relevant and courses are conducted timely, efficiently and professionally. Selection of candidates for training is objective and transparent

2.2.2	Further develop beneficiaries' skills through mentoring consultations and practical demonstrations	Project planning and implementation recording	Resources are made available for post training mentoring and practical demonstrations
2.2.3	Evaluate training effectiveness and make recommendations for improvement	Training assessment reports	Evaluation is undertaken efficiently and professionally
2.2.4	Prepare the technical specifications of and procure the equipment to be supplied to selected beneficiaries by the project	Detailed list of procurement distributed on technology	The technical specifications are appropriate, procurement is timely, and quality and durability of procured equipment high
2.3.1	Support the establishment of Production Groups, train them in business management, and facilitate their access to finance and linkages with markets	Production Group visits and interviews	Sufficient number of existing relevant MSSEs are ready to fulfill the conditions connected to Production Group status
2.3.2	Prepare the technical specifications of and procure the required equipment for the selected Production Groups and supervise its installation	Detailed list of procurement. Verification of installations	The technical specifications are appropriate, procurement is timely, and quality and durability of procured equipment high
<b>Inputs</b>			
	<u>Through the UNDG-ITF:</u>	<u>USD</u>	Funds are available timely and sufficiently according to project budget and work plan
	National Project Personnel	183,600	
	Long Term Int. expertise	414,000	
	Short Term National Cons.	51,000	
	Short Term Int. expertise	120,000	
	Contracts	1,029,000	Engaged international and national experts fulfill their assignments satisfactory according to their TORs
	Trainings	681,360	
	Equipments	2,474,569	
	Supplies & Commodities	111,000	
	Travel	114,120	
	<b>Project sub-total</b>	<b>5,178,673</b>	Procured equipment has the required capacity and quality and is delivered timely
	Miscellaneous 3%	155,360	
	Security 2%	103,573	
	Agency support cost 7%	362,507	
	<b>Project sub-total UNDG-ITF</b>	<b>5,800,116</b>	

	<p><u>Through the Government:</u></p> <p>In kind contribution constituted by the provision of buildings for the project office, storage of equipment and training facilities; and personnel to be released for the project activities and training</p>	<p><b>500,000</b></p>	<p>In kind contributions are available timely and sufficiently according to project agreement and work plan</p>
	<p><b>Total project cost, USD</b></p>	<p><b>6,300,116</b></p>	

# Annex E: PG and VTC

## Investment costs

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Table 1: Investment cost per PG (approximate)

	PGs	Equipment	Total Investment USD
<b>Non Food PGs</b>			
1	Machine shop-Erbil	Equip. with civil works	55,000
2	Agro mechanic repair-Erbil	Equip. with civil works	28,620
3	Sewing-Tailoring -Erbil	Equip. with civil works	9,270
4	Carpet weaving-Erbil	Equip. with civil works	22,000
5	Auto repair mechanics-Suli.	Equip. with civil works	22,465
6	Woodworking-carpentry-Suli.	Equip. with civil works	26,255
7	Carpet weaving-Suli.	Equip. with civil works	22,000
8	Welding & fabrications-Suli.	Equip. with civil works	49, 930
<b>TOTAL Non Food PGs</b>			<b>235,540</b>
<b>Food PGs</b>			
1	Bulgur /seed processing-Erbil	Equip. with civil works	60,000
2	Fruit processing-Erbil	Equip. with civil works	15,000
3	Dairy processing-Erbil	Equip. with civil works	14,000
4	Beekeeping processing-Erbil	Equip. with civil works	15,000
5	Fruit processing-Suli.	Equip. with civil works	15,000
6	Beekeeping processing-Suli.	Equip. with civil works	15,000
7	Dairy processing-Suli.	Equip. with civil works	14,000
<b>TOTAL Food PGs</b>			<b>148,000</b>
<b>GRAND TOTAL</b>			<b>383,540</b>

**Table 2: Investment cost per VTC (approximate)**

	<b>Non-Food VTCs</b>	<b>Equipment</b>	<b>Total Investment USD</b>
1	Erbil mechanical industrial school	Woodworking department	15,000
		Machine shop department	35,000
		Welding , Metal departments	25,000
2	Sulimanyhia mechanical industrial school	Woodworking department	15,000
		Machine shop department	35,000
		Welding , metal departments	25,000
3	Wasta Rajab vehicle industrial school	Auto repair equipments	33,000
4	Agro mechanical repair industrial school	vehicle repair equipments	33,000
5	Hand Carpet factory Erbil	Weaving & spinning equipment	6,000
6	Hand Carpet factory in Sulimanyhia	Weaving & spinning equipment	6,000
7	Handicraft centre Erbil	Leather equipments	42,000
8	Handicraft centre Sulimanyhia	Sewing toolkits, weaving equipment	6,000
9	MOLSA /training centre Erbil	Sewing equipment	133,000
10	MOLSA/training centre Sulimanyhia	Sewing toolkits	2,000
	Main prison-Erbil	Sewing toolkits	11,000
	Main prison–Sulimanyhia	Sewing toolkits	11,000
<b>TOTAL Non-Food VTCs</b>			<b>433,000</b>

	<b>Food VTCs</b>	<b>Equipment</b>	<b>Total Investment USD</b>
1	Main agricultural training centre/Erbil	Beekeeping equipment	40,000
2	Main agricultural training centre/Sulimanyhia-Bakrajo	Fruit processing equipment	68,400
		Dairy processing training equipment	10,000
3	Agricultural research centre/Erbil	Olive oil processing	62,852
		Diesel generator	25,580
4	Agricultural extension centre–Salahaddin sub district	Dairy processing training equipment	10,000
5	Agricultural extension centre–Soran district	Beekeeping training equipment	10, 000
<b>TOTAL Food VTCs</b>			<b>226,832</b>
<b>GRAND TOTAL VTCs</b>			<b>659,832</b>



