

Independent Terminal Evaluation

Development of Clusters in Creative and Cultural Industries in the Southern Mediterranean

Volume I – Main report

UNIDO Project ID: 130034



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

**UNIDO INDEPENDENT EVALUATION DIVISION
OFFICE OF EVALUATION AND INTERNAL OVERSIGHT**

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Special thanks go to the project coordination teams at UNIDO Headquarters and in the countries for their valuable support, for the provision of information and for the organization of the field missions.

The independent evaluation was conducted over the period August-November 2017 by a team composed of two evaluation consultants, Leny van Oyen (Team Leader) and Zakiatou Oualet Halatine. The work of the team covered document review, the preparation of an inception report and final report, and covered individual missions to the 7 participating countries. Volume I covers the main report. A separate Volume II of the report covers Annex 6 containing details on the country specific evaluation findings. It covers the assessment of achievements by country and cluster, describing for each country/cluster the planned results and activities versus their implementation, including a cluster snapshot overview and an assessment of the project work in each participating country, following the standard evaluation criteria.

The evaluators hope that this report will be instrumental in discussions and decision making by the project stakeholders both at the regional level (Project Advisory Board) and at the country level (Project Steering Committees) regarding “The way forward”.

Abbreviations and acronyms

Abbreviations	Meaning
AFD	Agence Française de Développement
AGENOR	Agence Nationale pour la Transformation et la Distribution de l'Or et des autres métaux précieux (Algeria)
AMITH	Association Marocaine des Industries du Textile et de l'Habillement (Morocco)
APII	Agence de Promotion de l'Industrie et de l'Innovation (Tunisia)
ATFP	Agence Tunisienne de la Formation Professionnelle (Tunisia)
RK	Records Keeping
CM	Clustero-Metro
B2B	Business to Business
B2C	Business to Consumer
BCCI	Bethlehem Chamber of Commerce and Industry
BCC	Bethlehem Chamber of Crafts
BLS	Business Level Survey
BDS	Business Development Services
BTC	Bethlehem Treasures Cluster
BTS	Banque Tunisienne de Solidarité (Tunisia)
CAM	Chambre de l'Artisanat et des Métiers (Algeria)
CCI	Cultural and Creative Industries
CDA	Cluster Development Agent
CDA-HDCC	Cluster Development Agent for Habitat Designers Cluster Cairo (Egypt)
CDA-LDCC	Cluster Development Agent for Leather Designers Cluster Cairo (Egypt)
CDA-BTC	Cluster Development Agent for Bethlehem Treasures Cluster (Palestine)
CDA-NFC	Cluster Development Agent for Nablus Furniture Cluster (Palestine)
CEPEX	Centre de Promotion des Exportations (Tunisia)
CMA	Casa Moda Academy (Morocco)
CSC	Cluster Support Centres
CSSP	Cluster Support Service Platforms
CTTH	Centre Technique Textile et Habillement (Morocco)
EBA	Ecole des Beaux Arts
EBF	Emerging Business Factory (Morocco)

Abbreviations	Meaning
EBRD	European Bank for Reconstruction and Development (=BERD)
ENP	European Neighbourhood Policy
EC	European Commission
EU	European Union
EECH	Egyptian Export Council for Handcraft
ESBA	Ecole Supérieure des Beaux-Arts
ESITH	Ecole Supérieure des Industries du Textile et de l'Habillement (Morocco)
Expert LT	Expert long term
Expert ST	Expert short term
Expolink	Expolink Egyptian Exporters Association
FAC	Fonds d'Appui aux Clusters (Morocco)
FEI	Federation of Chambers of Industry (Palestine)
FEC	Furniture Export Council (Egypt)
FPCCI	Federation of Palestinian Chambers of Commerce and Industry
GiZ	German Agency for Development Cooperation
GSC	Garment Design and Training Services Center (Jordan)
HQ	Headquarters
HR	Human Resources
Gov	Government
IDF	Industrial Development Fund (UNIDO)
ICTII	Industrial Council for Technology and Innovation (Egypt)
IMC	Industrial Modernisation Center (Egypt)
INAPI	Institut National de la Propriété Industrielle (Algeria)
INNORPI	Institut National de la Normalisation et de la Propriété Industrielle (Tunisia)
ISBAN	Institut Supérieur des Beaux-Arts de Nabeul (Tunisia)
ISID	Inclusive and Sustainable Industrial Development
ITC	International Trade Centre
JEDCO	Jordan Enterprise Development Corporation
KPI	Key Performance Indicators
LTC	Leather Technology Center (Egypt)
MIT	Ministry of Industry and Trade (Egypt)
MNE	Ministry of National Economy (Palestine)
MoU	Memorandum of Understanding

Abbreviations	Meaning
M&E	Monitoring and Evaluation
MSME NCCI	Micro and Small and Medium Enterprises Nablus Chamber of Commerce and Industry
NFC	Nablus Furniture Cluster
NPC	National Project Coordinator
NPC/CDA	National Project Coordinator and Cluster Development Agent
NSC	National Steering Committee (same as: PSC)
ONA	Office National de l'Artisanat (Tunisia)
OPT	Occupied Palestinian Territory
PAC	Project Approval Committee (regional)
PACS	Programme d'Appui à la Compétitivité de Services (EBRD)
PalTrade	Palestine Trade Center
PFI	Palestinian Federation of Industry
PSC	Project Steering Committee (national)
ROM	Results Oriented Monitoring
SME	Small and Medium Enterprises
SWOT	Strengths, Weaknesses, Opportunities and Threats
TIU	Traditional Industries Union (Palestine)
ToR	Terms of Reference
UfM	Union for the Mediterranean
UNCTAD	United Nations Conference on Trade and Development
UNIDO	United Nations Industrial Development Organization
UNPTI or UTI	Union of Palestinian Traditional Industries
USAID	US Agency for International Development
UTICA	Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat (Tunisia)
W/days	Work days
WIU	Wood Industries Union

Glossary of evaluation 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 intervention's objectives were achieved, or are expected to be achieved.
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.
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.
Lessons learned	Generalizations based on evaluation experiences that abstract from the specific circumstances to broader situations.
Logframe (logical framework approach)	Management tool used to facilitate the planning, implementation and evaluation of an intervention. It involves identifying strategic elements (activities, outputs, outcome, impact) and their causal relationships, indicators, and assumptions that may affect success or failure. Based on RBM (results based management) principles.
Outcome	The likely or achieved (short-term and/or medium-term) effects of an intervention's outputs.
Outputs	The products, capital goods and services which result from an intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.
Relevance	The extent to which the objectives of an intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' 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 evaluation covers a pilot regional project in the Southern Mediterranean region aimed at demonstrating the potential of clusters of creative and cultural industries (CCI) to contribute to inclusive growth. Funded by the EU (€5 million) and Italy (€600,000), implemented by UNIDO and including also the Union for the Mediterranean (UfM) among its partners, the project covered 7 countries, namely Algeria, Egypt, Jordan, Lebanon, Morocco, Palestine and Tunisia. The project was signed in November/December 2013, started in February 2014, with a planned duration of 4 years, including 6 months for its inception, 36 months for implementation and 6 months for its replication/dissemination. While its actual duration is scheduled up to end December 2017, its extension (and corresponding budget increase) is under negotiation with the donors.

The project had the following immediate objectives, formulated as follows in the project document:

- Mapping of clusters and value chains in CCI in the countries covered;
- Stimulating promising pilot initiatives in a number of clusters demonstrating the CCI potential in promoting inclusive growth and employment
- Replicating promising pilot initiatives
- Disseminating results to stakeholders.

The independent evaluation was conducted over the period August-November 2017 by a team composed of two evaluation consultants, Leny van Oyen (Team Leader) and Zakiyatou Oualeat Halatine. The work of the team covered document review, the preparation of an inception report and final report, and covered individual missions to the 7 participating countries. Volume I covers the main report, whereas Volume II covers the Annex containing details on the country specific evaluation findings.

Summary of assessment

Project identification and design (project document): the project was demand based, building on discussions at the level of the Euro-Med Industrial Cooperation mechanism to engage in a pilot initiative to support cluster development in the field of CCI. The project implementation strategy was well structured, covering the following subsequent steps: cluster mapping; call for expression of interest; cluster ranking and selection; support to selected clusters; and a replication plan for each country covered. Institutional capacity strengthening was built around cluster support centres (also called Design Hubs). The logical framework (marginally revised at the end of the inception phase) was overall clear, with some gaps in the degree of precision of the formulation of objectives and indicators. Market development targets focused mainly on international markets. A section reflecting lessons learned from UNIDO's cluster development support experience over the past two decades would have been appropriate in the project document.

Relevance and Ownership: the project was highly relevant, given its focus on cluster development in the field of CCI, a "sector" with opportunities for income generation and job creation, including for women and youth. Its pilot logic covered interventions at the micro, meso and macro level, aimed at demonstrating the potential of CCI clusters to contribute to inclusive growth in the Southern Mediterranean region, which was and remains fully in line with the policy priorities of the participating countries, the donors (EU and Italy), UfM as partners and also UNIDO. Efforts towards replication/upscaling were integral part of the project approach.

There was strong national/local engagement in project implementation, illustrated by the regular steering committee meetings at the country level throughout implementation and

effective cost-sharing of activities (both in-kind and financial) by both key counterpart and enterprises). Another sign of ownership were several cases of national funding mobilised to pursue support to the clusters and integration of the cluster development in national strategies (handicraft sector development). There were gaps in information sharing on the budget allocation, which was an issue raised by most participating countries (not treated as co-owners in this regard).

Efficiency in implementation: the project did a lot with relatively small financing, as covering interventions at different levels in a total of 7 countries over a period of four years. In this regard it is to be noted that the project teams (field/HQ) and counterparts played an active role in leveraging additional sources of funding (local/national/international) to implement the cluster action plans and secure also follow-up support. The cluster mapping exercise (the first stage in the strategy) was highly appreciated by the stakeholders (and was reported to have been used beyond the project). The call for proposals generated a lot of interest (136 responses). To the extent only a limited number of clusters could be support (max. 2 per country), a PAC decision on the project's sub-sector focus prior to the call for proposals would have reduced frustrations at the level of submitting groups (14 selected out of 136). The second stage (diagnostics and action plan) was comprehensive, in particular sub-sector focused and took quite some resources (time/expert inputs). There were no in-depth diagnostics of the groups ultimately supported and the actions thus required some adaptation to the actual situation of these groups.

Design and product development being a key feature of the project strategy, this got emphasis in interventions (as illustrated by the products/collections developed and showcased at fairs/events. Several stakeholders mentioned the need for more involvement of national design expertise to this end. Formal cluster development training of counterparts was mainly organized at the start of the project (to explain the approach) and towards the end. Several stakeholders mentioned that more training was needed on the tools/approach given the aim to replicate/upscale the pilot initiatives. Overall, the quality of inputs and services was appreciated by the stakeholders, with mixed appreciations in the case of some short-term experts fielded. Finally, there were cases of cooperation with other projects (EU, UNIDO, other), whereas there remains room for further strengthening synergies (both external and internal) considering (i) the range of support needs for groups of enterprises to become more competitive and capture new markets and (ii) limited financial resources of the project (even if increased in a likely extension).

Project coordination and management including M&E: there were 3 PAC meetings over a four-year period and almost yearly National Steering meetings in each of the countries. The beneficiary cluster were selected and validated in a transparent manner through the steering bodies. As regards day-to-day project coordination, the coordination teams (one at UNIDO HQ - involving cooperation between two different branches - and one in each of the countries) were highly motivated, actively engaged and well-qualified and communication among them was/is smooth. Although there were quite some changes in staff at the country level, this was not reported to have seriously affected project operations/results. To the extent contract durations of longer-term experts were in many cases rather short, this can be attributed to the cash flow situation (receipt of instalments) and the number of longer-term project experts mobilized in the project. Reporting was overall in line with donor requirements, notwithstanding observed gaps in the dissemination of progress reports to the countries (including also project teams, donor field representatives and UNIDO Field Offices). The project is commended for the active and wide range of communication efforts/channels aimed at both project visibility and market development. Attention is drawn to "overcrowding" of donor/agency logos on promotional materials for enterprises/clusters (where these logos are considered less appropriate).

As regards M&E, the system/tools were elaborated in the inception phase on which project field staff was trained. The M&E system is considered solid but “heavy” as being time consuming and difficult to engage beneficiaries to provide the requested information. The system ended up being mainly used for donor reporting and is unlikely used by countries in upscaling efforts unless simplified.

It is to be noted that a Results-Oriented Monitoring (ROM) mission (EU) was conducted in 2016, the findings of which were overall positive. There is no indication of discussion of the ROM observations/recommendations at the level of the Steering Committees (as per the minutes of these meetings).

Effectiveness and actual/likely impact: the pilot project had a range of encouraging results exceeding the quantitative targets set in the inception phase, among which the following are cited: 13 clusters supported covering core groups of enterprises that started to work together and with support institutions (core groups of different size and with varying degree of formalization); support service platforms under establishment in all countries; start of product diversification as result of training and coaching; market exposure through participation in more than 30 fairs/events - the results of linkages with large buyers being for now limited. Project reporting as at November 2017 highlighted the following:

<i>Updated selected indicators as at November 2017</i>	<i>Aggregated figures (all clusters)</i>
Jobs created since start of project	220
Direct increase in sales (in €)	683,600
Participation to international trade fairs since start of project (number of fairs)	28
Number of product lines created by beneficiaries since start of project	87
Funds raised (in €)	3,264,000
Number of joint actions implemented by direct beneficiaries (2017)	78
Share (%) of overall cluster budget financed by cluster members (2017)	14,7
Number of beneficiaries exposed to international markets (2017)	90
Number of beneficiaries assisted in market follow-up activities (2017)	66
Actions completed out of the priority actions (cluster action plan) - number	157 out of 223
Actions completed out of the priority actions (cluster action plan) - %	70%

Source: data provided by project coordination team during debriefing, Dec 2017

Sustainability prospects: the existence or recent development of national/sector policies that include the cluster approach in the field of CCIs is expected to contribute to the continuation of support at the local/national level beyond the project. This being said, project support needs to move from a doer role to a coaching role in order to gradually phase out external support and counterparts to take over. Notwithstanding the achievements at the level of 13 clusters (the details of which are provided in Annex 6), these pilot cases are still fragile and require further support in order for these to become references (success stories) in upscaling efforts. It is not possible to assess at this stage the sustainability prospects of the service centers/Design Hubs to the extent they are still under establishment. As regards the clusters themselves, their formalization is considered important for their sustainability, with cluster leadership and cluster management being at the core.

Cross-cutting issues: regarding gender equality, gender mainstreaming was addressed in the inception phase and the M&E system includes some gender disaggregated indicators. There was a gender balance in project coordination and, depending on the sub-sector, there were several cases of women entrepreneurs joining hands and developing with limited resources lucrative businesses. With respect to youth, their involvement was in particular

through linkages between training institutions and clusters, providing opportunities for involvement in product design/development, internships and, in general, raising interest of youth in CCI as a career path. Finally, as far as environment is concerned, there was some attention to occupational health and safety (linked to cluster working conditions), although in most cases (sub-sectors) there were no major environmental issues. Given the limited resources, the project was not in a position to cover activities in the field of energy efficiency (an issue in some clusters).

Overall rating: in accordance with the mandatory rating system (UNIDO)¹, the overall rating is presented below.

#	Evaluation criteria	Mandatory rating
A	Impact	S
B	Project design	S
1	• Overall design	S
2	• Logframe	S
C	Project performance	S
1	• Relevance	HS
2	• Effectiveness	S
3	• Efficiency	S
4	• Sustainability of benefits	S (Likely sustainable))
D	Cross-cutting performance criteria	S
1	• Gender mainstreaming	S
2	• M&E: ✓ M&E design ✓ M&E implementation	S S
3	• Results-based Management (RBM)	S
E	Performance of partners	S
1	• UNIDO	S
2	• National counterparts	S
3	• Donor	S
F	Overall assessment	S

¹ As the UNIDO rating system changed, the format used in the previous drafts of this report has been adapted to the new UNIDO format.

HS	= Highly satisfactory	The project had no shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Excellent
S	= Satisfactory	The project had minor shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Well above average
MS	= Moderately satisfactory	The project had moderate shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Average
MU	= Moderately unsatisfactory	The project had significant shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Below average
U	= Unsatisfactory	The project had major shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Poor
HU	= Highly Unsatisfactory	The project had severe shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Very poor

The way forward

The project constitutes an important and ambitious pilot experience with encouraging achievements. Each section of the global assessment (Chapter III) concludes with both strong points and points for attention. As one stakeholder at the country level put it: “It is a beautiful project that has to continue in a proper way and has to end beautifully”.

The evaluation findings resulted in a list of interrelated recommendations (Chapter V) that also include some explanatory notes and suggestions for consideration by the core project partners (donors, main counterparts in the participating countries and UNIDO at the level of the regional and national steering). These recommendations cover in particular:

1. Extension of the regional project (including budget increase) by 18 months to allow for:
 - consolidation of support to the existing pilot clusters;
 - gradual transfer of cluster support from local project teams to national/local actors that are in charge of cluster development in the participating countries;
 - preparation of national upscaling phase.
2. Preparation of a detailed and realistic work plan cum budget to complete and consolidate the current support to the 13 clusters (one work plan per clusters, developed together with the country stakeholders).
3. Preparation of a project-wide work plan cum budget for the period January 2018 – end June 2019.
4. Seamless extension of the project to keep momentum.
5. Deepening the involvement of the stakeholders represented in PAC/NSCs.
6. Provision of policy level advice/assistance in support of cluster development (upon request of countries).
7. Organization of series of hands-on training of cluster development agents and cluster managers.
8. Strengthening of efforts to seek market opportunities, including active follow-up of participations in international fairs over past two years driven by enterprises themselves and more emphasis on local markets/local intermediaries for export.
9. Review/refinement of business plans of service centers/Design Hubs in view of their sustainability.
10. Pursuing the organization of technical and business development training for artisans and small enterprises (with special attention to women entrepreneurs and youth), with possible involvement of other projects in view of synergies.

I. INTRODUCTION

1.1 Purpose and scope of the evaluation

This evaluation constitutes the terminal evaluation of project “Development of clusters in creative and cultural industries in the Southern Mediterranean”. The project was signed in December 2013, started in February 2014² and is expected to be completed in December 2017.³

The **purpose** of this terminal independent evaluation is to independently assess the project to help UNIDO improve performance and results of future projects and projects. The evaluation has the following specific objectives: (i) assess the project performance in terms of relevance, effectiveness, efficiency, sustainability and progress to impact; and (ii) develop a series of findings, lessons and recommendations for enhancing the design of new and implementation of ongoing projects and projects by UNIDO. The overall aim of the assessment is to enable the core project stakeholders - *the donors (EU and Italy), the Governments of the participating countries (Algeria; Egypt; Jordan; Lebanon; Morocco; Palestine; Tunisia), Union for the Mediterranean (UfM) and UNIDO* - to take informed decisions with respect to the consolidation of efforts and replication of support to cluster development in the sector of creative and cultural industries/eventually other sectors in the region and beyond.

In terms of its **scope**, the evaluation covers *a priori* the entire duration of the project. However, to the extent the project evaluation including the field missions took place in the third quarter of 2017 and project progress reports received were up to March 2017 (with some project data updated as at June 2017), the last quarter of project operations is not covered by this evaluation. Still, this report includes some project performance data as at November 2017 (based on data provided to the evaluation team after the mission, i.e., during the evaluation debriefing on 11/12 December 2017).

The evaluation was carried out by two independent consultants: Leny van Oyen (team leader) and Zakiyatou Oualet Halatine. After a joint briefing in UNIDO HQ (27 July 2017), the two consultants visited all 7 countries included in the project.⁴ All field missions took place in the period early September-mid October 2017. The list of institutions/persons met is included as Annex 4.

This evaluation report is presented in two volumes, namely:

Volume I covers the main report, including description of the project background, the overall assessment of the design of the project and of its implementation, conclusions and recommendations as well as lessons learned.

Volume II covers the assessment of achievements by country and cluster, describing for each country/cluster the planned results and activities versus their implementation, including a cluster snapshot overview and an assessment of the project work in each participating country, following the standard evaluation criteria.

² Recruitment of an International Coordinator and Project Assistant.

³ The evaluation team is aware of ongoing discussions (since July 2017) of UNIDO with the EU on an eventual extension phase (allocating additional funding and additional time) focused on the strengthening of the market access and creative hub dimensions of the project, with the aim to reinforce the project exit strategy. The evaluation findings and recommendations on “the way forward” are expected to support decision making in this regard.

⁴ There was a change in the initial division of labour as regards the countries covered due to visa issues.

1.2 Methodology and process

The evaluation was guided by the Terms of Reference (ToR) in Annex 1. In line with these ToR, an inception report was prepared and submitted to UNIDO HQ on 2 August 2017. The inception report included *inter alia* the evaluation framework (cf. Annex 3) structured around the core evaluation questions.

The collection and analysis of information is based on:

- Document review;
- Interviews at the level of each of the clusters covered (focus group and individual meetings as appropriate);
- Interviews with the main public and private project partners, including the donors at field level as well as UNIDO Field Office/Desk and exchange by phone with the managers of the project at EU HQ (Brussels);
- Observations during the field mission.

There were no significant limitations or challenges faced in the evaluation, other than the considerable underestimation of time required to prepare for the field missions, to plan the missions at dates suitable to the local stakeholders in the 7 countries, and to analyze the country-specific project achievements (*de facto* 7 sub-projects). Overall, the ToR of the evaluation provided a detailed overview of the project background and its implementation. As of the start of the assignment access to core project documentation (presented in a well-structured manner) was provided via Google drive. Additional information was however needed and provided by the UNIDO project team upon request during and after the initial briefing at UNIDO HQ, including after the field missions.

It is to be noted that some project performance data were up to end 2016 (reflected in the March 2017 progress report), with a subset of data updated by the coordination team as at June 2017. As requested during the debriefing (11/12 December 2017), the evaluators included data updated by UNIDO in November 2017 (received *after* submission of the first draft for discussion) in the subsequent version of the evaluation report.

A harmonized approach was followed by the two consultants, guided by the same questions and using the same format for presenting the information collected in the different countries visited (and analysis thereof) to facilitate compilation and comparability across countries (common interview guidelines; common formats for summarizing achievements, for the snapshot overview of the clusters and for the assessment).

The approach adopted by the team was participative, bringing out the various stakeholders' views (including local counterparts, participating enterprises, donor representatives as well as project staff at the country level). The 'cluster picture' established for each of the supported clusters was prepared with involvement of the local stakeholders. Where feasible time wise an informal debriefing took place at the end of the mission, including the UNIDO Office/Desk in the country.

II. PROJECT BACKGROUND

2.1 Project context

The project was developed and implemented in the context of EU support to private sector development initiatives in the Southern Mediterranean region to respond to challenges in the Southern neighbourhood among which unemployment and migration. More precisely, support to economic growth, development and job creation is one of pillars of the Partnership for Democracy and Prosperity with the Southern Mediterranean that was launched by the European Commission (EC) in March 2011 in the context of the European Neighbourhood Policy (ENP). This initiative recognizes the important role played by small and medium enterprises (SMEs) in job creation, which requires *inter alia* a conducive business environment and entrepreneurship, matching of training and labour market requirements, and transformation of the informal sector.⁵

The related Joint Communication of the EC and the High Representative of the European Union for Foreign Affairs and Security Policy entitled “A new response to a changing neighbourhood” refers to the role of the Union for the Mediterranean (UfM) to “organise effective and results-oriented cooperation”, and act as “catalyst to bring states, the European Investment Bank, International Financial Institutions and the private sector together around concrete economic projects of strategic importance and generating jobs, innovation and growth throughout the region”.⁶ In the communication on the Partnership for Democracy and Prosperity with the Southern Mediterranean and also in the above-mentioned “New response” reference is also made to the potential role of the European Bank for Reconstruction and Development (EBRD) in the Southern Mediterranean subject to the expansion of its mandate (meanwhile adopted).

It is in this context that the project under review was developed, based on the potential of cultural and creative industries (also referred to as CCI) to foster inclusive economic development, involving both skilled and less skilled workers, including its potential for the engagement of youth and women in such economic activities. The project document defines cultural and creative industries as *a range of activities which transform cultural and creative inputs into goods and services embodying both cultural and economic values*, which includes a vast spectrum of activities (cf. project document, p. 2).

The potential of the cultural and creative industries sector is illustrated by its global trade totalling USD 547 billion in 2012 as compared to USD 302 billion in 2003 (UNCTAD, 2015). Export earnings in developing/emerging countries rose from USD 87 billion to USD 272 billion in the period 2003-2012, covering mainly China, other countries in Asia and Latin-America. However, for most developing countries the importance of cultural and creative industries as a source of fostering inclusive economic development is for now underexploited.⁷

The above-mentioned Partnership for Democracy and Prosperity with the Southern Mediterranean does not include specific reference to cultural and creative industries as a focus area for cooperation. This being said, at the level of the EU itself the sector moved higher on the policy agenda over the past decade, as shown by the European Parliament’s resolution (12 September 2013) on promoting the European cultural and creative sectors as sources of economic growth and jobs - referring in this regard also to cluster development.⁸ This intra-EU attention to the theme of cultural and creative industries appears to have

⁵ COM (2011) 200

⁶ COM (2011) 303, p.17

⁷ UNCTAD, Creative Economy Report, 2015

⁸ European Parliament, Document A7-0248/2013; reference to cluster development included in point 11 under “Conditions required for the development of cultural and creative sectors”.

influenced EU's development cooperation priorities in the Southern Mediterranean. More precisely, the 9thUfM Ministerial Meeting of 19 February 2014 on Euro-Mediterranean Industrial Cooperation included in the 2014-2015 Euro-Mediterranean Industrial Cooperation Work Programme the objective “to promote entrepreneurial collaboration and pilot initiatives in the cultural and creative industries”.⁹This constitutes the genesis of the pilot initiative funded by the EU, developed and implemented by UNIDO, with a complementary financial contribution by Italy through its annual voluntary contribution to the UNIDO Industrial Development Fund (allowing at the same time for meeting the co-financing condition of the EU). Moreover, the project was aligned to Italy's overall development cooperation objectives that include the development of the Southern Mediterranean, cluster development and the development of cultural and creative industries.

2.2 Project summary

2.2.1 Project focus and structure

In the project document (Part B) the project development objective is formulated as follows:

*to foster entrepreneurial co-operation in the cultural and creative industries notably through the promotion of promising pilot initiatives demonstrating contribution to inclusive growth. The project then aims at demonstrating the potential for the national and regional development of cultural and creative industries in the Southern Mediterranean, thus opening the possibility through adequate replication and larger support from financial institutions to promote new employment opportunities and inclusive growth in the region.*¹⁰

In the logical framework of the project document the development objective is formulated in a more generic manner, namely: *to boost the competitiveness of the private sector, especially MSMEs, in terms of business, social and environmental performance in the Southern Mediterranean region.*

The project document lists four immediate objectives (outcomes) reproduced below.

Immediate Objectives (outcomes) as formulated in the project document
• Conduct a mapping of clusters and value chains in CCI in the ENP South Region
• Stimulation of promising pilot initiatives in a number of clusters demonstrating the CCI potential in promoting inclusive growth and employment in the ENP South Region
• Replication of promising pilot initiatives throughout the ENP South Region
• Results disseminated to stakeholders

The project deliverables are structured into three phases in the project document:

- inception phase - 6 months: cluster mapping and analysis; establishment of project governance framework; cluster selection; setting up of M&E system;
- implementation phase - 36 months: support to 9 culture and creative industry (CCI) clusters including strengthening of cluster alliances, linkages and partnerships with other countries; establishment of cluster support centres and/or services (CSC); product development and market penetration for the CCI clusters;
- replication and dissemination phase - 6 months: replication strategy and exposure (replication workshops and study tours); communication and visibility including the

⁹9thUfM Ministerial Meeting on Industrial Cooperation; adoption of the 2014-2015 Euro-Mediterranean Industrial Cooperation Work Programme, 19 February 2014.

¹⁰ In later documents (such as the Terms of Reference of the Project Approval Committee), this formulation has been split into two, referring to two project objectives.

organization of a regional conference to share experiences and results and the preparation of a final project report.

During the inception phase (cf. Inception Report, March 2015), the logical framework was slightly revised, the main changes introduced being:

1. target of at least 10 and not 9 CCI clusters to be supported;
2. Cluster Support Centres/Services (CSCs) relabelled as Cluster Support Service Platforms (CSSP) – incidentally, currently referred to as “Design Hubs”;
3. the 6 outputs restructured into 3 (output 1; outputs 2.1-2.3 and outputs 3.1-3.2);
4. further precision of some of the indicators.

The amended results framework – that constitutes the main reference for this analysis – is included as Annex 2. Project design will be discussed in Chapter III.1 (Assessment).

2.2.2 Project governance

The project governance structure covers two complementary levels: (i) a Project Approval Committee (PAC) at the regional level and (ii) a National Project Steering Committee (PSC) in each of the beneficiary countries. The core role of each of these two steering bodies is reflected in Box 1 below.

Box 1: Roles & responsibilities of respectively PAC and PSC

PAC - regional

- Ensuring consistency and adequacy of the activities conducted at the regional level
- Providing strategic guidance on project implementation and facilitating coordination with various project stakeholders at the regional level
- Assessing project progress and making necessary recommendations on outputs and outcomes
- Providing linkages and establishing synergies with other regional initiatives related to SME development, cluster development, and CCI development
- Taking stock on progress on the overall activities and providing strategic advice on the way-forward (replication of results, policy advice to promote the development and sustainability of MSME clusters in the region).

Specific responsibilities include: validation of the pilot clusters retained by the PSCs after review and ranking of the proposals received during the national calls for expression of interest; approval of inception report, project implementation plans and progress reports; strategic management, monitoring and evaluation of project activities.

PSC - national

- Ensuring consistency and adequacy of the activities conducted at the national level
- Providing strategic guidance on project implementation and facilitating coordination with various project stakeholders at the national level
- Assessing project progress and making necessary recommendations on outputs and outcomes
- Providing linkages and establishing synergies with other regional initiatives related to SME development, cluster development, and CCI development

Specific responsibilities include: review of UNIDO assessment of the proposals and voting on the final ranking of clusters to be submitted for PAC endorsement, approval of (national) project implementation plans and progress reports, strategic management, monitoring and evaluation of project activities, and facilitating solutions to any problem/obstacle that could affect project implementation.

There are 6 PAC members representing each of the donors (EC, Italy), UfM, UNIDO and, for the participating countries, the Chairperson and a representative of the private sector. The system foresees the participation of observers on a need-be basis. In terms of the frequency of meetings, it was planned to be in principle once a year. Regarding the PSCs (in this report referred to as National Steering Committees, NSC), there are in principle 5 members, with co-

chairing by the Government Coordination Agency (chief counterpart of the project) in the country and UNIDO Headquarters as well as including a representative of the EU Delegation, of the Italian Cooperation and of the private sector (latter designated by the co-chairpersons). The PSC was planned to hold bi-annual meetings.

The following overview summarizes the meetings held so far of the PAC and the national PSCs.

PAC	2014: 11 December (UfM Secretariat, Barcelona) 2016: 25 February (EU Brussels) 2017: 13 November (<i>in conjunction with the Regional Conference in Algiers</i>) ¹¹	PSC Lebanon	2014: 12 November 2015: 19 October 2017: 1 March
PSC Algeria	2014: 19 November 2015: 22 October 2017: 22 February	PSC Morocco	2014: 14 November 2015: 13 November 2016: 9 December
PSC Egypt	2015: 3 February 2015: 14 December 2016: 29 November	PSC Palestine	2014: 6 November 2015: 7 October 2017: 12 January (for 2016)
PSC Jordan	2014: 10 November 2015: 9 December 2016: 29 November	PSC Tunisia	2014: 12 November 2015: 29 October 2016: 14 December

2.2.3 Project funding

2.2.3.1 Donors

The project is funded primarily by the European Union (€ 5.000.000 including agency support costs), which was subject of a detailed Agreement cum project document signed by the EU (Head of Unit DEVCO F4) on 24 November 2013 and by the UNIDO Director General on 12 December 2013.¹² The EU document does not refer to complementary funding by Italy (€ 600,000 including agency support costs) through its annual voluntary contribution to the UNIDO Industrial Development Fund (IDF). Namely, through a letter dated 6 November 2014 to the Deputy to the Director General, Italy assigned a total of € 600,000 to the project. Italy's contribution corresponds to UNIDO's cost-sharing in the EU project budget.

The Union for the Mediterranean (UfM) is also one of the core project partners and its logo is included in all communication related to the project. Its involvement took the form of the UfM label being attributed to the project as per UfM's decision on 2 June 2014, which "acknowledges the potential of the project to deliver concrete benefits for the citizens of the Euro-Mediterranean region and contribute to sub-regional and regional integration".¹³ As per its communication with UNIDO, the role of the UfM covers also awareness raising on the project and helping to ensure its sustainability through the establishment of a regional platform for the development of culture and creative industries and clusters in the Southern Mediterranean (under UfM project 2014/04). Its financial support was limited to in particular the organization of the first PAC in Barcelona and the coverage of participation of Ministers in the Regional Conference "Creativity, Employment and Economic Development" in Algeria (14/15 November 2017).

2.2.3.2 Project budget

¹¹This PAC meeting took place after the submission of the first draft of the evaluation report; the current evaluation does cover its decisions.

¹² Receipt of instalments/EU: first one on 23 December 2013; second one on 27 May 2015 and third one on 22 September 2016.

¹³ Letter of UfM dated 3 July 2014 to UNIDO notifying the Project Manager of the attribution of the UfM label.

Based on the budget printout received from UNIDO during the briefing (covering the situation as at end July 2017), the evaluation team compiled information on expenditures against the planned budgets, splitting between the EU budget and the complementary Italy/UNIDO budget (cf. Tables 1A and 1B below). The subsequent Table 2 combines the contribution of the EU and Italy, listing the planned and actual expenditures by output and by budget line.¹⁴In the overall assessment (Part III) reference will be made to these tables.

Table 1A – EU budget

EU budget subtotal by year	Available budget (€) as per latest revision	Spent budget (€) as at end July 2017	% of total available budget (grand total) spent as at end July 2017
Total 2014	840,671	840,671	19.9%
Total 2015	1,170,973	1,170,973	27.8%
Total 2016	988,064	988,064	23.4%
Total 2017	1,205,897	1,066,330	25.3%
Grand Total up to end July 2017	4,205,606	4,066,039	Implementation rate against available budget (received tranches): 96%
Total EU contribution	€ 5,000,000 including agency support costs		Implementation rate against total contribution: 81%

Table 1B – Italy/UNIDO budget

UNIDO/Italy budget – subtotal by year	Available budget (€) as per latest revision	Spent budget (€) as at end July 2017	% of total available budget (grand total) spent as at end July 2017
Total 2014	--	--	--
Total 2015	142,777	142,777	25.4%
Total 2016	347,117	347,117	61.9%
Total 2017	70,852	28,248	5.0%
Grand Total up to end July 2017	560,747	518,144	Implementation rate against available budget: 92 %
<i>Balance (as at end July 2017)</i>		42,603	
Total Italy/UNIDO contribution	€ 600,000 including agency support costs		Implementation rate against total contribution : 86%

¹⁴ It is to be noted that the figures (Tables 1 and 2) are not rounded off to the last decimal and that the expenditures are likely to have changed since end July 2017; the figures of Table 2 are based on the consolidated budget cum expenditure report as at 31 May 2017 (i.e. date of status received from UNIDO). The slight time gap between the data received and reflected in these two tables is considered not a significant issue. The main purpose of these tables is to present the spread of the budget over the four years of the project life and the approximate distribution of funds across the different budget lines and outputs.

Table 2: ACTUAL EXPENDITURES VERSUS PLANNED EXPENDITURES BY OUTPUT AND BUDGET LINE *
(Consolidated EU and Italy budget)

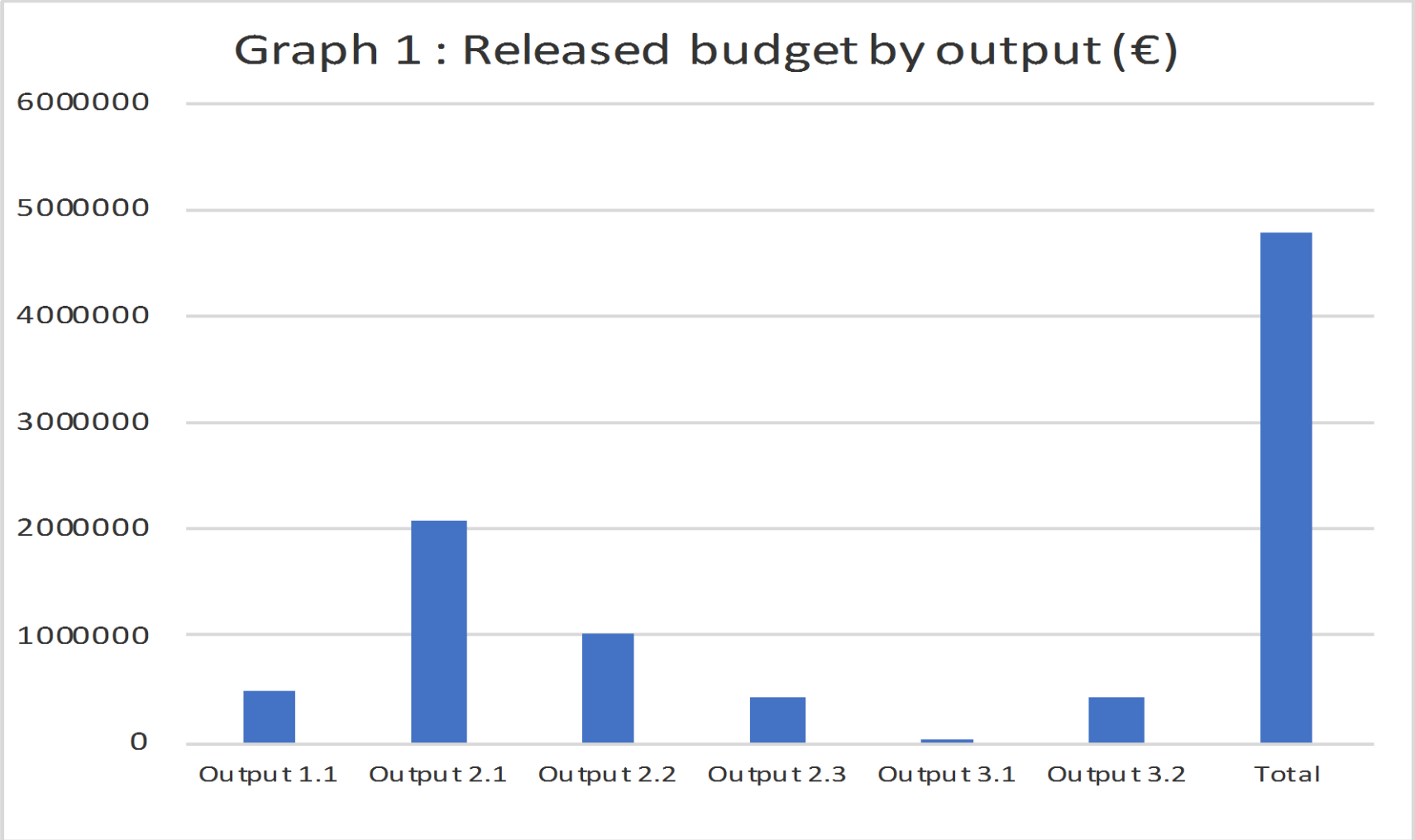
Budget Lines	Output 1.1	Output 2.1	Output 2.2	Output 2.3	Output 3.1	Output 3.2	Total /% of total
1100 Staff and Intl Consultants¹⁵							
<i>latest released consolidated budget</i>	247,772	461,797	495,745	108,004	18,600	173,872	1,505,790
<i>expenditures</i>	247,772	427,487	489,249	107,998	518	110,775	1,383,799
<i>released direct costs</i>							248,472
<i>expenditures/direct costs</i>							213,642
<i>% expenditures staff and Intl consultants/total expenditures</i>							36.6
1500 Project Staff Travel							
<i>latest released consolidated budget</i>	32,775	84,338	44,225	44,098	12,100	17,368	234,904
<i>expenditures</i>	32,775	76,309	43,672	43,766	8,206	15,050	219,778
<i>% expenditures project staff travel/total expenditures</i>							0.5
1600 UNIDO Staff Travel							
<i>latest released consolidated budget</i>	40,954	28,007	11,893	2,883	--	11,530	95,267
<i>expenditures</i>	40,954	22,814	11,892	2,883	--	9,427	87,970
<i>% expenditures UNIDO staff travel/total expenditures</i>							2.0
1700 National Consultants/Staff							
<i>latest released consolidated budget</i>	41,684	1,251,886	203,850	53,246	--	109,886	1,660,552
<i>expenditures</i>	41,684	1,241,847	203,828	53,246	--	106,023	1,646,628
<i>% expenditures national consultants/staff/total expenditures</i>							37.8
2100 Contractual Services							
<i>latest released consolidated budget</i>	33,860	41,869	10,735	73,751	5,000	19,200	184,415
<i>expenditures</i>	33,860	22,404	2,233	58,253	2,500	19,213	138,463
<i>% expenditures contractual services/total expenditures</i>							3.2

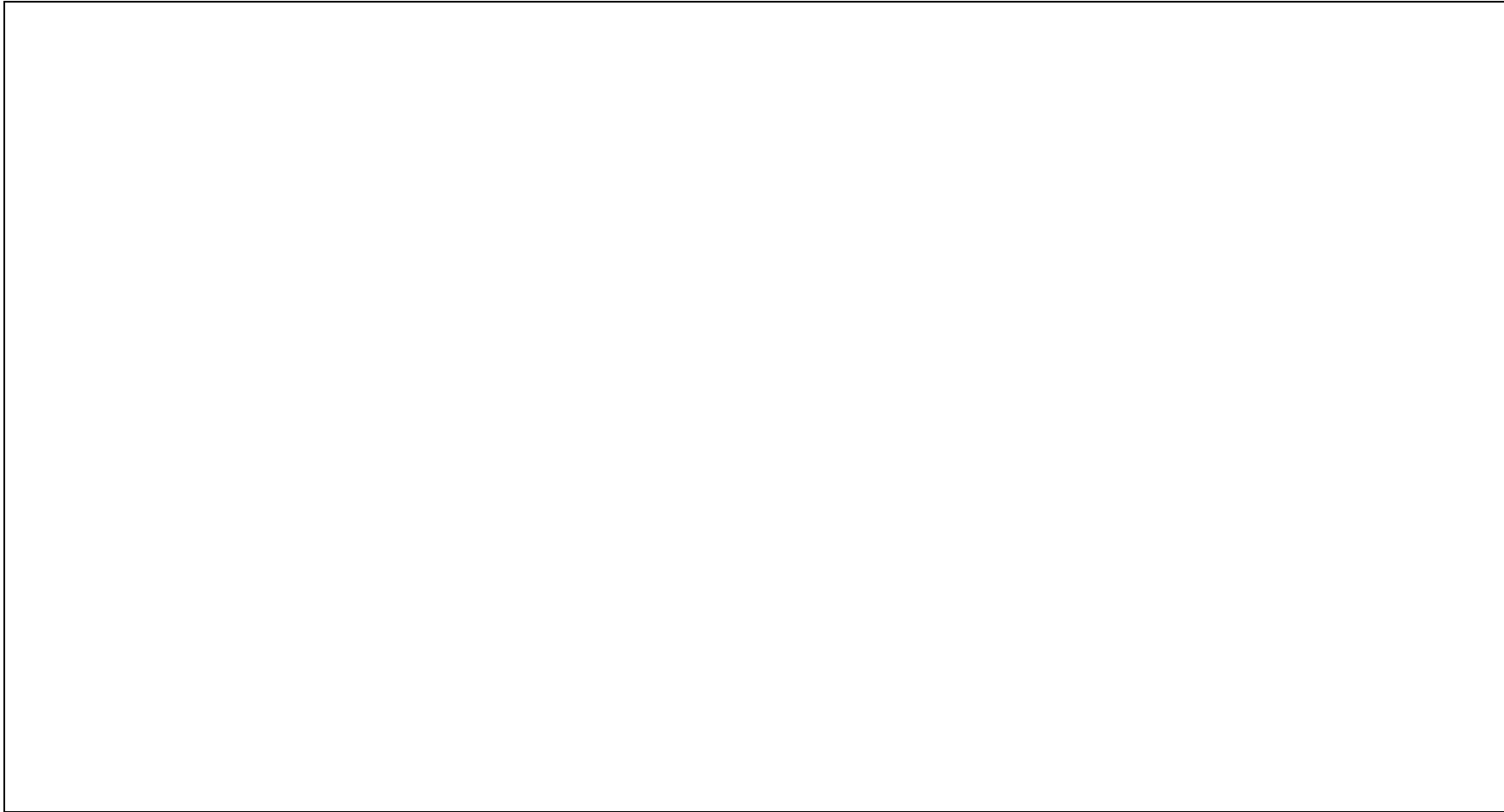
¹⁵Including what was reported as "direct costs" (staff/other) under budget line 11

Budget Lines	Output 1.1	Output 2.1	Output 2.2	Output 2.3	Output 3.1	Output 3.2	Total /% of total
3000/3500 Training/Fellowships/Study Tours/International Meetings							
<i>latest released consolidated budget</i>	57,262	100,224	175,615	121,536	52,500	55,770	562,907
<i>expenditures</i>	57,262	58,920	161,399	121,504	1,950	49,143	450,178
<i>% expenditures training etc./total expenditures</i>							10.3
4300/4500 Premises/Equipment							
<i>latest released consolidated budget</i>	--	45,376	56,779	--	--	24,052	126,207
<i>expenditures</i>	--	30,422	36,975	--	--	24,052	91,449
<i>% expenditures premises/equipment/total expenditures</i>							2.1
5100 Miscellaneous							
<i>latest released consolidated budget</i>	15,301	48,561	28,760	29,746	3,300	22,157	147,825
<i>expenditures</i>	15,301	39,276	28,843	20,942	3,284	19,929	127,575
<i>% expenditures miscellaneous/total expenditures</i>							2.9
TOTAL							
<i>Total released consolidated budget</i>	469,611	2,062,061	1,027,604	433,267	91,500	433,837	4,766,354
<i>% of released budget (planned proportion)</i>	9.9	43.3	21.6	9.1	1.9	9.1	
<i>Total expenditures</i>	469,611	1,919,476	978,095	408,595	16,458	353,614	4,359,495
<i>% of total expenditures (actual proportion)</i>	10.8	44.0	22.4	9.4	0.4	8.1	

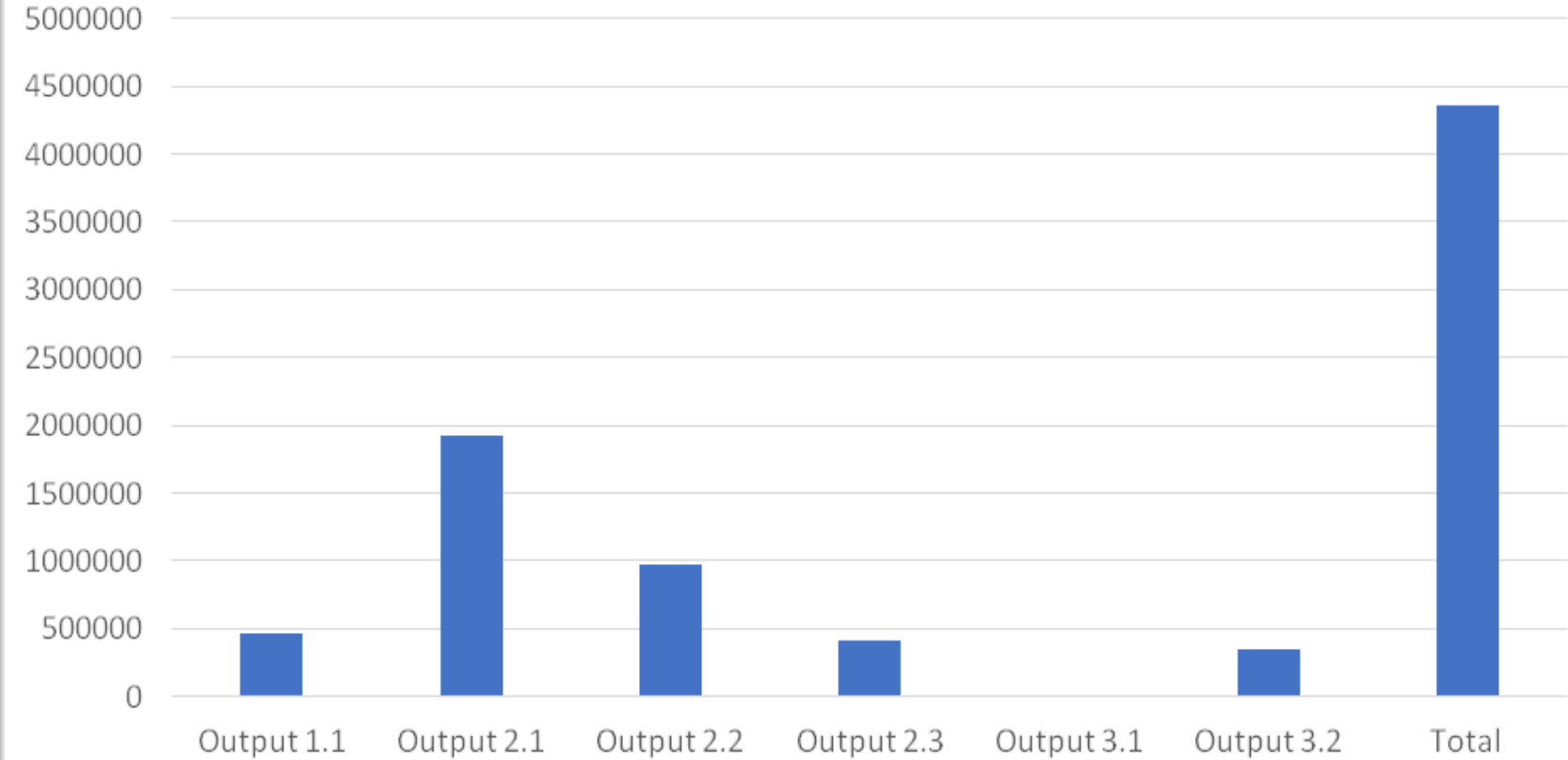
*Based on expenditure report as of 31 May 2017 received from UNIDO that combines expenditures from both EU and Italy funded budget; it is to be noted that the actual figures will be higher at present, as there have been in the meantime additional 4-5 months of implementation.

The budget “picture” is graphically presented in the Graphs 1-4 below.

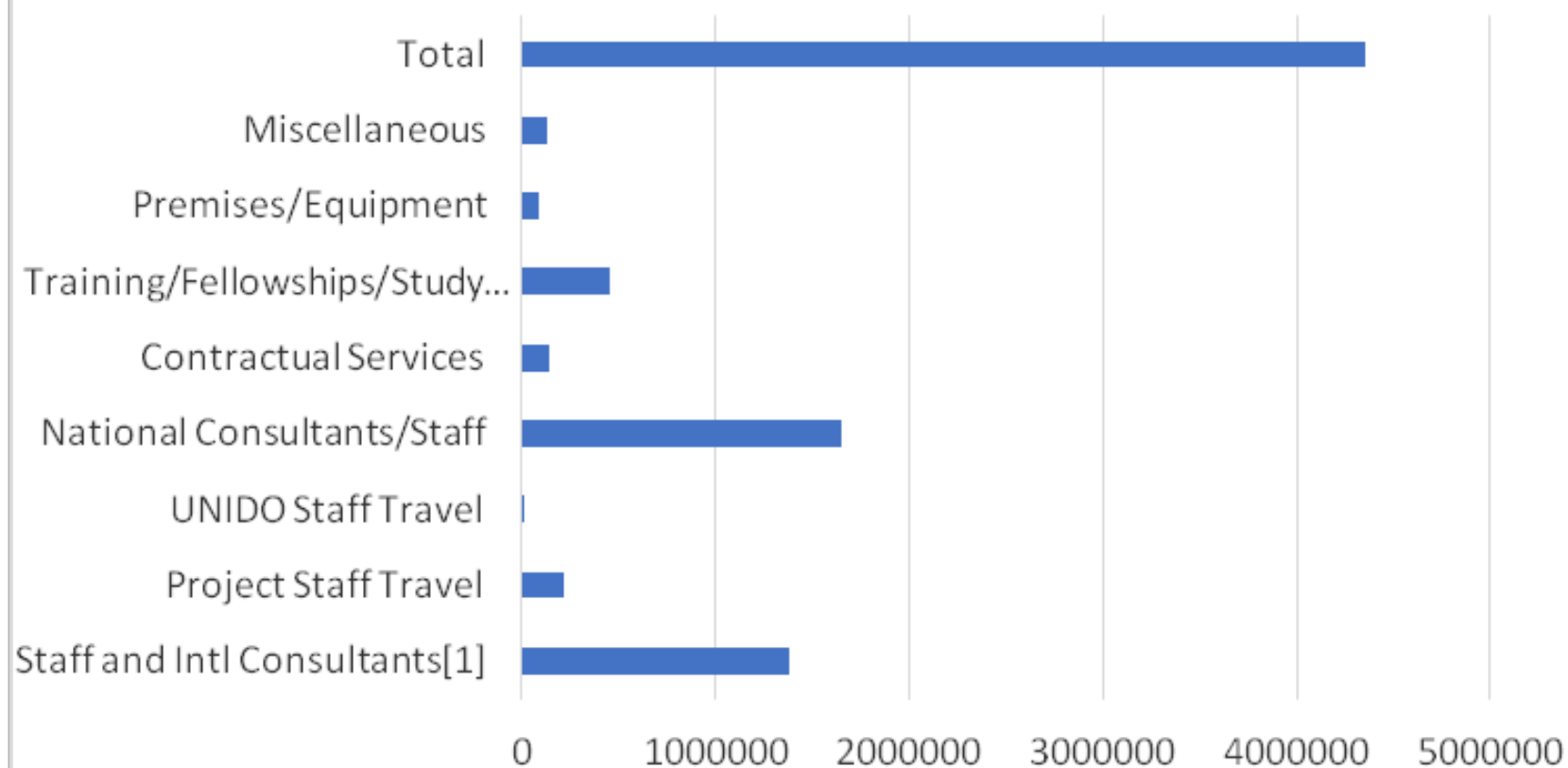




Graph 3 : Expenditures by output (€)



Graph 4 : Expenditures by budget line (€)



2.2.4 Project coordination and other human resource (HR) inputs

The coordination of this project covers two levels:

1. UNIDO HQ:

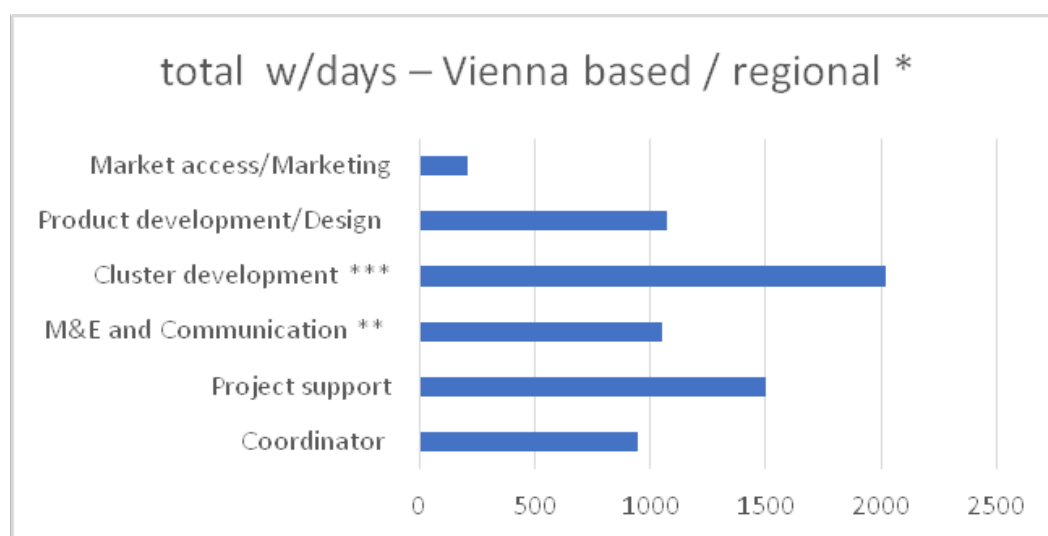
- One Project Lead (PTC/AGR/OD) and two Project Managers from respectively PTC/TII/BCI and PTC/AGR/RJH) (all three UNIDO staff);¹⁶
- Team of consultants in charge of the day-to-day project coordination covering an international Project Coordinator, supported by a Team Assistant in communication (part-time), a M&E and communication expert and a Project Assistant;

2. Beneficiary country level:

- National Project Coordinator (NPC) in each of the seven beneficiary countries and in several countries also a Cluster Development Agent (CDA) for each of the clusters supported; in some cases, the NPC covers (at least at present) also the CDA function of one or both clusters.

In terms of additional international consultants involved in project implementation, reference is made to expertise in fields such as design, international cluster development, marketing, communication and M&E. A brief overview of the human resources (HR) inputs mobilized by the project (separating between Vienna-based/regional and national expertise) is included in Graphs 5 and 6 below.¹⁷

Graph 5: Vienna-based/regional expertise



*Vienna-based international and local (Austrian) expertise as well as short term consultants engaged in fields such as cluster development, design, marketing (who conducted field missions to one/more countries)

** Functions combined as some posts cover both M&E and communication; including also web site development and graphic design as part of communication

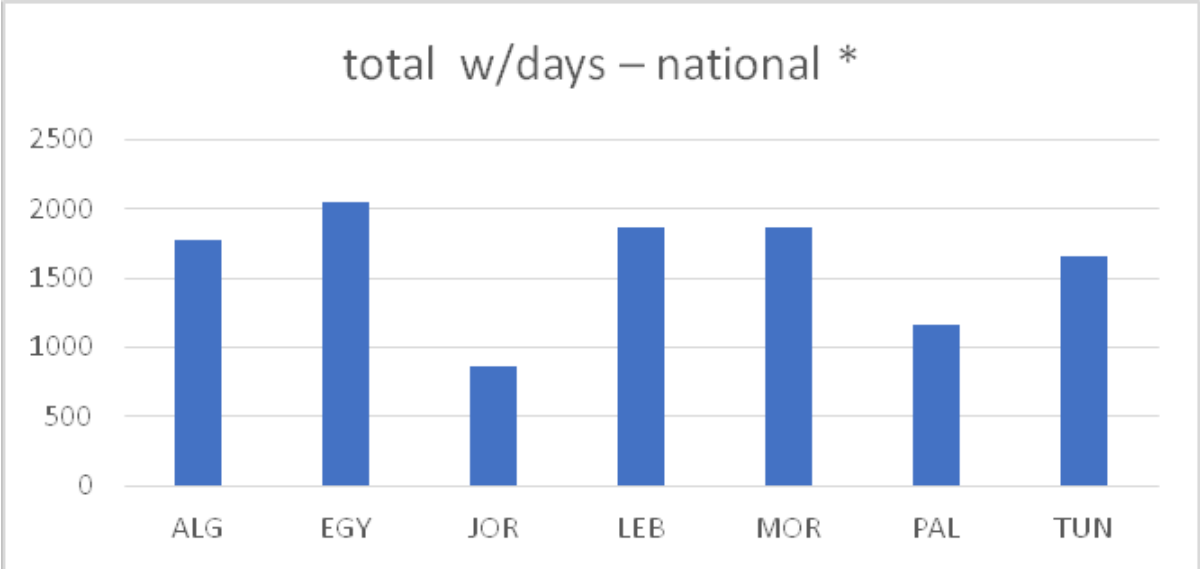
***Covering cluster mapping & review and cluster diagnostics (in essence in 2014/15) as well as cluster development training (2017).

¹⁶PTC/AGR/OD: Programme Development and Technical Cooperation Division (PTC), Agri-Business Development Department, Office of the Director; PTC/TII/BCI: PTC Department of Trade, Investment and Innovation, Business Environment, Cluster and Innovation Division; PTC/AGR/RJH: PTC Agri-Business Development Department, Rural Entrepreneurship, Job Creation and Human Security Division.

¹⁷Based on PROJECT DATA information provided to evaluation team on 29.09.2017.

Regarding national expertise, this encompassed primarily the coordination teams (NPC, CDA), in some countries also support staff, national sector experts as well as experts involved in areas such as cluster mapping, business skills development, product development/design, graphic design, and translation. Staff turnover within the coordination teams varied per country and is described in the country-specific assessment (Chapter IV).

Graph 6: National expertise



**International experts engaged in country level interventions have been categorized under HQ/ Regional inputs (Graph 5)*

III. ASSESSMENT

3.1 Project identification and design

Genesis

As mentioned in Section II.1, the idea to support cluster development in the CCI “sector” emanates from discussions at the level of the Euro-Mediterranean Industrial Cooperation mechanism. Contacted by the EU (DEVCO) that wanted a pilot project in this field based on requests received to this end from several countries in the region, UNIDO prepared a project concept that was presented to the EU and stated to be discussed informally with the targeted countries. Based thereon, the project document was drafted by the UNIDO branches in charge of respectively cluster development and creative industries support. Overall, the design process was relatively short, to the extent it started in 2013 and the project was approved in the same year by respectively the EU (24.11.2013) and UNIDO (12.12.2013).

Design of project document

Project title: As per the signed project document, the project is entitled “Support to the development of Culture and Creative Industries (CCI) and Clusters in Southern Mediterranean”. It is noted that during implementation the title of the project has evolved, i.e. first to “Development of Clusters in CCI in the Southern Mediterranean”, which was a correct amendment, as focus is on cluster development and not on “CCI *and* clusters”. Later on, another umbrella “brand” was given to the project during implementation, namely “Creative Mediterranean - resilience through creativity”. This new title was aimed at creating a visual identity for both branding and communication towards a commercial and general public. It did not capture the dimension of cluster development in CCI, which was considered a less appealing title by the project implementers. However, in communications with project counterparts and donors, both titles continued to be mentioned.

Context analysis and stakeholder analysis: As the identification of potential clusters and understanding of the country-specific context took place in the first year of project implementation, the project document does not make any reference to the context in the targeted countries or raise questions such as: to what extent cluster development is a new or already tested approach? to what extent is support to CCIs a new field or already supported in the past/present in the targeted countries? Therefore, the context section of the project document is general, describing the wider policy context and defining the coverage of what is meant by CCIs (cf. project document, page 2). The country-specific situation was however analyzed in the actual start-up (inception phase).

Project objectives and results: The formulation of the project purpose as per the project document is dense, covering different yet complementary dimensions:

- A pilot/demonstration initiative to foster entrepreneurial cooperation in the CCI sector in the Southern Mediterranean with a view to promoting new employment opportunities and inclusive growth;
- Capacity building of national/local institutions to deliver targeted assistance as regards cluster development through “national and regional private sector development frameworks” in view of both ownership and replication;
- More intensive dialogue between public authorities and enterprises;
- Strengthened business linkages between South Mediterranean and European clusters and support institutions;
- Strengthened business linkages between international buyers (manufacturing/retailers) and local suppliers.

As per the logical framework, the project aims at boosting the competitiveness of the private sector, especially MSMEs, in terms of business, social and environmental performance in the South Mediterranean. It is noted that, in this formulation, there is no reference to cluster development, nor to CCI. This can be explained by the fact that the cluster approach is a means by which the project development objective is reached – thus cluster development being at a “lower level” in the logical framework. Most of the expected results are formulated as activities and a distinction is made between the 5 results and 4 outputs (results and outputs being overlapping terms)..

Project beneficiaries and partners: The targeted direct beneficiaries are MSMEs in clusters (targeting per country 50 enterprises engaged in clustering; 20 in entrepreneurship and marketing skills development, 30 in product development/design and aiming at (at least) 9 branding strategies; cf. project document, page 7). In this scheme “other MSMEs” were expected to benefit from assistance of support institutions /business associations as well as from the improved business environment. Regarding support providers reference was made to at least 2 per country, other than national/regional institutions expected to gain knowledge on cluster development methodologies and international/national financial institutions whose interest in the potential of CCI was expected to be raised.

Implementation strategy: The cluster and network approach is defined under section B.3 (“Beneficiaries and partners”) of the project document, followed by the project approach under B.4 (Project implementation strategy). The steps are clearly defined at that point: (i) Mapping; (ii) Call for expression of interest; (iii) Ranking/selection of clusters; (iv) Support to selected clusters, and (v) Replication plan.

In line with the inclusion of financial institutions among the project partners, a link is envisaged with the latter to “facilitate sustainability and upscaling”. Whereas highly relevant in terms of enterprises’ access to finance, the precise role of financial institutions for the *sustainability* of cluster support is not evident. This does not take away the importance of complementary funding needed for the implementation of the action plans (among which Government support schemes for exports in general or cluster development in particular) – that are however to be distinguished from financial institutions as such (be it local, regional or international financial institutions).

It is not made explicit in the project document how the project would be complementary to other national/EU/UNIDO/other donor supported activities and which lessons or prior experiences were to be reflected, other than stating that “the programme will take stock of existing national and regional cluster activities as experiences” (project document, page 5). Under “Governance” reference is made to the Euro-Med Charter for Enterprises, the European Creative Industries Alliance, the Mediterranean Creative Industries Alliance, projects at the regional level (ENPI programme for private sector development, green entrepreneurship, intercultural dialogue (as regards the EU) and UNIDO regional SME job creation programme. There is no reference in the project document to lessons learned from prior UNIDO cluster development programmes over the past two decades. In fact, “lessons learned” would have deserved a separate section in the project document.

There is some ambiguity regarding the number of clusters targeted (as reference is made in the text to “one”, “at least one”, “two for each country”; “nine clusters”). In the revised logical framework, the stated target was “at least ten CCI clusters”. As (i) there are in total 10 ENPI Partner Countries, (ii) EU co-operation with Syria was suspended, (iii) the situation in Libya did not permit technical cooperation activities and (iv) Israel was reported to have not confirmed in time its interest in participation, there thus remained 7 countries in the programme for “at least one pilot”. Also, there is some divergence in the project document as regards the cluster selection process. According to the formulation of activity 1.1.6 (page 8),

the selection would be done by “UNIDO in association with relevant national coordinator and taking account of the opinion of the PAC”. This omits the role of the National Steering Committee which, as per the description of the governance structure (page 5) “will evaluate the responses to the national expressions of interest and pre-select the national clusters candidate for support”.

According to the description of the cluster mapping stage (page 6), this was planned to include the development of the cluster governance structure including the identification of Cluster Development Agents (CDA), the preparation of a diagnostic study, and an action-oriented SWOT analysis of the existing CCI clusters. This was ambitious (all planned in the inception phase for which 6 months were envisaged) and explains why the inception phase was extended. The dimension of cluster governance structure was a priori addressed inside the cluster action plan.

The initial phasing (6 months for inception; 36 months for implementation; 6 months for replication and dissemination) seems appropriate but proved to be challenging (see III.2). In the indicative list of activities (structured according to phases, pages 8-10), the phasing-out strategy was placed in the implementation phase, yet communication and visibility efforts were structured under the last phase although covering activities throughout the project.

Institutional capacity building as per the project document targeted the establishment of “up to 5 cluster support centres and or Services” (CSC, meanwhile renamed “design hubs”), complemented by training in fields such as cluster development (including study tours to learn from experiences elsewhere) and service capacity building related to, e.g., product development, branding, and market development. It was important to state in the project document that the centres could take the form of a new function within existing institutions (thus not necessarily involving the creation of new entities). The target of “up to 5” is not understood, as it assumed that some centres could have a regional function (to the extent 7 countries de facto participated in the project). Experience in business development services (BDS) delivery reveals the importance of proximity of services, meaning that regional coverage of at least some of the centres is an ambitious target and difficult to effectively materialize. It was noted that in the revised logical framework, there was mention of “at least one CSC (by then called Cluster Support Service Platform/CSSP)” would be established and/or strengthened in each country.

The project document envisaged the development of “at least 9 product development and market penetration strategies” (page 7), that were split into “9 branding strategies”, “at least one product collection per cluster” and “at least one market penetration strategy elaborated for each of the selected clusters” (pages 7-8). The related targets (pages 7-8) are somewhat arbitrary and here and there contradictory, such as: 50 entrepreneurs engaged in clustering per country (whereas the estimate average was established at 10 enterprises per country); training of 20 persons/country in entrepreneurship and marketing skills and 30 in product development (without clarification if support providers and/or enterprises); 2 enterprises per cluster exposed to international markets (out of average of 10 cluster members and not reflecting the vision that such participation would be aimed at representing the entire cluster). It is also observed that focus of the market penetration activities as per the project document is entirely on international markets. Moreover, all efforts target product development/design, branding and market development, yet there is no attention in the project strategy to other collective actions typically pursued to forge networking among enterprises, such as joint purchasing. The latter is assumed to affect costs and thus also contribute to boost competitiveness (i.e., the objective of the project).

Risks: The risks labelled as “economic” (risk 2) and “ownership related” (risk 4) converge, as both relating to the export readiness of the selected clusters/cluster members. Its likelihood was estimated as low, as the project aimed to work with enterprises already engaged in

export activities and/or with high export potential and expected to be mitigated by project support. With hindsight, the likelihood of this risk was rather medium, especially as the selected of the clusters was made prior to more detailed diagnostics of the sector. The “institutional risks” do not include possible turnover neither in counterpart staff nor in project staff, yet focus on the eventual inability of the national Project Steering Committee to coordinate project implementation. The latter would rather be part of what was labelled “ownership risks”. It omits the challenge of steering a regional programme (as no risk was identified pertaining to PAC) and the risk of inter-ministerial/institutional cooperation at the country level (to the extent CCIs can be classified under different sectors - industry, handicraft – and thus possibly involve different institutional umbrellas). The risk of “cluster organizations not being able to sustain the CSC activities upon the completion of the project” and rated as low is considered a crucial one. Its mitigation actions included the institution of the practice of charging fees for all services to facilitate cost-recovery in service provision. This dimension would have merited special attention in the project strategy (rather than mere reference under risks) in the form of describing explicitly the guiding principles of the project as regards cost-sharing.

Logical framework: The project document includes a preliminary version of the logical framework and was planned to be refined and updated at the end of the inception phase. For this reason, this evaluation used the latest version (included in this report as Annex 2). Whereas the logic of the interventions is overall clear, the main observations are the following:

- the formulation of some objectives as if activities;
- some impact indicators not formulated in easily measurable manner (improved quality; improved working conditions) or included with no corresponding outputs (environmental performance);
- several outcome indicators focused on numbers (number of products, number of linkages, number of replications) considered less pertinent than qualitative indicators such as the use of and degree of client satisfaction with services;
- inclusion of “the identification of 3 sub-sectors” not being clear under the first output (as nowhere found in the project document that the project would target 3 sub-sectors among the range of different fields covered under the heading “CCI”);
- “assessment of the competitiveness and innovation” (under the first output) not being an indicator; instead, “diagnostics and action plan validated” by the beneficiary enterprises or at the level of NSC could be an indicator to measure the result of the diagnostics, vision building, market positioning analysis and its resulting action plan for each cluster;
- diagnostics related support being carried out under the implementation phase (output 2) whereas initially assumed under the inception phase;
- several of the indicators under output 2.1 not formulated in a measurable manner (“technical assistance provided”; “establishment of cluster linkages”);
- the targets of the support platform users not being not fully consistent and overlapping;
- indicators under output 2.3 focusing primarily on efforts seeking international market opportunities and none regarding the national market (although the output is formulated as “domestic, regional and *eventual* export markets”);
- no precise targets for women and youth in the revised logical framework; however gender mainstreaming efforts are defined in the inception report.

Monitoring, reporting and evaluation: The preparation of monitoring and evaluation (M&E) system was included as integral part of the inception phase and aimed at reviewing the performance of the project, partners and assisted clusters throughout the project. It also referred to the collection of baseline data and monitoring based on key performance indicators (KPIs), presumably the ones of the logical framework. The baseline was also to include a gender analysis. As regards reporting, this was to follow the EU requirements in terms of periodic project-wide progress reports. Country teams were expected to report to UNIDO at least twice a year (page 11 of project document).

3.2 Project implementation (project-wide)

3.2.1 Relevance and ownership

Relevance

Without any doubt, the project is relevant, by targeting (i) support to SMEs that are at the core of policies aimed at stimulating inclusive economic growth, (ii) employment and income generation and (iii) focusing on SMEs in the field of CCI that were not necessarily among the fields covered by prior national/donor support programmes or at least not through (iv) following a cluster development approach. The latter is an important dimension of the project's relevance, as based on the notion that it is difficult for SMEs to develop and grow in isolation and that for them to become competitive and provide the expected contribution to employment and income generation, they need to engage in cooperation with other enterprises, covering linkages among them, between them and large(r) enterprises and with support institutions.

In addition to the relevance for the countries, the project was relevant for both donors (EU and Italy), UfM as partner and UNIDO as implementing agency, as its objective was aligned to their respective policy priorities. Overall, after about four years of implementation, the project remains relevant for all parties concerned, with emphasis on the participating countries that are expected to carry the pilot experience forward.

The project has a pilot logic, aiming to demonstrate this approach in 7 countries of the South Mediterranean region through interventions at the micro (support to selected clusters), meso (capacity building of support providers) and macro level (information from cluster mapping and diagnostics having significance for policy makers, other than their role in upscaling based on the pilot experiences). Accordingly, the following schematic overview reflects conceptual basis (Theory of Change) of the pilot interventions.

Theory of Change - CCI pilot project

Project support

- Awareness raising*
- Cluster mapping*
- Diagnostics/Cluster Action Plans*
- Training/coaching in implementation of priority actions* (NPCs/CDAs; enterprises; support service providers; policy makers)
- Facilitation of market exposure*
- Linkages among support providers*

Necessary preconditions for cluster development to foster enterprise competitiveness, market development/diversification, income generation, job creation (**impact**) include:

- Good cluster governance (leadership; day-to-day management)*
- Tangible results of joint actions spread across cluster members (e.g., sales; cost-savings)*
- Improved support capacity (e.g., design, product development, business skills, market development) in the proximity of enterprises, corresponding to their needs, and readiness of enterprises to pay for the services*
- Existence of financing (product/market development; process improvement)*
- Existence of enabling legal and regulatory framework (e.g., existence of legal form for cluster organization; export procedures/support schemes facilitating trade)*

Necessary preconditions for upscaling and replication of the pilot interventions

- *Successful pilot cases demonstrating the approach and its results and inciting enterprises in the same and/or other (sub-) sector(s) to engage in collaborate efforts*
- *Exchanges/sharing of lessons/good practice guidelines among 7 participating countries (common training; conferences; publications and communication)*
- *Integration of cluster development/CCI in sector policies/strategies*

Assumptions: *interest of enterprises to cooperate among one another; cluster development promotes business performance; CCI activities promote job creation; interest of policy makers to support cluster development; existence of support capacity and readiness of institutions to work together; cooperation with related support*

Ownership

Overall, ownership of the national counterparts was high. As this is a regional project, the main national counterparts of the seven participating countries were not part of the formulation of the project document as such, as this would have most likely extended the duration of the project preparation phase prior to approval. It was confirmed that there were informal consultations with the countries prior to the drafting of the project. It was in project implementation that the national engagement and support was further demonstrated by the yearly steering meetings, the commitment of counterparts involved in monitoring and the active support provided in implementation. This included many cases of cost-sharing, from contributions to participation in trade fairs to providing substantive support in the form of buildings for support services including their renovation. This was necessary as the ambition of the actions retained and prioritized in the cluster specific action plans exceeded the project resources and, also, was crucial and appropriate, as constituting an important step towards seeking sustainability. Some illustrations of effective cost-sharing by the participating countries are provided below:

Country	Institution	Investment
Tunisia	Office Nationale de l'Artisanat	Premises provided (400 sqm) and refurbishment thereof planned at the time of the evaluation (for an estimated value of EUR 30,000) for the establishment of the Creative Hub Nabeul.
Algeria	Chambre d'Arts et Metiers and Wilaya of Batna	2000 sqm building with refurbishment planned at the time of the evaluation (estimated value of €1,9 million)
Egypt	Industrial Modernization Center	Premises provided and refurbished and a team in the Industrial Modernization Center in charge of the Creative Hub Egypt
Morocco	Ministry of Industry	EUR 2,000,000 from the "Fonds d'Appui aux clusters" for the Casablanca textile cluster
Lebanon	Private actor in cooperation with Ministry of Industry	Premises provided for the establishment of the Creative Lebanon Center

Source: details provided by Project team

Another fundamental sign of ownership lies in the integration of the cluster development approach in countries' national strategies to develop their handicraft sector. For those countries having already a cluster vision/strategy (either separate or incorporated in a wider policy framework), it was noted that the clusters supported by the project were recognized as entities to be included in either existing or planned support schemes.

Also with respect to the target beneficiaries (enterprises) there were many instances of cost-sharing or paying entirely, including the preparation of prototypes/samples, participation in fairs, payment of fees for training activities, payment for promotional materials such as company profiles designed with project support but printing covered by enterprises. In brief, sometimes there was a project subsidy; sometimes it was up to the enterprises to cover the costs. Enterprises also showed their ownership by being frank to the evaluators in terms of their appreciation of the extent to which project activities were in line with their needs. It proved not easy for the evaluators to get clear and up-to-date information from the enterprises on what project activities such as fair participation and contacts with buyers generated in terms of sales. This information was collected by NPCs/CDAs and included in periodic reporting by the project (see Section III.2.5 for details on indicators such as sales).

There was a "minimum project budget" allocated to each cluster, but in most countries the counterparts mentioned to the evaluators that they had no clear information on the budget allocation/distribution. The same issue was also raised at the level of the national steering

committees (according to the minutes). Not knowing the total available budget per cluster/country was said to have affected minimum forward planning and awareness on what could be funded (or not) based on the priorities set in the action plans. According to information provided by the EU and also UNIDO, it is uncommon to split budgets per country in a regional programme. From the perspective of the recipient countries this modus operandi is not really satisfactory. There was also misunderstanding or at least a gap in communication, given the tendency of counterparts to overlook the fact that in addition to local direct costs, there are common costs including coordination, experts fielded, training costs, participations in fairs etc.

In short, the following main points are highlighted:

Strong points	Points for attention
<ul style="list-style-type: none"> • Involvement of countries in particular from project launching onwards (steering; mapping; implementation) • Alignment to national strategies and local priorities and ability to build on prior support • Insertion and adoption of clusters supported by project in existing support programmes • Incorporation of cluster development approach in new sector strategies • Alignment to donor/agency priorities (regional, thematic) • Many cases of cost-sharing by both project counterparts and enterprises 	<ul style="list-style-type: none"> • Inclusion of principles of cost-sharing with the main counterparts from the project design stage onwards for them to know ex-ante what is expected as financial contribution to project activities • Formalization of cooperation with enterprises at the start, clarifying also principles regarding cost-sharing and expectations regarding reporting by participating enterprises on results of activities • Written information on the minimum budget allocation per country for the sake of planning at country level, including building in flexibility and transfer options

3.2.2 Efficiency in implementation

In general, covering a total of 7 countries in initially 3.5 and now 4 years by a pilot intervention in the field of enterprise networking with a budget of €5.6 million and, on top, making efforts towards upscaling integral part of the pilot, was an ambitious venture. It corresponded to a total “all-in” budget equivalent to roughly €200,000 per country per year (based on the total of actually 13 cluster initiatives supported). Given this situation, the project is to be commended for doing a lot with relatively small financing.

Another positive dimension of efficiency relates to the fact that, given project budget limitations, the project coordination teams (both at the field and HQ level) actively engaged and succeeded in leveraging other sources of funding (local, national, and international) for the participating countries. This covered both mobilizing cost-sharing to implement activities retained in the action plans as well as catalyzing the development of complementary or follow-on support (from national and/or external sources) with the involvement of the national counterparts. The latter covered typically different Ministries (Industry and Trade), with smooth cooperation among them in the context of the project. This is another positive aspect in implementation, as effective collaboration among different Ministries participating in the same project is not necessarily evident.

In terms of coordination with related interventions (“external” and “internal” – the latter in the sense of other EU, Italy funded or UNIDO interventions) there were several cases of cooperation, such as in Egypt (cooperation with other support by EU and also by USAID), in Palestine (cooperation with EU funded market development support). There were also instances of joint showcasing with other UNIDO projects in events such as the UNIDO General Conference. The project was also present at EU events such as MED4Jobs to share

information on the CCI project and its contribution in the context of the EU's Neighbourhood South efforts.

Notwithstanding the above including the project's participation in many international/regional events and some cooperation in the case of Egypt and Palestine as mentioned above (EU funding), there appears scope for further exploiting opportunities to work together and exchange experiences and good practice with others (such as in the context of the Euro-Mediterranean partnerships of enterprise development, in terms of linkages with other UNIDO projects in the countries or intensifying the use of tools/lessons from other projects in the field of cluster development/CCI development). There was at the time of the evaluation no clear indication of inter-country cooperation among policy makers such as to exchange on lessons learned from policy initiatives/support schemes aimed at cluster development other than meeting in the context of the PAC and other project events (noting that country participation often varied, i.e., different representatives).. Also the ROM (2016) mentioned the need for further inter-country cooperation. It is to be noted that the final Regional Conference (Algiers, November 2017) aimed precisely at fostering such linkages among participating countries.¹⁸ This being said, it is recognized that bringing stakeholders from 7 countries together is a costly venture.

Regarding the number of cluster initiatives supported in the pilot project, there were diverging views, partially related to ambiguity in the design (one per country? two per country? at least nine in total? at least ten in total?) and perception that the funding was limited for adequately supporting even one cluster. Yet limiting the support to one cluster (the case of Jordan where one selected cluster was dropped in an early stage and decided to be not replaced) would have reduced the experience in cluster development to just one sub-sector.

The cluster mapping was clearly appreciated by the country stakeholders, was reported to be the first one conducted in the region that shed light on cluster realities in the countries covered and also to having been used in some countries by other parties/donors. The mapping resulted in the identification of a total of 144 CCI clusters in the 7 countries. The subsequent call for proposals in each country generated no less than 136 responses, which illustrates the clear interest of potential beneficiaries in the project support. Selected according to pre-established criteria and in a transparent process, a total of 14 proposals were retained. Whereas understandable considering the size of the budget, it implied that no less than 122 clusters who responded were not selected. If the PAC had decided prior to the launching of the call for proposals that priority would be given to clusters engaged in handicrafts/home décor /fashion and not to CCIs in the services area, it is likely that fewer proposals would have been submitted. The ultimate choice was somewhat regretted by local stakeholders in Algeria and Lebanon ("we choose the most difficult ones" or "why this cluster"), as reality on the ground proved to be sometimes different from the preliminary assessment. However, it is to be noted that the selection was validated through the steering mechanism.

The initial phasing (6 months for inception; 36 months for implementation; 6 months for replication and dissemination) seemed appropriate but proved to be challenging. The inception phase lasted longer than planned (2014) and the second year was virtually devoted to the diagnostics. This affected the image of the project at the start, as the stakeholders reported that "concrete activities" only started in 2016. In this regard there was mentioned to be imbalance between the duration of the mapping and diagnostics cum vision building, positioning and planning of actions (2 years) versus the time available for actual implementation. Moreover, as the diagnostics had a sector-wide coverage and did not encompass a precise analysis of the clusters/enterprises the project ended up working with (including an analysis of their cost structure), it required adaptation of the action plans to the

¹⁸ The results of which are not covered by this evaluation (as latter took place prior that this event).

actual situation and also further operationalization *how* to implement the agreed upon priority actions.

Analysis of the budget utilisation and human resources inputs shows the relative importance of international cluster development expertise, which essentially covered the mapping and diagnostics/planning stages, i.e., the first two years, with some (short) support in the last year in the form of 2-3 days cluster development training workshops and also involvement of some of these experts in market development efforts (fairs). Even though indeed planned in the replication phase, the organization of the cluster development workshops (led by the cluster development experts engaged in the diagnostics phase) during mainly the last 6 months of the project is considered late in implementation. In fact, its relevance at that stage of the project can be questioned, as cluster development meetings were in fact a recurrent activity during implementation led by the CDAs and also given the cost of the short 2017 training (stated to be around €10,000/country for a 2-3 days training activity). Other experts engaged in implementation covered primarily product development/design and (less intensively) marketing and market access. Not surprisingly in the case of a regional project covering 7 countries, the coordination function was important and, correspondingly, encompassed resources for coordination, project support, communication and M&E at UNIDO HQ as well as coordination teams in the countries. The human resources inputs slightly varied per country, partly related to the size of the team and partly to turnover (see III.2.4).

The quality the UNIDO inputs and services was overall well appreciated, applying to the training events and also the expertise mobilized by UNIDO. Regarding design activities there were quite a number of short term international experts engaged by the project, with mixed appreciation by stakeholders across the 7 countries - questioning issues such as the short-term duration of their support, missing experience in the sector, the recipients not being involved in their selection and not being aware of their job description. The most important observation relates however to the recurrent emphasis on the need to actively involve local designers – an approach which the project tried to pursue with varying success across the countries (depending on factors such as the interest of designers, their attitude towards the enterprises and their cost). The multi-services support centres called Design Hubs are a promising common facility for enterprises and the targeted sub-sectors at large. Through these centers national design expertise is expected to be mobilized and linked to enterprises. To the extent the hubs are under establishment it is premature to assess their performance.

Market exposure through fair participation was overall appreciated by the beneficiaries. The project participated in a large number of fairs (see Section III.2.5) and in several cases stands were obtained free-of-charge. Not surprisingly considering the large number of fairs in which the project participated, the beneficiaries raised some issues (that cannot be verified by the evaluation team), such as last minute confirmation of participation by the fair organizers and the location of the stand being at times very good but at times also somewhat disappointing. What fair participation generated (ultimately covering business contacts and sales) is not precise in reporting. A fair in which most countries were represented (the case of Maison & Object) was stated to have been more important for the image/visibility of the project than for the visibility of the participating clusters/enterprises. This corresponded to the aim of the project to feature in particular design from the Southern Mediterranean in general rather than facilitating sales by clusters/enterprises (the latter was however the case for the Marrakech, Nabeul and Constantine clusters).

As regards the procurement of equipment, the initial project approach envisaged the acquisition and maintenance of new/improved equipment, with the expectation that the cluster would provide “the equivalent of 10% of the value of the equipment in kind, e.g. through recruitment of personnel as part of the business plan” (project document, page 5). It was an appropriate decision not to implement this dimension in the pilot phase, as risking distracting attention to “equipment” rather than “soft support” in this stage of cluster

development. In any event, it is at the stage of solidification of the cluster that its members will have agreed which common services they require and are ready to manage as a cluster. This may explain why it is only towards the end of 2017 that some equipment is being provided to assist in particular the Design Hubs and similar attempts by clusters to establish common services.

In short, the following main points are highlighted:

Strong points	Points for attention
<ul style="list-style-type: none"> • Structured step by step and well documented approach - from cluster mapping to assistance in the implementation of prioritized actions • Efforts to leverage the project budget considering the project’s ambition versus its budget • Project covered a wide range of support with relatively small financing considering its regional coverage • Overall appreciation of quality of inputs and services, with some exceptions (choice of experts/involvement of counterparts in their ToR and their selection) • Steps towards strengthening national support capacity albeit too early to assess service platforms/design hubs as under establishment • Degree of inter-institutional cooperation at country level (in particular between Ministries in charge of Industry and Handicraft) • Decision to limit equipment purchase to contribution to establishment of common services 	<ul style="list-style-type: none"> • Need for earlier sub-sector focus in such pilot experience and in particular its upscaling phase (prior to call for proposals) to avoid over-demand • Lengthy start-up (mapping, diagnostics/planning) yet short time for implementation • Sector-wide diagnostics but gaps in situation analysis of the enterprises targeted • Need for more involvement of local designers and for refinement of market strategy (more emphasis on national/regional markets and active follow-up of (30+) fairs attended in 2016/17 in phasing out stage) • Opportunities for deepening internal and external synergies with other projects (sharing good practices, tools, experiences)

3.2.3 Project coordination and management including M&E system

Steering

The PAC was envisaged to take place at least once a year and provide strategic advice on the way forward, be it in terms of policy advice or efforts towards replication (project document, page 6). It met twice so far (December 2014 and February 2016), with a third meeting planned in the margin of the Regional Conference in Algiers (November 2017). Given its mandate to guide the way forward, more frequent meetings, particularly during the last two years, would have been important to accompany (i) the project in defining its phasing out strategy and (ii) the participating countries in defining their upscaling strategy. The reason given for not organizing more PAC meetings in this critical phase of the pilot project was budgetary (costs involved of organizing these meetings around €50,000 minimum). The National Steering mechanism worked quite well in terms of convening once a year so far to assess and discuss progress and involved the key public and private stakeholders. Notwithstanding institutional changes in some of the countries (such as in the direction of core national/local counterpart institutions or at ministerial level), this was reported not to have affected project steering/operations. Focal points in these institutions remained in place and the new authorities (in case of changes in top management) confirmed the continuation of prior engagements made by their predecessors with respect to the project. It was observed that the composition of participation of the countries in the PAC meetings was not constant, in that in quite some country cases different persons attend the (two) meetings. Participation in national steering meetings was more continuous in terms of the composition of its members.

The process of selection of beneficiary clusters was transparent, based on fair and appropriate criteria and following a staged approach: ranking by UNIDO, pre-validation at the level of the National Steering Committees (NSC) and validation by PAC. Not surprisingly discussion on the ranking took place primarily at the NSC level. Even if decision making in this regard was unanimous, there were found to be in a few cases some diverging views on the ranking and ultimate selection. This covered questioning the readiness of some clusters in terms their ability to absorb the envisaged support as primarily involving informal sector operations, and some national experts inquiring why the ranking was done by the international experts without their involvement. The decision to not replace the “dropped cluster” was triggered by UNIDO’s reference to resource availability (time/other resources for diagnostics and action plan, including time left for implementation) yet is regrettable as there were other candidate clusters as substitute, which would have enlarged the pilot experience in Jordan.

Synergies with related schemes and programmes (SME development, cluster development, CCI development) were to be facilitated by both PAC and the National Project Steering. However, the most active role in this regard was played by the local project coordination teams – seeking in particular opportunities for cost-sharing/sponsoring of activities to complement available project resources.

One of the core project partners, UfM, had a particular role to promote a regional platform for the development of CCI clusters in the Southern Mediterranean. By attributing the UfM label to this project, this was expected to cover the fostering the exchange of experiences and eventual linkages among the clusters covered, including with relevant cluster initiatives in the Northern Mediterranean. Beyond UfM hosting the first PAC meeting and its contributing to the participation of high-level representatives in the Regional Conference in Algiers, there is no indication yet as per project reporting of a regional CCI cluster platform with clear functions and activities. As the cooperation with UfM was formalized end 2014, there are no targets in the by then signed project document with respect to the establishment of such platform.

Management and coordination

Managing a regional project covering seven countries, a range of different interventions and ambitious objectives to be achieved within some 4 years is recognized to be not an easy task. In this regard a solid inception phase was needed to further define and specify the intervention approach and instruments. Moreover, well qualified and highly motivated teams engaged in the day-to-day coordination (the HQ coordination team and country level project teams) were/are at the very core of ably running the project. This is not without challenges, as having to deal with a wide range of actors: different organizational entities in UNIDO HQ and UNIDO field offices, two donors with involvement of both their HQ (Brussels/Rome) and field representations; different Ministries and support institutions; enterprises varying from micro to large; multiple international experts in different fields.

With respect to the UNIDO HQ coordination team, there was overall continuity in staff, a good skill mix, incessant communication with the field coordination teams, meetings with counterparts and visits to beneficiary clusters mainly in the context of participation in NSCs and also exchange through the regional events (PAC and participation on other regional/international events). The core coordination team being small, it called upon teams of long(er)-term experts to plan, implement and oversee (under the leadership of the coordination team) specific fields of interventions, such as cluster development and product development/design. Work plans were prepared for and validated by the PAC. Day-to-day decision-making was at the level of the coordination team, with the observation that the latter needed to consult on strategic matters with team leaders (staff) in the different UNIDO divisions/departments. It is to be mentioned that it was the first experience of these

departments to work closely together on a cluster development project in the field of CCI (as such commendable). Liaison with the UNIDO country offices was varied, as communication with the field is directly with the project's coordination teams and some UNIDO field offices mentioned not receiving core information such as periodic progress reports (see also below) as a matter of standard operating procedure.

In addition to reporting in the context of the PAC and NSCs, periodic reporting on the project at large was overall in line with reporting requirements as per the cooperation agreement signed with the EU. It was appropriate to combine reporting to two donors into one substantive report. The dissemination of the progress reports to the country representatives/delegations of the two donors was expected to be channelled through their respective HQ (Brussels and Rome). Adding these donor field representations to the distribution list of these period reports would have been a more pragmatic approach, to the extent the project coordination systematically contacted them during field missions. However, project wide progress reports were not systematically disseminated to the local coordination teams (albeit their involvement in the provision of monitoring data – see below), nor to members of the NSCs nor to the UNIDO field offices. This reduced the chances for countries to at least read about the project status/experience in other countries covered under the project. Another observation on (annual) reporting relates to the divergence in format and also frequency of reports emanating from the country teams.

As far as the country coordination teams are concerned, the HQ coordination team is to be commended for having found qualified and motivated staff (both NPCs and CDA) that the counterparts referred to as being at the core of the operations (“the engine”), with a do-er role, being omnipresent, always available and permanently accessible - to the extent the counterparts expressed their concern about the end of the project and the local team being no longer available. Although there is no benchmark in terms of what is “normal” staff turnover in projects of this size and duration, there have been several changes in local staffing and several stakeholders brought up this issue, mentioning that they had to deal with new faces during implementation. Also, for the new staff it meant having to build on the work of predecessors and sometimes joining the project when already in an advanced stage of implementation. The short duration of contracts (varying over the life of the project but oscillating anywhere between one month and, in only a few cases, one year – yet without interruptions between contracts) is unlikely to be the only factor explaining staff turnover, but was at least not conducive and raised doubts of the persons concerned why against the commitment expected from them there was no administrative recognition in the form of “normal” contract durations. In fact, all project staff (be it in the field or HQ) faced the same situation as regards contract durations which is related to two issues: (i) the receipt of the project budget (EU) in three instalments (sometimes delayed) and (ii) the underestimation of the HR inputs (estimated international and national w/months with longer-term posts) versus the longer term HR inputs actually mobilized in the project. In fact, the size of the instalments did not tally with the size of the budget needed to cover the number of longer term staff on the project budget.

In most cases the local project staff learned about the project via job announcements on the local UN portal and few had prior knowledge of contacts with UNIDO. Their institutional anchorage varied, many working from home and some having a desk in the UNIDO country. None had/have an office in the counterpart organizations. It is a bit ambiguous if this is to be assessed as a weakness or limitation, to the extent it is expected to have facilitated the fact that the project was seen as encompassing “independent cluster brokers”. Any feeling of eventual suspicion by enterprises as regards civil servants was thus avoided. Alternatively, it affected the day-to-involvement of counterparts/service providers that are expected to take over the roles played by project staff to (i) support cluster development and (i) act as quasi cluster managers within the spirit of both the project's exit approach and planned upscaling to expand cluster coverage. Finally, it is to be noted that training was organized for the

NPCs/CDAs (regional training in respectively Spain and Egypt). Given the turnover, the later recruited project staff could not benefit from such training and learned about the modus operandi of the project on-the-job.

In terms of communication, the project is commended for the multiple efforts were undertaken, starting with the development of a communication strategy (2015) that defined how the project would deal with (i) communication to ensure project visibility as well as (ii) communication for market penetration, in terms of (in each of the two fields) channels and tools. Substantial resources have been used to this end (close to 8% of the total budget, using the expenditures under output 3.2 as a proxy indicator). At the regional level it covered web site development and maintenance, use of social media (Facebook/other), the preparation of brochures and promotional materials (also used in fair/other event participations), as well as a brand manual describing for example how logos should be applied. At the country level cluster websites were developed (some being under development), there is presence in social media (with an interesting approach in the case of the Casablanca cluster – where the CDA disseminates on a monthly basis a short video featuring a cluster member to a targeted audience that is expected to also generate business linkages. There are also many cases of press releases around events. The preparation of attractive cluster and/or collection catalogues and promotional material for both the cluster and its members (latter in the form of company profiles as well support in logo development) needs to be highlighted. As the catalogue files are available at the level of the clusters, it is easy for these to be reproduced and eventually adapted by the clusters themselves. In terms of the “cluster image” on business cards, it was noted that only one of the beneficiary enterprises met during the field missions conducted by the evaluation team had included “member of cluster X” on his business card.

The project label itself changed from CCI project to Creative Mediterranean with country “chapters” and also its logo changed over time (no longer referring to cluster development, which is regretted, as the current label is attractive but captures only partially what the project stands for). There is no indication of discussions on this matter at the level of project steering. However, the project management explained this choice to amend the project title given the desire to increase the appeal of the project to a wider public and to thus communicate on the project in a less technical and easier-to-grasp manner.

A few points regarding the communication approach merit attention at least in future efforts of this type, namely avoiding

- (i) over-crowding of project donor/partner logos on promotional brochures that are first and foremost aimed at fostering business development (fully recognizing the importance of visibility of donors/partners on all project materials, which is however **not** considered appropriate in tools used by clusters/enterprises in business promotion);
- (ii) the listing of prices inside some of the catalogues (rather than on separate price list);
- (iii) avoiding misleading photos in brochures/other communication materials (presenting machine-made work as if handwork - the case of the communication on the Jordan cluster).

Finally, it is considered important to be as precise as possible on facts in promotional materials. To illustrate, in the latest project brochure shared with the evaluators (June 2017) reference is made to “4 creative hubs established”, without nuance as regards the state of their establishment; “11 branding strategies” - that most likely correspond to the 11 collections yet do not reveal the actual result of the collections in terms of the number of enterprises involved or sales generated based on the branding and market strategies developed; names of “new majors international retailers” as if all listed retailers are now engaged in actually

buying collections/individual upgraded or new products developed with the support of the project (without information on the volume/value of market access realized so far through these partnerships).

Monitoring including M&E system

Monitoring in general

Overall monitoring covered continuous communication between the HQ team and the local teams including also the project experts charged with following up on the activities in specific fields, in particular product development/design. HQ field missions for overall monitoring at the country level were mainly concentrated around participation in NSCs.

EU's ROM

It is to be noted that the EU conducted through a Framework Contract its own monitoring mission called ROM (Results-Oriented Monitoring) mission in line with its standard procedures. The work was covered by a consultant who conducted a field mission over the period 25 September - 21 October 2016 including visits to Algeria, Egypt, Tunisia and Palestine. The ROM report is overall positive, with good/very good (green) ratings on most features (ROM format) pertaining to relevance, efficiency, effectiveness and sustainability of the project as September 2016. It is not clear why the ROM report dated 4 November 2016 gives "problematic" as reason for the ROM review (to the extent according to the minutes of PAC/NSC meetings the project was never rated as being in difficulty). Moreover, the statement under the description of the intervention logic that the project is "a pilot project implemented by UNIDO with no prospect of follow-on activities" is unclear, as any pilot project is per definition expected to generate follow-on activities. It is possible that the statement was meant to indicate that EU regional pilot projects have a priori no second phase.

The ROM observations on the logical framework converge with the assessment of this evaluation (see Chapter III.1) and mentioned that the regional dimension of the project was not emphasized in the design nor in implementation (referring to as not enough "transversal interactions neither at the clusters' level nor at the level of the local support institutions" (ROM Report, page 5). Access to markets was seen as the most important phase of the project and there were doubts expressed if, given some delays, the project would have enough time for implementing this dimension. As also noted by this evaluation, the ROM mission indicated how sub-optimal contracting arrangements of project staff could affect project stability. The ROM saw good prospects for sustainability, including regarding the role of the Design Hubs under establishment, in that they are expected to become the future platforms for cluster development in the countries. According to the current evaluation, it is too early to assess, one year after the ROM mission, the functioning of these hubs, the coverage of their services and to what extent they are expected to *also* become platforms for cluster development at large (as platform for delivery of common services such as product development/design, incubation, training in the specific sub-sectors on which their services are focused). Finally, based on the minutes of the meetings, there is no indication of discussion of the ROM findings at the level of the NSCs (at least those conducted after September 2016) to enhance the actual use of ROM findings in decision-making on project implementation (apparently not part of the EU methodology as regards ROM).

M&E system

As envisaged in the project document, the M&E system was elaborated in the inception phase. The first generation of NPC/CDAs was trained on the system in Barcelona (2015), whereas the ones that came on board later learned by doing. Assessing the work done in this regard, the first observation is to commend the HQ coordination team for having put in place

a system, to the extent it is not uncommon to see projects in which result monitoring/measurement is not or insufficiently covered. Based on the revised logical framework the project developed a more elaborate Monitoring Matrix covering (i) further specified/refined and measurable indicators at impact, outcome and output levels compared to the initial indicators, and (ii) a new way of structuring project results, namely (a) under outcomes (listing as categories: linkages and collaboration, improved capacities, market for services, cluster sustainability and replication) and (b) under outputs (categorized in accordance with the phases, respectively inception, implementation and dissemination). Whereas this approach is interesting, it created some overlaps, as several indicators occur both at the outcome and output level (for example: the number of new products developed is measured twice in the expanded matrix (both under outcomes and outputs). The system also contains indicators on the number of people reached through dissemination activities. As regards social media statistics (Facebook; Google), these are automatically generated and the figures are high (“around 250,000”). The matrix also specifies who will collect the data, using which format/sheet (part of the tools), its baseline and target value and rate of achievement.

The path followed has made the M&E system interesting yet heavy (referred to as “scientific” by some local project staff), with several underlying tools including record keeping, periodic business level surveys, periodic service provider surveys, and a tool called *clusterometro* to measure progress in terms of cluster collaboration. Based on data collection efforts at the country level, consolidation was dealt with at the level of the HQ coordination group. In essence, the main issues regarding the M&E system, despite its good intentions, are the following:

- it is time consuming (a case in point is the length of the surveys);
- it is difficult to engage the target beneficiaries in providing the requested information;
- it is mainly used in periodic reporting to the donors (and thus on an ad hoc manner) rather than as road map for day-to-day monitoring and for informing strategic decisions at the level of project steering;
- there are KPIs for the project but no cluster specific KPIs (the development of which one would have expected to be integral part of the cluster action plans - to be defined in close cooperation with the cluster members and sharing with them also the responsibility of collecting and compiling core information to measure cluster performance);
- the existence of baselines values as regards the situation of the cluster members at the start of the project is uncertain, as the diagnostics were at sector/sub-sector level and not specifically covering the enterprises/service providers/other local partners the project worked with.

Notwithstanding internal discussions (between the HQ and country teams) on the M&E system, it was not made “lighter” (in terms of being more user-friendly) during implementation, particularly as it was stated to require approval by the main donor (EU) to amend the M&E framework approved during the first PAC meeting. The last time the data were compiled as planned goes back to the preparation of the last progress report (completed in March 2017 based on the data collected up to end 2016)) and most likely is going to be done again during the last quarter of 2017 in view of the preparation of the final report (unless this requirement is postponed in case of a project extension). The main fear is that the current M&E system (used only by project staff so far) is unlikely going to be used at the country level by the institutions that are expected to gradually take over the doer role of the local project teams (project exit) and take the driver’s seat as pilots in both the consolidation of the “pilot clusters” and the expansion to cover more clusters (upscaling).

In short, the following main points are highlighted:

Strong points	Points for attention
<ul style="list-style-type: none"> • Competency and degree of engagement of project teams (both HQ and country level) explaining why many results exceeded initial targets given limited budget • Solid inception phase • National steering mechanism in place in all countries and same frequency across countries of meetings held so far • Transparency in the process of selecting clusters to be supported • Serious effort to develop the project's M&E system albeit facing challenges • Training of (at least first generation of) national project staff on M&E system • EU ROM mission in the end of year 3 (slightly beyond mid-term) • Attention to communication in view of visibility using different channels (for the project at large and for the clusters) • Innovative ways of diffusion of information 	<ul style="list-style-type: none"> • Mandate of PAC/NSCs to foster synergies with related schemes/programmes under-exploited • Need for more regular PAC meetings, particularly in 2016/17 – considered crucial for deciding on exit and upscaling strategies • No details on status of “regional platform” envisaged through support of UfM • Alignment of the number and phasing of budget instalments to carefully estimated HR inputs • M&E system ended up being too “heavy” affecting its likely use beyond project unless streamlined • No indication of discussion of ROM findings at level of the most recently held NSCs, weakening the actual results-orientation of the ROM • Dissemination of progress reports with gaps in distribution coverage • Caution with respect to search for donor/agency visibility (when are logos appropriate/when not in projects of this kind) and attention to the formulation of “facts and figures” (need to be concise and captivating but also accurate)

3.2.4 Effectiveness and actual/likely impact

As mentioned already by the ROM (September 2016), “the project moves forward and has already delivered a series of important outputs” (ROM report, page 5). In this section the ROM assessment will be updated and complemented, as project implementation is meanwhile some 12 months further. This is captured as follows:

- *Output 1 (covering: cluster mapping and selection; regional and national steering mechanism; M&E system; communication and visibility strategy)*

The output has been produced primarily in the first year of implementation by selection of 14 (later reduced to 13) clusters based on the mapping exercise – thus exceeding the target of at least 10 cluster as per the revised logical framework (inception). The mapping effort was appreciated by the counterparts and was also reported to have been used by other parties (including other development partners) beyond the project. The steering mechanism (regional/national) is operational, as well as the M&E system (with some observations on both aspects included under Section III.2.4 above). With respect to communication and visibility the project virtually over-performed considering the range of different types and channels of communication.

- *Output 2.1 (covering: capacities of and networks among cluster members strengthened)*

This covered a total of 13 clusters supported (beyond the 10 targeted clusters). This achievement of 13 clusters assisted by the project is assessed as laudable in this pilot project considering its resources. What is not captured in such figure is the number of enterprises engaged in the cluster initiative or their degree of formalization. With respect to cluster adhesion the core group of enterprises involved in the cluster activities varies from a sizeable

group (beyond the initially estimated and targeted 10 enterprises) to small groups (limited critical mass, the latter being one of the initial selection criteria). For details on the situation in each of the clusters as consolidated by the evaluation team, reference is made to Annex 6. In terms of the degree of formalization of the clusters the situation varies. In Morocco and Tunisia associations were formed (even used as one of the pre-conditions for further support in the case of Morocco); in the other countries cluster governance is for now under preparation, with complications in Egypt and Palestine, as these countries were reported to have no regulatory framework for this type of enterprise cooperation.

- *Output 2.2 (covering: Cluster Support Services Platforms/CSSP acting as service providers for cluster cum CCI development)*

This output is important, as among the keys towards sustainability of service delivery to and thus performance of the targeted clusters. During implementation, the label of CSSP was renamed and now branded as Design Hub. In the ROM report reference is made to six Design Hubs. Based on the field missions of this evaluation, the following overview summarizes the situation as regards the establishment of services platforms up to mid-October 2017 (see also Annex 6, which includes a detailed overview of the project achievements and their assessment by country/cluster) :

- *one in Algeria:* the system-wide project efforts in the Jewellery Cluster (Batna) include the creation of a “Centre des Arts de la Bijouterie” in Batna; once operational, this centre will be one type of cluster support services platform;
- *two in Egypt:* covering incubation services, product development, prototyping and BDS at large. In the case of Egypt reference is even made to the development of “the regional hub network” among the actions on the way forward;
- *one in Jordan:* covering the cooperation with the Garment Design and Training Services Center (GSC). To the extent this is an established centre that has been involved in garment design and training services prior to project and also received support to this end from Italy through bilateral funding over an extended period (including design related), it is a case of a Design Hub strengthened within GSC;
- *one in Lebanon:* covering a showroom cum boutique established at the “Creative Lebanon Center”; notwithstanding the attractiveness of the set-up, it is considered a misnomer to call this a Design Hub, at least not based on the services currently offered by this Center including the degree of utilisation of the showroom facilities by the two clusters supported under the project in Lebanon;
- *one in Morocco,* namely in Marrakech in cooperation with a private business incubation facility named Emerging Factory Factory/EBF (this hub is *under establishment*, with renovation works planned for the last quarter of 2017, a MoU signed between EBF and UNIDO - not including the cluster as partner - and with high expectations of the cluster members as regards the range of services (including but not purely limited to design services; other services planned to be covered are incubation; product development, prototyping and BDS at large);
- *one in Palestine* (virtual Design Network) established as a network connecting designers (junior designers, graduates, and professors), craftspeople and academic institutions in Nablus and Bethlehem (mainly engaging the Al-Najah University and the Chambers of Commerce and Industries in Bethlehem and Nablus);
- *one in Tunisia,* namely in Nabeul with the regional office of the National Bureau for Handicrafts (as in the case of Morocco, this hub is *under establishment*, benefits from sizeable local financial support, and there are high expectations as regards the range of service offerings envisaged to be provided by this hub.

Other than the launching of cluster support services platforms that are expected to play a core role for the targeted clusters, reference is made to very encouraging signs of “take up”

by service providers such as the introduction of CCI related diploma courses in Fine Art schools or other training institutions relevant for the sub-sectors covered.

- *Output 2.3 (covering: Market penetration strategies elaborated for the selected clusters, with focus on the development of national, regional and eventual export markets)*

Regarding market penetration, the most recently available report refers to a consolidated achievement of 11 new collections, 11 branding strategies, 32 participations in local and international trade fairs as well as a total of 9 major international retailers (supposedly engaged in business relation with (in other words: buying from) the target clusters. Particularly the participation in fairs largely exceeded the initial target of 2 beneficiaries per clusters being exposed to international markets. These 32 fair participations generated undoubtedly sales, but details on post-fair follow up were scant and, if available, cover most likely under-estimated figures, as enterprises are reluctant to share precise information on sales. Most of the collections developed were attractive and “remarkable by their artistic values” (to quote a statement in the ROM report). As regards the market strategy behind the improved/new product development/collections and the related promotional efforts, there was a tendency to focus more on the European market than local or regional markets, allegedly at the request of the main donor. Linkages with international buyers proved complicated, perhaps related to the fact that export readiness varied. The fact that such large buyers do not tend to respond (no feedback to samples sent) or are tough in eventual price negotiations (not always interesting margins for producers) was frustrating for many clusters.

- *Output 3.1 (covering: Dissemination of project results and their integration in regional/national policies)*

Efforts for dissemination beyond what is covered under communication (under output 3.2) cover an area on which little attention was focused, at least up to the timing of the evaluation mission (totalling some 0.4% of total expenditures; see Section II.2.3.2). This is not at all surprising, as emphasis was on supporting the selected clusters (more on product development/design and seeking market access than on cluster governance). To put it simply, before disseminating results, they need to be generated. The regional conference in Alger (14-15 November 2017) was planned to be *the* event in which project results are shared among a large audience of participations from and beyond the region. It is considered a blessing in disguise that this conference – apparently planned to be organized earlier on – was delayed as time for the implementation of cluster specific actions was limited to the period 2016-2017. There are some doubts about the likelihood of “integration in regional policies” as cluster development is first a foremost considered a national policy instrument. Also, it is debatable if the follow-on projects can be quasi automatically labelled as “new cluster projects funded” to the extent cluster development may/may not be integral part of the approach planned to be pursued in these projects.

- *Output 3.2 (covering: a communication and visibility plan prepared and implemented)*

There is a communication plan, developed during the inception phase, and, as mentioned in Section 3.2.4, a multitude of materials was produced and used in events and (as regarding photo shootings) in promotion tools such as websites, catalogues and brochures, both for the project at large and for the clusters and its members. UNIDO getting an important award (Italy) for using design as a development tool is a non-planned positive result that no doubt contributed to visibility.

Finally, regarding *impact*, the monitoring framework of the project includes impact indicators related to the number of enterprises involved in the project activities at the cluster level (in other words: the size of the core group) including the proportion of women entrepreneurs in

this regard. Moreover, it covers indicators aimed at measuring (i) business performance with proxy indicators for sales and quality, (ii) social performance in terms of job creation and improved working conditions, as well as (iii) improved environmental performance. In December 2017, the evaluators received the following update of selected indicators, of which the aggregated data are reproduced below.

Updated selected indicators as at November 2017	Aggregated figures (all clusters)
Jobs created since start of project	220
Direct increase in sales (in €)	683,600
Participation to international trade fairs since start of project (number of fairs)	28
Number of product lines created by beneficiaries since start of project	87
Funds raised	3,264,000
Number of joint actions implemented by direct beneficiaries (2017)	78
Share (%) of overall cluster budget financed by cluster members (2017)	14,7
Number of beneficiaries exposed to international markets (2017)	90
Number of beneficiaries assisted in market follow-up activities (2017)	66
Actions completed out of the priority actions (cluster action plan) - number	157 out of 223
Actions completed out of the priority actions (cluster action plan) - %	70%

Source: data provided by project coordination team during debriefing, Dec 2017

These figures are based on the M&E system and direct consultations with the local coordination teams (NPCs/CDAs). As mentioned above, as regards sales, it is not unlikely that the amounts are an underestimation of reality - as enterprises are not very inclined to share such information and, if they do, chances are that actual figures are higher. The reported employment creation (220 additional direct jobs) may/may not be an underestimation. In as far as “the need for job creation” was featured prominently in the rationale of the project, the stated figure is negligible as indicator of impact of the pilot project. However, it is considered neither justified nor justifiable to give much weight to this indicator to measure project success at this stage, as employment is only generated when sales are up in a major way and over a longer period. There is no estimation of the indirect jobs created or of jobs saved (each category in fact not being easily measurable). The results of product development/design and market access efforts are rather early to assess, although there is considered to be scope for fine-tuning market strategies of the clusters included in the pilot phase. This requires in particular emphasis on the follow-up of the 30+ fairs in which the project already facilitated participation, especially by the enterprises themselves in the phasing out stage and also more attention to seeking national and regional market opportunities). The brochure does not list other impact indicators (improved quality; improved working conditions; improved environmental performance), as available resources limited the degree in which the project could engage in upgrading type interventions. Yet it is recognized that export readiness depends on several factors of which product development/design is one among others. Regarding environmental performance, it started to be addressed in a few clusters yet it would be premature to assess the impact of the (planned/possible) interventions regarding waste minimization and also occupational health and safety (the latter were still under implementation in the case of the brassware cluster at the time of the evaluation). Considering the cost structure in some clusters, more attention to

resource/energy efficiency could assist the participating enterprises in enhancing the competitiveness of their products on the local, regional or international market.

In short, the project is moving forward on the pathway towards the target impact as per the Theory of Change (see Section II), with its achievements at this stage concentrating mainly at the outcome level, with the following main points being highlighted:

Strong points	Points for attention
<ul style="list-style-type: none"> • Sign of “changing mentalities” at level of supported clusters (enterprises and artisans) in the sense of more open attitude to inter-firm collaboration, even with competitors • Perception that business skills improved • Start of product diversification • Signs of new market opportunities • Efforts towards development/strengthening of services that are key for enterprise/cluster development (launching of services platforms now called Design Hubs) • Linkage with relevant national institutions/service providers and start of their capacity building (in particular learning by doing; some training courses) • New initiatives at macro and meso level (integration of cluster approach in new strategies; additional funding (national; external)) 	<ul style="list-style-type: none"> • For now limited outreach in terms of the number of enterprises engaged in some of the cluster initiatives • Cluster governance requiring solidification (few cases of cluster formalization despite legal advice mobilized and obstacles reported in regulatory environment of some countries to formalize) • Market strategy accompanying product development/design/branding requiring fine-tuning • Not clear if behind each of the service platforms/hubs under establishment there is a detailed business plan including precise definition of roles and responsibilities of participating stakeholders • Limited interactions among clusters/ cluster support providers across the countries covered

3.2.5 Sustainability prospects

The project being a pilot project in cluster development in the field of CCI, it is evident that, among the pre-conditions for upscaling beyond the pilot cases, indications of sustainability of the pilot actions are crucial.

At the macro level, given the active engagement of counterparts including the existence of/development of strategies that include the cluster approach, they are expected to pursue the efforts of the project albeit subject to their ability to raise national resources complemented eventually by external support. The latter (“new projects”) is not necessarily a dimension of sustainability (depending how this is built into their implementation strategy). In the short run priority lies however on ensuring that the pilots can be labelled as success stories in order to be a source of reference and inspiration for upscaling efforts. To this end, it is recognized that “the cluster babies” are born yet need continued “pushing” and coaching for these pilot cases to be able to “walk on their own”.

To the extent cluster development training of national counterparts has been limited to a short training event in each country (mainly during the past 6 months of the project), this needs to be pursued, with the project role changing from do-ing to coaching of the national/local agents in charge of supporting cluster development as well as of the cluster managers (to the extent recruited by the clusters for the day-to-management of joint actions decided on by the cluster members).

At the level of support services through the platforms/hubs, it is difficult to assess their sustainability at this stage, as actual demand for and willingness to pay by enterprises - both

within and beyond the pilot clusters - for the envisaged service offerings will determine the likelihood of their ultimate sustainability beyond some degree of subsidization in their start-up phase. It is assumed that these hubs will establish effective alliances with relevant service providers (public/private) in their environment, as it will be not only very costly but also not good BDS practice to put in place the wide range of services needed by the enterprises “all under one roof”. The quality of services offerings and their proximity to enterprises are expected to be important for generating demand for the services and hence their sustainability.

The ones at the core of pursuing product development/design are the enterprises and their readiness to call upon external support (through hub services or alliances of the latter with local designers) where considered needed by them. In other words, the search for product diversification has to come from them in order to be sustainable. This does not ignore that the push for product diversification can also come from buyers. In this regard the pilot project has sought to involve major international retailers, the results of which remain for now rather meagre.

Also, the sustainability of market development activities lies in the engagement of enterprises to follow-up on contacts established such as at fairs, ensure rigour in dealing with orders (including quality, pricing and timeliness issues) to increase chances for subsequent orders, and their active search for diversifying markets (both locally, regional and also follow-up of prior international fair participation). It is recognized that this can be very challenging, particularly for one-man/woman run operations, which is among the reasons for enterprises to engage in joint activities.

Whereas the project could “pull and push” on behalf of the enterprises, this support can only be sustainable when the participating enterprises assume these roles or (in fact the very purpose of clustering) join hands by having a strong cluster organization, for which key ingredients are (i) the right leadership, i.e., capable of generating trust among members and (ii) the right cluster manager/small team dealing with the day-to-day running of the cluster, guided by well targeted and agreed upon common actions. In most of the pilot clusters this degree of cluster formalization is not yet reached.

Moreover, the self-financing rate of cluster actions – another important sustainability factor - is for now low (reported to be 14.7% according to the latest available figures/November 2017) which reinforces the importance attached to the solidification of the cluster organization (recognized in the March 2017 progress report).

In short, the following main points are highlighted:

Strong points	Points for attention
<ul style="list-style-type: none"> • Engagement of national stakeholders to pursue cluster development support • Cluster development among national priorities • Chances for national financial resources and/or follow-on external funding in most countries • Encouraging signs of cohesion among enterprises and commitment to take the cluster forward, with variations among clusters 	<ul style="list-style-type: none"> • Project exit strategy (phasing out of do-er role) to be defined • Cluster development training insufficient as “transfer” effort, as too short /ad hoc rather than intermittent • Cluster organizations not yet in place or in nascent stage and low rate of self-financing • Need to nurture still fragile cluster pilots to become reference in planned upscaling

3.2.6 Cross-cutting issues

Regarding the gender dimension, the inception report included a section dedicated to gender mainstreaming at different levels: inclusion of gender disaggregated indicators (included in M&E system), seeking gender balance in project coordination (the implementation being illustrated by the number of women among the project staff, both HQ and country teams) as well as attention to gender issues in the preparation, implementation and monitoring project activities. As regards the latter, depending on the nature of the sub-sector covered in implementation, the presence of women entrepreneurs among the cluster members varied. This being said, women constitute, with some exceptions, an important share in the labour force of the beneficiary enterprises. To the extent there were female cluster members, attention has been paid to including them in project activities, such as participation in fairs and training.

The evaluation team has no up-to-date consolidated data on the involvement of women in the different activities and the latest brochure (June 2017) does not cover gender related data. According to the March 2017 progress report, a total of 40 female entrepreneurs were trained in entrepreneurship and marketing skills as at end 2016 (below the target of 10 per country); for the training on product development the total number of females trained was 64 as at end 2016 (below the target of 15 per country). The same report refers to the participation of 3 women entrepreneurs in an international conference on women empowerment in the MENA region (location/date/countries represented by the 3 women entrepreneurs not specified).

It is to be noted that the Regional Conference in Algiers (14-15 November 2017) includes a plenary session dedicated to the economic integration of women and social inclusion in the Mediterranean region – with emphasis on the role of CCIs.

As regards attention to youth, this was addressed in particular through efforts to link clusters to national/local institutions such as garment training/design centres, vocational training institutions and fine arts schools. Such linkages were important and are to be sustained, to the extent they provide opportunities for internships for students, encouraging interest in CCI as a possible career path and also working with enterprises on product development/new designs. For the enterprises it is equally important, as the problem of finding skilled staff was often cited as a challenge. It is to be noted that in some countries the cooperation with the project resulted in training institutions developing new diploma courses in fields relevant to CCIs.

Regarding environment related concerns, there were a few cases of explicit activities in this field, triggered in particular by working conditions not being in line with occupational health and safety standards. In most clusters there were no major environmental issues, although there are seemingly opportunities for energy-efficiency type of support that could have been given more priority if the sector diagnostics would have covered analysis of the cost structure. This being said, it is realized that the project focus was already vast, and the available resources limited to expect the pilot project to have worked on “all fronts”.

In short, the following main points are highlighted:

Strong points	Points for attention
<ul style="list-style-type: none"> • Explicit attention to gender mainstreaming in project inception • Inclusion of gender-disaggregated data in M&E system • Gender balance in project coordination • Attention to inclusion of women entrepreneurs in project activities 	<ul style="list-style-type: none"> • Scope for including a section dedicated to implementation of gender mainstreaming in future progress reports • Consideration to include among criteria for selection in upscaling phase those clusters in which women entrepreneurs play an active role

Strong points	Points for attention
<ul style="list-style-type: none"> • Linkages made between clusters and youth through joint activities with range of training institutions (including also cases of involvement of students in product design) • Some institutions having launched new diploma courses of direct relevance to CCIs • Attention to environmental issues in case where critical and urgent from public health perspective 	<ul style="list-style-type: none"> • Formalize cooperation with training institutions (internships; inclusion of students in product development and other activities that forge linkages between education and business world) • Inclusion among joint priorities of efforts to improve working conditions • Linkages with initiatives that can provide complementary support to seize energy efficiency opportunities

IV. CONCLUSIONS

The complexity of implementing within a limited time period and with limited resources a regional project encompassing no less than seven countries is not to be underestimated. This is all the more true in the case of a multi-stakeholder project focused on supporting the development of sustainable both horizontal and vertical linkages, i.e., among MSMEs (by themselves a heterogeneous group), between MSMEs and large enterprises, with support providers (public and private) as well as among service providers.

Therefore, the ambition of the CCI project was noble albeit with grand objectives by seeking to bundle assistance to (i) the development of “pilot clusters”, (ii) product/design development, (iii) capacity building of service providers, with (iv) the preparation of upscaling plans. In this regard it has been somewhat unrealistic to aim to “do it all” in the time currently allotted to the project (4 years) and within the given budget (EU and Italy) corresponding to some €200,000 per country per year “all-in”. Even though there were in a way 7 sub-projects under this regional initiative, packaging the interventions under a regional umbrella was considered the right approach.

As mentioned in the overall assessment (Chapter III.2), a lot was done with relatively small funding, with complementary funding leveraged from various sources in the participating countries to move step by step forward on the chosen path. In this regard the incessant engagement and flexibility of well qualified and highly motivated teams in charge of the day-to-day coordination (one team at UNIDO HQ and seven teams in the field) supported by international and national consultants (some long-term, others short term) was essential for generating the current achievements. Notwithstanding turn-over in some of the teams, the project engine kept running quite smoothly.

These achievements are both encouraging and worrisome. To cite an entrepreneur met during the field missions: “The train left the station, but why do projects end in the middle?” This statement expresses the (shared) concern about the “pilot clusters” being still in a fragile state (even the most advanced ones), requiring further presence in their proximity for coaching/guidance in their start-up phase. In a way, the “pilot clusters” are in their own inception phase.

On their side, local service providers will need to gradually take over the central role played by the national project experts (NPC/CDAs) to steer and guide the support to the existing and emerging clusters (the latter in the context of upscaling efforts). Cluster development training was conducted mainly at the start (targeting in particular NPCs and CDAs) by the teams engaged in the mapping and diagnostics (that were *not* part of the implementation of the action plans for the development of which they had a core role). Cluster development training was again organized (both late as mainly in the last six months of the project and also considered too short), this time targeting the national institutions where the support and its upscaling is anchored.

Product development/design being a key feature in this CCI project, the project has revealed the many talents, ambitions and also the openness of artisans and SMEs to innovation (including women and youth). It showed that design is not perceived as a threat to culture heritage. The project involved support institutions to strengthen attention to product design, aimed at capturing not only international, but also local and national markets. The latter has scope for more emphasis, to the extent not all but the majority of promotional efforts undertaken by the project involved participation in international fairs/events.

Further strengthening of linkages between national design expertise and the enterprises, working together over a longer-term period, is expected to result in continuing the permanent

search for product development/diversification using available skills. It is important to bundle and synchronize design and business support, given the overall objective to enhance business performance (and not to develop art). In other words, product development/diversification driven by design needs to go hand in hand with other efforts to expand and diversify markets (as it is one among several factors determining “market/export readiness”).

The support centres/ platforms now called Design Hubs are expected to play a role in awareness raising, mobilizing and organizing the ranges of services needed for enterprise development and growth for the cluster members and in fact their sub-sector as a whole. To the extent the hubs having that aim are under establishment, it is not possible to assess their results at this stage or their likely sustainability.

Regards markets, refinement of market strategies (including the mix of approaches/channels to this end) is considered important, putting product development/design efforts (including of collections) into perspective. It includes also the analysis of costs and pricing before engaging in often lengthy negotiations with targeted buyers after sending prototypes/samples, with mixed results in terms of getting a response.

In terms efficiency in implementation, the delivery of inputs and services was overall positively appreciated. It is recognized that the project covered a wide range of interventions with many encouraging results considering the limited size of the budget that covered support to no less than 7 countries. In this regard the engagement of project staff both at HQ and at the country level to “make it happen” was crucial.

Based on observations of counterparts there are some areas for improvement given their request to be more directly involved in decision making on the ToR of consultants and on the selection of candidates. The most recurrent comment made by counterparts related to “the budget”, considered “insufficient” and not having details (regretted within the spirit of both planning purposes and the ownership principle). The latter relates to a principle (EU/UNIDO) not splitting regional budgets by country but also illustrates the fact that in this project internal communication was given less attention than external communication. The latter covered a wide range of efforts, including the production of a multitude of brochures, videos etc. that were attractive and widely spread through different channels. The evaluators noted that the project records show some 2 million people potentially reached through dissemination activities (including also social media), yet periodic project-wide progress reports were sparsely disseminated to the main stakeholders such as project teams in the field, members of NSCs, donor representatives in the countries, UNIDO Offices.

In general, the efforts towards introducing a solid M&E system were laudable, yet ended up being heavy and missed cluster-specific KPIs to be monitored with and by the cluster members. If not adapted, the use of the system will be mainly limited to progress reporting and less for steering at the national/cluster level and risks not being sustainable in the sense of being taken up by the cluster development actors engaged in the upscaling efforts.

As overall conclusion, the following statement of another stakeholder met during the field mission captures it best: “It is a beautiful project but it has to continue in a proper way and has to end beautifully”.

Overall rating: The project performance rating is presented below (following the rating system of UNIDO).¹⁹

#	<u>Evaluation criteria</u>	<u>Mandatory rating</u>
A	Impact	S
B	Project design	S
1	• Overall design	S
2	• Logframe	S
C	Project performance	S
1	• Relevance	HS
2	• Effectiveness	S
3	• Efficiency	S
4	• Sustainability of benefits	S (Likely sustainable)
D	Cross-cutting performance criteria	S
1	• Gender mainstreaming	S
2	• M&E: ✓ M&E design ✓ M&E implementation	S S
3	• Results-based Management (RBM)	S
E	Performance of partners	S
1	• UNIDO	S
2	• National counterparts	S
3	• Donor	S
F	Overall assessment	S

¹⁹ The format used in the previous drafts of this report has been adapted to the new UNIDO format.

HS = Highly satisfactory	The project had no shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Excellent
S = Satisfactory	The project had minor shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Well above average
MS = Moderately satisfactory	The project had moderate shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Average
MU = Moderately unsatisfactory	The project had significant shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Below average
U = Unsatisfactory	The project had major shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Poor
HU = Highly Unsatisfactory	The project had severe shortcomings in the achievement of its objectives, in terms of relevance, effectiveness or efficiency.	Very poor

V. RECOMMENDATIONS ON “THE WAY FORWARD”

Based on the evaluation findings, the evaluation team formulated **10 recommendations on “The way forward”**. These are listed below, distinguishing between (A) suggestions for decision making by in particular the two donors and UNIDO in the short-run, and (B) suggestions covering points to be addressed in the next steps in view of project consolidation and upscaling efforts at the country level (thus addressing also the main counterparts in the participating countries). As considered appropriate, the recommendations include some explanatory notes.

A. MAIN RECOMMENDATIONS FOR DISCUSSION AND DECISION MAKING AT THE LEVEL OF THE NEXT PAC

1. **Extension of the regional project by 18 months (i.e., until end June 2019) to allow for**
 - (i) **consolidation of support to the existing “pilot clusters”;**
 - (ii) **the gradual transfer of cluster support from the local project teams to the national/local actors that are at the core of cluster development in the respective countries; and**
 - (iii) **the preparation of the upscaling phase.**

Clarification: this recommendation addresses both the EU and Italy (the EU in the form of an amendment to the current Cooperation Agreement as regards this project and Italy through the renewal of allocation of part of its voluntary contribution to the IDF (namely in 2018/19) to this regional project.

The budget for extension should cover

- *both the HQ and field teams that are the core of day-to-day implementation;*
- *careful prioritization of the inputs of other international experts, if required;*
- *emphasis on the involvement of national expertise (in the spirit of capacity building and sustainability at this stage of the project);*
- *careful estimation of inputs required to operationalize the launching/start-up phase of the service centers/platforms/hubs under establishment, based in each case on a business plan that also clarifies the strategy towards sustainability of each of these centres/platforms/hubs.*

The evaluation team is (a) not in favour of supporting only some of the 13 “pilot clusters” given variation in their state of development, to the extent (i) all “pilot clusters” are “babies” of the CCI project and should be supported towards “walking on their own feet”, (ii) it is not at all surprising that there are differences across countries/clusters, as the context, situation and even the types of enterprises in the clusters varies (from quasi informal to medium/large), and (iii) none of the countries/clusters should be “penalized” for this state of affairs. Moreover, the evaluation team is (b) in favour of normal contract durations of project staff commensurate to the extension of the project duration and in line with UNIDO recruitment rules, with a view to minimizing the risk of further turn-over of project staff in this highly critical stage of the project.

2. **Preparation of a detailed and realistic work plan cum budget to complete and consolidate the current support to the 13 “pilot clusters” in the project extension phase (one work plan per cluster).**

Clarification: The preparation of this work plan (for each of the 13 clusters) is to be prepared by the UNIDO HQ coordination team in very close cooperation with the project teams, cluster core members and chief national counterparts in each of the participating countries. This plan should clearly reflect an exit strategy/vision by showing how the role of support under the

current regional CCI project is being phased out, including principles of cost-sharing and increase in absorption of cost of inputs/services by other than project resources. Where appropriate (possibly in the case of some of the seven countries), it should be highlighted in the cluster-specific work plan to what extent there is cooperation with related support (local, national, bilateral, multilateral - the latter eventually but not necessarily via UNIDO) in the process of phasing out of support to the “pilot clusters”. It is also in this extension period that review of the M&E system is suggested to increase the likelihood of its use beyond the project and by cluster development actors.

3. Preparation of a project-wide work plan January 2018 – end June 2019.

Clarification: this work plan should reflect (i) the activities in view of consolidation of support as described under recommendation 2, (ii) the approach/activities to gradually transfer cluster support from the local project teams to the national/local actors that are at the core of cluster development in the respective countries, and include (iii) support to the preparation of the upscaling phase (the latter (i) provided formally requested by the participating countries and (ii) in the case of a country request, to be planned in close cooperation with new related support initiatives/projects that are meanwhile ongoing/planned and could engage in support to upscaling).

4. Seamless extension of the project in order to keep momentum, implying the need for the donors to making available the first tranche of their respective contributions (provided the principle of extension has been approved) by the end of December 2017 in the form of an advance contribution.

Clarification: it is considered unrealistic to expect the project-wide and cluster-specific work plans cum budgets (see recommendations 2 and 3) to be ready for discussion and subsequent approval by end December 2017. Therefore, it is recommended to consider (to the extent donors' rules and regulations permit) the provision of a budget advance for 2018 (the amount of which is to be decided by the donors) in order to allow for smooth continuation of the project work. Along these lines, it is suggested to plan the submission of the required work plans by 15 March 2018 and their review and approval by end March 2018 - implying the next PAC meeting is to be held latest by end March 2018.

B. OTHER RECOMMENDATIONS FOR CONSIDERATION OF INCLUSION IN THE WORK PLANS PERTAINING TO CONSOLIDATION AND UPSCALING (PROJECT-WIDE & CLUSTER-SPECIFIC)

These cover complementary suggestions for consideration by PAC and the NSCs, adding to the above recommendations:

5. Deepening of the involvement of stakeholders represented in the PAC and NSC

Clarification: this could cover strengthening the role and activities of UfM in fostering exchange among the countries at policy, support provider and cluster levels (in the spirit of its aim to create a regional platform). At the country level it could cover intensifying the role of certain stakeholders represented in the NSC by assigning specific tasks to NSC members such as support to addressing for example the removal of administrative obstacles affecting cluster formalization, the mobilization of additional financial resources, or fostering synergies with related support.

6. Providing (upon official request from recipient Governments) policy level advice and assistance in support of cluster development (including but not limited to CCIs)

Clarification: there may be cases in which countries/line Ministries seek assistance (in this case from UNIDO) in the development of support programmes/instruments dedicated to cluster development in general or in a specific sector (industry; handicraft). This could include for example advice to the establishment of a funding mechanism to support emerging/embryonic clusters or to support clusters once formalized. Another type of policy advice could include legal support to the elaboration of a legal statute for cluster organizations (association or other legal form), adapted to the regulatory environment of the country and aimed at addressing challenges pertaining to the formalization of cluster governance. In the same vein, there may be need for assistance to put in place/operationalize the regulatory framework and tools guiding the protection of industrial/intellectual property rights (an issue relevant in the case of cooperation between enterprises and designers as promoted by the project yet with questions on ownership not fully addressed). Another eventual regulatory issue to be addressed relates to the procedures pertaining of labelling of geographic indication (i.e., how this is operationalized and how clusters can apply this).

7. Organization of a series of hands-on training of cluster managers/brokers

Clarification: this could cover recurrent training cum coaching sessions targeting both support providers to clusters and actual cluster managers and be conducted at local/national/regional level, as appropriate. Training/coaching of local teams is considered an important feature of the project exit strategy, but should be intermittent (not a short, “one off” event).

8. Strengthening of efforts to seek market opportunities (including local market and local intermediaries for export)

Clarification: there is need to refine the market strategy related to the past and current product development/design and market exposure efforts, such as: need for more attention to local/national/regional market opportunities; where justified international focus, with emphasis on follow-up of prior fair participations facilitated by the project by the enterprises themselves within the spirit of phasing out of support activities); decision if target is on B2B and/or on B2C; more linkages with local designers/galleries/concept stores; exploring e-commerce as market channel; pursuing product development first and foremost by the enterprises themselves and development of “common collections” by enterprises provided they are ready for this type of joint activity. Building on the participation in more than 30 international fairs during the first stage of the project, emphasis should be on enterprises leading the follow-up of past market exposure opportunities. It is somewhat ambitious to aim at the “pilot clusters” (involving often artisans/SMEs in regions sometimes remote from the capital) to engage in direct exports themselves (as often one-man/woman operations with no or few staff). In this sense the fostering of linkages with local intermediaries - concept stores, designers, and other channels - may be a more realistic approach. Also, developing “common collections” is an approach requiring further reflection based on the project experience/results in this regard. In brief, more thinking is suggested as regards the market/marketing dimension of the project that needs to go well beyond branding and promotional tools.

9. Review of the planned modus operandi of service centres/Design Hubs supported by the CCI project in view of the search for their sustainability

Clarification: as several Design Hubs are under establishment, it is considered of essence to have a clear definition of the functions and services of these support platforms, including its management and steering by actors expected to drive the centres (including the role of the cluster organizations) and to what extent and how the project will support their launching/start-up operations. As regards centres labelled as Design Hub that have been supported by the project yet are not such hubs strictosensu, the vision of the project as

regards centres and its support to them needs to be clarified (including in phasing out strategy). Based on the prior efforts of the project with designers, it could be of relevance for the Design Hub to prepare a data basis of local designers that are interested in working with enterprises as service providers (with whom at cluster level a preferential fee for cluster members could be negotiated). Where appropriate external short term support (with proven experience in managing Design Hubs elsewhere) could be mobilized by the project to define/refine with the local partners the organizational strategy/structure /operations manual of each of the hubs including their respective positioning in the national/local institutional support infrastructure and the formalization of their relationships with other support (including training) institutions. An example is the scope for formalizing linkages between institutions such as Fine Arts schools, the Design Hub and the clusters (such as to promote internship and job insertion opportunities for the graduates of the schools, as well as to involve young creative talents in the efforts of enterprises to adapt existing products or develop new ones in line with market trends/demand). Moreover, within the spirit of enhancing regional cooperation, it will be important for the local teams in charge of developing/running the hubs to share their experiences and lessons.

10. Organization of more technical and business development training (to be prioritized in consultation with the clusters), especially for artisans and small enterprises that are actual or potential cluster members, with special attention to the inclusion of women entrepreneurs and youth

Clarification: It was observed that there is “hunger” for more training, based on the appreciation of enterprises of the technical and business development training they received through the project (notwithstanding the duration often considered as too short). Such training can be organized either by the project itself in cooperation with local training institutions/experts or by involving other initiatives specialized in training related interventions that would run training adapted to the needs priorities with the target group and also to their availability (after business hours). Hand-on training may be an example of a “carrot” to be used in the very beginning of cluster development support to facilitate the engagement of enterprises in clustering and generate critical mass (for consideration in the upscaling strategy). This is suggested based on the situation of the CCI project in which, when dealing with mapping and diagnostics (2014/15), enterprises became impatient or hooked off, as they felt there were meetings but no concrete activities (that were concentrated in the last two years (2016/17).

VI. LESSONS LEARNED

- A. As a pilot programme/project aims to demonstrate new approaches, the extent in which the pilot experience generated initiatives that seek to replicate these approaches, building on lessons learned, is an important measurement of success of the pilot interventions.
- B. The complexity of implementing within a limited time period and with limited resources a regional project encompassing no less than seven countries is not to be underestimated. This is all the more true in the case of a multi-stakeholder project focused on supporting the development of sustainable both horizontal and vertical linkages, i.e., among MSMEs (by themselves a heterogeneous group), between MSMEs and large enterprises, with support providers (public and private) as well as among service providers.
- C. If projects are complex such as in terms of the number of and diversity among participating countries, the number and range of stakeholders, the levels of interventions (macro, meso and micro), the diversity of sectors and sub-sectors, a realistic time frame is required to allow, as first stage, for robust inception.
- D. As support to cluster development is known to take substantial time, the continuity of the engagement of donors/recipient countries - once they decide to promote this approach in the context of private sector development initiatives – is pivotal. If strategic plans and funding priorities have a short time span, engaging in piloting cluster development support is perhaps not the most judicious route and even risks doing more harm than good.
- E. To increase the chances of concrete results of cooperation with large international buyers in CCI projects, seeking their involvement among the core partners from the project design stage onwards, with their expected role defined and specified in the project document, could be beneficial.
- F. The term “project beneficiaries” mainly reflects what is brought “from the outside” through the project and does not embody the dimension of ownership of the local partners themselves at macro, meso and micro level illustrated by their engagement (financial/in-kind) in the activities and their role with respect to the continuation of results beyond the life of the project.
- G. Among the factors that are fundamental for the success of a cluster, two decisions are crucial: cluster members choosing the right leader to generate trust among members and choosing the right cluster manager in charge of dealing with the day-to-day operations of the cluster.
- H. Regional projects require careful targeting: if the regional coverage of a project is vast, the project target should be focused, narrowing in on a set of common and/or complementary issues/priorities. This is expected to stimulate cooperation and also provide opportunities for collective efficiencies in implementation.
- I. The EU ROM approach constitutes an important independent interim review modality in EU funded programmes/project yet would become more results-oriented when its findings are included in the agendas of the steering mechanisms (in the case of the CCI project PAC and NSCs).

ANNEX 1: Terms of Reference



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

DRAFT TERMS OF REFERENCE

Independent terminal evaluation of the UNIDO project:
Private sector development in the southern Mediterranean - "Cultural and creative industry
clusters in the southern Mediterranean region"

UNIDO Project ID: 130034

JUNE 2017

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- II. Purpose and scope of the evaluation
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I. Project background and overview

1. Project factsheet

Project Title	Development of clusters in cultural and creative industries
UNIDO project ID	130034
Region	Middle East and North Africa
Country(ies)	Algeria, Egypt, Jordan, Lebanon, Morocco, Palestine, Tunisia
Implementing agency(ies)	UNIDO
Project implementation start date (First PAD issuance date)	1 January 2014
Original implementation end date	31 October 2017
Revised expected implementation end date (if applicable)	31 December 2017
Donor(s):	European Union, Italy
Actual implementation end date	31 December 2017
Project Budget	EU: EUR 5,000,000 Italy: EUR 600,000
Planned terminal evaluation date	July-October 2017

(Source: Project document)²⁰

2. Project background and context

To ensure social inclusion, 5 million jobs need to be created every year in the European Neighbourhood South Region. Potentially, the 6 million MSMEs in the partner countries, which already account for 90% of total employment, could generate those much-needed jobs; however, their competitiveness needs to be improved in terms of business, environmental and social performances. The largest reservoir of jobs remains the six million micro-small and medium enterprises (mSMEs) that account for 90% of total employment, but are not yet contributing their full share to sustainable growth. Boosting private investment and job creation will require improving the business climate, in particular through the establishment of a level playing field, a transparent and open investment regime for both domestic and foreign investors, facilitating the access to finance and strengthening market institutions.

Within this context, the two joint communications of the European Commission and of the High Representative of the European Union for Foreign Affairs and Security Policy²¹ call on the partner countries in Southern Med. Region to support the adoption of policies that are conducive to stronger, sustainable and more inclusive growth, that facilitate trade, innovation and investment partnerships, and that develop MSMEs while promoting industrial cooperation. Concurrently, the EU supports private sector development initiatives in the Southern Med region at the macro (i.e. targeting the regulatory frameworks), meso (i.e.

²⁰ Project information data throughout these TOR are to be verified during the inception phase.

²¹ "A partnership for democracy and shared prosperity with the Southern Mediterranean" (2011) and "A new response to a changing Neighbourhood" (2011)

capacity building for intermediary business organizations) and micro (i.e. technical assistance to MSMEs) level, for which it already contributed more than €1 billion.

The potential for growth of creative industries in developing countries, both for skilled and less qualified workers, and notably for the youth and women is acknowledged at UNIDO²². Cultural and creative industries refer to a range of economic activities, which transform cultural and creative inputs into goods and services embodying both cultural and economic values. These sectors are largely dominated by SMEs bringing creativity, skill and talent into production, distribution and promotion of cultural and creative contents. Cultural and creative industries include advertising, architecture, archives and libraries, artistic crafts, audio-visual (including film, radio, television, video games and multimedia), heritage, design, festivals, music, performing arts, publishing, software consultancy and visual arts, and other sectors such as tourism, textiles/clothing and information and communication technologies (ICT) through their linkages to cultural and creative industries.

There is also strong interest from partner Southern Mediterranean countries following the Arab Spring to create new sources of inclusive economic development as could be provided by culture and creative industries in fields such as information technology, craft, tourism, textile, fashion and cosmetics for example.

3. Project objective and expected results

The objective of the project is to foster entrepreneurial co-operation in the cultural and creative industry notably through the promotion of promising pilot initiatives demonstrating contribution to inclusive growth. The project then aims at demonstrating the potential for the national and regional development of cultural and creative industries in the Southern Mediterranean, thus opening the possibility through adequate replication and larger scale support from financial institutions to promote new employment opportunities and inclusive growth in the region.

The project facilitates the development of a number of innovative Clusters of MSMEs in the southern Mediterranean region (at least one per partner country) to take advantage of common opportunities arising from closer cooperation and integration, and strengthen the capacity of local institutions to deliver tailored services and assistance. The project also ensures a strong ownership by the national authorities in order to integrate the promotion of clusters and business linkages in the national and regional private sector development frameworks by integrating them to the decision making during steering committee meetings. Potentially, national authorities are expected to replicate the project experience on a wider scale. In addition, special attention is given to the establishment of business linkages between South Mediterranean and EU clusters and support institutions as well as between international buyers (retailers and manufacturers) and local suppliers to increase sustainable sourcing.

The **expected results** for the project are the following:

²² www.unido.org (Creative industries for youth: unleashing potential and growth, Vienna 2013).

1. Complement or update where necessary a mapping of clusters and value chains in the cultural and creative industries in each of the countries of the European Neighbourhood Program in the South region;
2. Competitively select in each country at least one national promising pilot initiative in a given cluster; the selection is based on the responses received to an expression of interest. The selection criteria comprise an assessment of the potential for growth of the cluster and the overall credibility of the business plan.
3. Support the implementation of the business plan by offering access to business advisory services and other relevant technical assistance and acquisition or maintenance of new or improved equipment.
4. Devising plans to the attention of national governments for the replication of promising pilot initiatives throughout the European Neighbourhood Policy (ENP) South region in relation with financial institutions;
5. Results disseminated to stakeholders.

Project implementation started in December 2013 and the initial project end date was in October 2017. The end date was revised in March 2016 and extended to 31 December 2017.

The project document foresees regular monitoring, as well as an independent a terminal evaluation (TE).

4. Project structure and status of implementation

The following **project phases and their subsequent outputs** have been developed, in addition to project management, to achieve the project objectives:

1. Inception phase: Mapping of clusters and value chains in the cultural and creative industries in the ENP South Region

Output 1.1: Existing clusters and value chains per sub-sector mapped, analyzed and selected, M&E and project management structure set-up.

Results as of 31 May 2017:

- Mapping of clusters and value chains in the CCIs in the Southern Mediterranean published. 144 clusters identified and analyzed in the region
- 14 clusters selected through a call for proposals
- 14 diagnosis and strategic analyses elaborated
- 14 vision building and strategic action plans prepared

2. Dissemination phase: Clusters of cultural and creative industries strengthened to contribute to inclusive growth and employment in the Southern Mediterranean

Output 2.1: At least 10 CCIs clusters are assisted through specific technical assistance programs to serve as pilot models

Results as of 31 May 2017:

- 13 clusters are assisted through technical assistance

- 70% of the clusters have established a supporting structure, a governance body and/or a mechanism for coordination, 382 companies are formal members or actively engaged in the 13 clusters
- On average 480 entrepreneurs have been trained in networking and clustering
- 50% of identified relevant support institutions have been trained in networking and clustering

Output 2.2: Cluster Support Service Platforms (CSSPs²³) created or established within existing institutions to act as service providers for cluster development, CCIs, product and service development, strategic business advice and market penetration.

Results as of 31 May 2017²⁴:

- 3 cluster support services platforms have been strengthened or established: Jordan, Lebanon and Palestine.
- 5 cluster support service platforms will be established in 2017: Batna (Algeria), Marrakech (Morocco) , two (2) in Cairo (Egypt), Nabeul (Tunisia)
- 292 entrepreneurs have been trained in entrepreneurship and marketing since start of the project
- 400 entrepreneurs have been trained in product development since start of the project
- 10 clusters have developed and branded new collections

Output 2.3: Up to 10 CCIs clusters market penetration strategies are elaborated for the development of the domestic, regional and eventual export (regional sales = export) markets.

Results as of 31 May 2017:

- 13 branding/marketing strategies have been developed
- 131 collections have been developed in line with the branding strategies
- 125 beneficiaries have been exposed to international markets through participation to international trade fairs (Maison&Objet Paris, Ambiente Frankfurt, Paris sur Mode, Super Pitti Milan, etc)

3. Replication phase: Dissemination of promising pilot initiatives throughout the ENP South region

Output 3.2: Results of the project are disseminated throughout the ENP South region and proper strategies for CCIs clusters are developed and CCIs approach integrated in industrial clusters, agri-businesses and MSMES policies in the Southern Mediterranean region

Results as of 31 May 2017:

- The project and its methodology has been presented in 22 high-level events in 2016 including the World Humanitarian Summit 2016, OECD conference on Creativity, Jobs

²³ The Cluster Support Service Platform can either be part of a Ministry, University (faculty of architecture, industrial design) or a technical college for industrial design or within the premises of a Cluster Association, Chamber of Commerce or Local Economic Development Agency. It acts as a Business Development Service provider including trainings on cluster development, product development, design, marketing etc as well as a show room for the cluster's products. The CSSP is thus a collaborative platform for exchange, upgrading and dissemination between the cluster members as well as the market.

²⁴ Disaggregation by country will be shared with the Monitoring and Evaluation files

and Local Economic Development, Venice 2016, European Development Days, Brussels 2016; Shaping a creative future by Prada Group, 2017.

- The project and its methodology were awarded with the prestigious design award: “Il Compasso d’Oro” (Italy) for its innovative methodology of using design as a tool for development

Output 3.3: A 3-year communication and visibility plan for the project highlighting the importance of the EU intervention is prepared and implemented.

Results as of 31 May 2017:

- 107 articles presenting the project and its methodology in different media, including Euronews, Vogue Italy or Interior Fashion
- 29 brochures and promotional packages have been developed, including cluster catalogues
- Social media strategy has been developed at the regional and national levels (Facebook, Instagram, etc)

5. Project stakeholders and execution arrangements

UNIDO: Implementing Agency

Union for the Mediterranean: labels the project, logistical support to regional meetings

European Commission (EC): donor

Italian Agency for Development Cooperation (AICS): donor

Algeria:

- Ministry of Industry and Mines: seats at the Steering Committee
- Forum des Chefs d’Entreprises (FCE) : co-organization of the regional conference
- Ministry of Territory, Tourism and Handicrafts: seats at the Steering Committee

Egypt:

- Ministry of Foreign Affairs
- Egyptian Exporters Association
- Federation of Egyptian Industries
- Industrial Council for Technology and Innovation
- Industrial Modernization Center
- Expolink
- Leather technology Center

Jordan:

- Garment and design training services centres (GSC): hosting of the Jordan Cluster Support Services Platform and co-organization of activities
- JEDCO
- Amman Chamber of Commerce

Lebanon:

- Ministry of Industry
- Association of Lebanese Industrialists

Morocco:

- Emerging Business Factory
- Ministry of Industry
- Ministry of Handicrafts
- Maroc PME
- CGEM: Confédération Générale des Entreprises du Maroc

Palestine:

- Ministry of National Economy
- Palestinian Federation of Chambers of Commerce and Industry
- Palestine Trade Center
- Federation of Palestinian Industries

Tunisia:

- Ministry of Culture
- Ministry of Industry
- National Office of Crafts (ONA):co-organization and co-financing of activities
- UTICA: Union Tunisienne de l'Industrie, du commerce et de l'artisanat
- Conect : Confédération des Entreprises citoyennes de Tunisie

6. Relevant project reports/documents

- Inception report
- Mapping on cultural and creative industries clusters in the Southern Mediterranean
- Communication strategy
- 14 Cluster strategic analysis and diagnosis (1 per selected cluster)
- 14 Vision building for fourteen clusters (1 per selected cluster)
- 14 Action planning for fourteen clusters (1 per selected cluster)
- Progress report 2015
- Results Oriented Monitoring report by the European Union
- Progress report 2016
- Progress Reports 2017
- Steering Committee minutes
- Consultants reports
- Data from project M&E system (details by country)
- List of project staff by country and specifying role and duration (actual w/m)

Further details can be obtained from the project webpage: www.medcreative.org

7. Budget information

European Union: EUR 5,000,000; Italy: EUR 600,000

UPDATED PROJECT BUDGET	UNIDO budget lines								
Components	11-00 Int'l experts / consultants	15-00 project staff travel	16-00 UNIDO staff travel	17-00 Local experts / consultants	21-00 Sub-contracts	30-00 Training, Meetings, Study tours	45-00 Equipment	51-00 Miscellaneous	TOTAL
Inception phase: Mapping of clusters/value chains in the cultural and creative industries; and M&E and institutional setup created									
Output 1.1. Existing clusters/value chains mapped, analyzed and selected; and M&E/project management structure set-up	246,273	32,463	39,986	41,685	33,832	58,280	0	16,722	469,241
Implementation phase: CCI Clusters strengthened to contribute to inclusive growth and employment									
Output 2.1. At least 9 CCI clusters are assisted through specific technical assistance projects to serve as pilot projects	442,158	72,079	38,612	962,478	47,100	628,063	15,000	6,369	2,211,859
Output 2.2. Cluster Support Services Platforms (CSSP) created or established within an existing institution	639,468	25,000	15,000	153,900	16,000	190,500	90,000	132	1,130,000
Output 2.3. Market penetration strategies elaborated for market access of up to 10 CCI clusters	110,550	14,000	12,500	75,900	0	223,050	0	1,000	437,000
Dissemination phase: Dissemination, Scaling-up and replication strategies									
Output 3.1. Results of the project disseminated in region and CCI cluster development strategy disseminated in the region for scaling-up and replication	36,000	14,500	10,500	0	30,500	100,000	0	0	191,500
Output 3.2. Communication/visibility and networking plan/strategy developed and implemented	114,577	17,439	7,500	138,375	105,000	77,052	4,815	39,082	503,840
[1] Outputs 1 to 3 TOTAL	1,589,026	175,481	124,098	1,372,338	232,432	1,276,945	109,815	63,305	4,943,440
[1] TOTAL	4,943,440								
[3] Direct Costs (4 months/home for 3 years for 2 P4 (@€12,092/month)	290,207								
[2] Indirect Costs (7%)	366,355								
[4] = [1] + [2] + [3] TOTAL PROJECT	5,600,002								
OUT OF WHICH									
TOTAL EU CONTRIBUTION INCL. COSTS	5,000,002								
TOTAL UNIDO CONTRIBUTION INCL. COSTS	600,000								

II. Purpose and scope of the evaluation

The purpose of the evaluation is to independently assess the project to help UNIDO improve performance and results of future projects and projects.

The evaluation has three specific objectives:

- (i) Assess the project performance in terms of relevance, effectiveness, efficiency, sustainability and progress to impact;
- (ii) Develop a series of findings, lessons and recommendations for enhancing the design of new and implementation of ongoing projects and projects by UNIDO.

In view of the limited time and resources available, it is not possible for the evaluation to examine the full spectrum of the project activities, achievements and drawbacks or conduct extensive quantitative surveys. Rather the evaluation will pursue a stratified approach with country visits and, if possible, complemented with a survey (to be determined at inception phase).

All seven participating countries have been selected for field visits: Algeria, Egypt, Jordan, Lebanon, Morocco, Palestine, Tunisia.

The independent evaluation will cover the whole duration of the project from its starting date in 1 January 2014 to September 2017.

III. EVALUATION Methodology, KEY Criteria and rating

The evaluation will be conducted in accordance with the UNIDO Evaluation Policy²⁵. It will be carried out as an independent terminal evaluation using participatory approach whereby key stakeholders will be regularly consulted and informed throughout the evaluation process.

In line with its objectives, the evaluation will have two main components. The first component focuses on an overall **assessment of performance** of the project, whereas the second focuses on the **learning** from the successful and unsuccessful practices in project design and implementation.

Methodology. The evaluation will use mixed methods to collect data and information from a range of sources and informants. It will pay attention to triangulating the data and information collected before forming its assessment. This is essential to ensure an evidence-based and credible evaluation, with robust analytical underpinning.

The evaluation team will reconstruct the theory of change for the actual project. The theory of change will identify causal and transformational pathways from the project outputs to outcomes and longer-term impacts, and drivers as well as barriers to achieve them. While it is early to determine the actual impact of the project at this stage, the theory of change analysis will help determine the progress to impact. The learning from this analysis will be useful to feed into the design of the future projects so that the management team can effectively manage them based on results.

Following are the main instruments for data collection and analysis:

1. **Desk and literature review** of documents related to the project and creative industries.
2. **Stakeholder consultations** will be conducted through structured and semi-structured interviews and focus group discussion. Key stakeholders to be interviewed include: i) UNIDO Management and staff involved in the project and ii) representatives of donors.

²⁵ UNIDO. (2015). Director General's Bulletin: Evaluation Policy (UNIDO/DGB/(M).98/Rev.1)

3. **Field visit.** The evaluation team will visit Algeria, Egypt, Jordan, Lebanon, Morocco, Palestine, and Tunisia, and interview national stakeholders and project staff in the countries.

Evaluation key questions and criteria. The evaluation has the following key questions:

1. What are the key drivers and barriers to achieve the long-term objectives? To what extent has the project helped put in place the conditions likely to address drivers, overcome barriers and contribute to the long-term objectives?
2. How well has the project performed? Has the project done the right things? Has the project done things right, with good value for money?
3. What have been the project's key results (outputs, outcome and impact)? To what extent have the expected results been achieved or are likely to be achieved? To what extent the achieved results will sustain after the completion of the project?
4. What lessons can be drawn from the successful and unsuccessful practices in designing, implementing and managing the project?

The evaluation will assess the likelihood of sustainability of the project results after the project completion. The assessment will identify key risks (e.g. in terms of financial, socio-political, institutional and environmental risks) and explain how these risks may affect the continuation of results after the project ends.

Below are the key evaluation criteria to be assessed by the evaluation. The details questions to assess each evaluation criterion are in Annex 2.

#	Evaluation criteria	Mandatory rating
A	Impact	Yes
B	Project design	Yes
1	• Overall design	Yes
2	• Logframe	Yes
C	Project performance	Yes
1	• Relevance	Yes
2	• Effectiveness	Yes
3	• Efficiency	Yes
4	• Sustainability of benefits	Yes
D	Cross-cutting performance criteria	
1	• Gender mainstreaming	Yes
2	• M&E: ✓ M&E design ✓ M&E implementation	Yes
3	• Results-based Management (RBM)	Yes
E	Performance of partners	
1	• UNIDO	Yes
2	• National counterparts	Yes
3	• Donor	Yes
F	Overall assessment	Yes

Rating system. In line with the practice adopted by many development agencies, the UNIDO Independent Evaluation Division uses a six-point rating system, where 6 is the highest score (highly satisfactory) and 1 is the lowest (highly unsatisfactory).

Score		Definition*	Category
6	Highly satisfactory	Level of achievement clearly exceeds targets and expectations and there is no shortcoming.	SATISFACTORY
5	Satisfactory	Level of achievement meets expectations (indicatively, over 80-95 per cent) and there is no or minor shortcoming.	
4	Moderately satisfactory	Level of achievement more or less meets expectations (indicatively, 60 to 80 per cent) and there are some shortcomings.	
3	Moderately unsatisfactory	Level of achievement is somewhat lower than expected (indicatively, less than 60 per cent) and there are significant shortcomings.	UNSATISFACTORY
2	Unsatisfactory	Level of achievement is substantially lower than expected and there are major shortcomings.	
1	Highly unsatisfactory	Level of achievement is negligible and there are severe shortcomings.	

Note: * For impact, the assessment will be based on the level of *likely* achievement, as it is often too early to assess the long-term impacts of the project at the project completion point.

IV. Evaluation Process

The evaluation will be conducted from July to November 2017. The evaluation will be implemented in five phases which are not strictly sequential, but in many cases iterative, conducted in parallel and partly overlapping:

- i. Inception phase: The evaluation team will prepare the inception report providing details on the methodology for the evaluation team and include an evaluation matrix of specific issues for the evaluation. The report will be discussed with and approved by the responsible Evaluation Manager in the UNIDO Independent Evaluation Division.
- ii. Desk review and data analysis
- iii. Interviews, focus groups, survey and literature review
- iv. Country visits
- v. Data analysis and report writing

At the end of the evaluation field mission, a local debriefing should be conducted inviting local stakeholders (incl. government and parties involved in the evaluation). After the evaluation mission, the international evaluation consultant will come to UNIDO HQ for debriefing and presentation of the preliminary findings of the terminal evaluation. The draft TE report will be submitted 2 to 4 weeks after the end of the mission.

The draft TE report is to be shared with stakeholders (e.g. the UNIDO PM, ODG/EVQ/IEV and other relevant stakeholders). The ET is expected to revise the draft TE report based on the comments received, edit the language and form and submit the final version of the TE report in accordance with UNIDO Evaluation standards.

Tentative timetable for the independent evaluation is as follows:

Timing to be updated	Tasks
15-30 July 2017	Inception phase and mission to Vienna
15-30 July 2017	Desk review and writing of inception report
1 Aug. 2017 – 15 Sep 2017	Field visits: Algeria, Egypt, Jordan, Lebanon, Morocco, Palestine, Tunisia

Timing to be updated	Tasks
15 Sep. 2017 – 1 Oct 2017	Preparation of first draft evaluation report and submission to PTC and IED
Oct. 2017	Evaluation debriefing in Vienna
Oct. 2017	Internal peer review of the report by the Independent Evaluation Division
November 2017	Draft evaluation report shared with stakeholders for comments
End of November 2017	Finalization and dissemination of the report

V. Evaluation team composition

The evaluation team will be composed of one international evaluation consultant acting as the team leader and one international evaluation expert. The consultants will be contracted by UNIDO. The tasks of each team member are specified in the job descriptions in Annex 6 to these Terms of Reference.

The evaluation team might be required to provide information relevant for follow-up studies, including terminal evaluation verification on request to donors/partners up to three years after completion of the terminal evaluation.

Members of the evaluation team must not have been directly involved in the design and/or implementation of the projects/project under evaluation.

The UNIDO project manager and the project teams in the participating country/ies will support the evaluation team.

VI. Quality assurance

All UNIDO evaluations are subject to quality assessments by the UNIDO Independent Evaluation Division. Quality assurance and control is exercised in different ways throughout the evaluation process (briefing of consultants on methodology and process by the UNIDO, ODG/EVQ/IEV, providing inputs regarding findings, lessons learned and recommendations from other UNIDO evaluations, review of inception report and evaluation report by UNIDO, ODG/EVQ/IEV).

The quality of the evaluation report will be assessed and rated against the criteria set forth in the Checklist on evaluation report quality, attached as Annex 5. The applied evaluation quality assessment criteria are used as a tool to provide structured feedback. UNIDO, ODG/EVQ/IEV should ensure that the evaluation report is useful for UNIDO in terms of organizational learning (recommendations and lessons learned) and is compliant with UNIDO's evaluation policy and these terms of reference. The draft and final evaluation report are reviewed by the UNIDO Independent Evaluation Division, who will circulate it within UNIDO and relevant stakeholders together with a management response sheet.

VII. Annexes

Annex 1: Logical Framework

Annex 2: Detailed questions to assess key evaluation criteria

Annex 3: Outline of an in-depth project evaluation report

Annex 4: Job descriptions for team member(s)

Annex 5: Checklist on evaluation report quality

Annex 6: Guidance on integrating gender in evaluations of UNIDO Programmes and projects

ANNEX 1: LOGICAL FRAMEWORK

Revised LOGICAL FRAMEWORK				
RESULTS	INTERVENTION LOGIC	OBJECTIVE VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	RISKS AND ASSUMPTIONS
Development objective (impact)	To boost the competitiveness of the private sector, specially MSMEs, in terms of business, social and environmental performance in the Southern Mediterranean Region	<ul style="list-style-type: none"> ▪ Business performance: increases sales, improved quality, increased revenue ▪ Social performance: job creation, improved work conditions ▪ Environmental performance: improved waste management, improved energy efficiency, reduced pollution 	Household survey, Biannual business survey	
Immediate Objectives (outcomes) <ul style="list-style-type: none"> ▪ Conduct a mapping of clusters and value chains in CCI in the ENP South Region ▪ Stimulation of promising pilot initiatives in a number of clusters demonstrating the CCI potential in promoting inclusive growth and employment in the ENP South Region ▪ Replication of promising pilot initiatives throughout the ENP South Region ▪ Results disseminated to stakeholders 	<ul style="list-style-type: none"> ▪ Performance of assisted clusters of Creative Industries improved in terms of: products and service innovation, inter-firm collaboration and linkages created at national and regional level ▪ Improved availability and accessibility of business development services for MSMEs through Cluster Support Service Platforms (CSSP) for key support institutions ▪ Successful cluster approach replicated in the region 	<ul style="list-style-type: none"> ▪ Number of products, services and innovations in line the market trends and needs developed ▪ Level of inter-firm collaboration (joint/collective actions) ▪ No of linkages and networks created among the different cluster actors at national and regional level ▪ % of direct beneficiaries satisfied with quality of services by CSSP ▪ % of cluster members who access CSSPs ▪ Number of replications 	Project M&E system Cluster M&E system Project progress and review report Survey of beneficiaries	It can be assumed that political and economic instability in the Southern Mediterranean region will not be simultaneously to severely hamper overall implementation. Risk level: MEDIUM
INCEPTION PHASE				
<i>Mapping of clusters and value chains in the cultural and creative industries in the ENP South Region (12 months).</i>				
Output 1	Existing clusters and value chains per sub-sector mapped, analyzed and selected, M&E and project	<ul style="list-style-type: none"> ▪ Identification of stakeholders ▪ M&E structure ▪ At least 10 CCI clusters are selected to participate in the project 	<ul style="list-style-type: none"> ▪ Inception report ▪ Mapping report ▪ Guidelines and call for 	Access to the facilities could be limited due to security. Not all countries committed to the participation into this project.

Revised LOGICAL FRAMEWORK				
RESULTS	INTERVENTION LOGIC	OBJECTIVE VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	RISKS AND ASSUMPTIONS
	management structure set-up.	<ul style="list-style-type: none"> ▪ Identification of the 3 sub-sectors and countries ▪ Draft call for expression of interest prepared (including documentation of criteria for for selection and award) ▪ Call for expression of interest is organized ▪ At least one cluster per country is selected for further support (7) ▪ One regional PAC and 7 Steering Committees established ▪ A 3-year communication and visibility plan is prepared ▪ Assessment of the competitiveness and innovation of the CI sub- sectors 	<ul style="list-style-type: none"> ▪ expression of interest ▪ Publication of the call for expression of interest ▪ Received applications from clusters for call for expression of interest ▪ Minutes of the PAC and national PSCs 	Risk level: LOW
IMPLEMENTATION PHASE				
<i>Clusters of cultural and creative industries strengthened to contribute to inclusive growth and employment in the Southern Mediterranean region (around 36 months).</i>				
Output 2.1	At least 10 CCIs clusters are assisted through specific technical assistance programs to serve as pilot models	<ul style="list-style-type: none"> ▪ At least 1 CCI cluster per country (7) is assisted through specific technical assistance projects (UNIDO cluster methodology and UNIDO creative industry approach) to serve as pilot models. Average 10 enterprises per cluster (70 enterprises) ▪ 50 entrepreneurs, including women and youth trained in networking and clustering in each country (350) ▪ Technical assistance on identified gaps of the selected CCI value chains provided to each selected cluster (at least 9) ▪ Capacity building provided to at least 2 relevant agency/institutions on clustering and networking (maximum 18) 	<ul style="list-style-type: none"> ▪ Diagnostic study for each cluster ▪ Action plan for each cluster ▪ Data and progress report requested from clusters ▪ Data and reports from the counterparts and institutions assisted ▪ Baseline data collected for M&E framework ▪ M&E documents 	Volatility of the business environment in the SMR due to an unfavourable macro-economic scenario. Risk level: MEDIUM

Revised LOGICAL FRAMEWORK				
RESULTS	INTERVENTION LOGIC	OBJECTIVE VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	RISKS AND ASSUMPTIONS
		<ul style="list-style-type: none"> 20 entrepreneurs benefitting from business development support services in each country (140) Establishment of CCIs cluster linkages 	and reports on participation results	
Output 2.2	Cluster Support Service Platforms (CSSPs ²⁶) created or established within existing institutions to act as service providers for cluster development, CCIs, product and service development, strategic business advice and market penetration. The Cluster Support Service Platform can either be part of a Ministry, University (faculty of architecture, industrial design) or a technical college for industrial design or within the premises of a Cluster Association, Chamber of Commerce or Local Economic Development Agency. It acts as a Business Development	<ul style="list-style-type: none"> At least 1 CSSP established and/or strengthened in each country (7) Training of at least 20 national per country (140) in entrepreneurship and marketing skills. Trainings of at least 30 national per country (210) in product development through design workshops At least 20 entrepreneurs have received advisory services through the CSSP 	<ul style="list-style-type: none"> Baseline data Availability of services before and after project intervention Data and reports on the establishment of the CSSPs 	Lack of physical infrastructure. Lack of absorption capacity of key institutions Risk level: MEDIUM
Output 2.3	Up to 10 cultural and CIs clusters market penetration strategies are elaborated for the development of the domestic, regional and eventual export markets.	<ul style="list-style-type: none"> At least 1 supporting structures inside the clusters ensure the sustainability of further developments (14) At least 14 branding strategies and product branding developed and linked to countries images and market 	<ul style="list-style-type: none"> Data and reports from CCI clusters Data from Trade and Industry Ministries/agencies in the 	Limitation in free flow of export goods due to security conditions as well as custom procedures in the region. Risk level: MEDIUM

Revised LOGICAL FRAMEWORK				
RESULTS	INTERVENTION LOGIC	OBJECTIVE VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	RISKS AND ASSUMPTIONS
		<p>demands</p> <ul style="list-style-type: none"> ▪ Develop at least 1 product collection per cluster (14) in line with the branding strategies. ▪ Expose 2 beneficiaries per cluster (at least 28) to international markets through relevant Trade Fairs. ▪ Assist all selected clusters (14) in post-fair follow-up. 	<p>SMR</p> <ul style="list-style-type: none"> ▪ Sales and export figures per selected cluster/ value chain 	
DISSEMINATION PHASE				
Dissemination of promising pilot initiatives throughout the ENP South region				
Output 3.1	Results of the project are disseminated through-out the ENP South region and proper strategies for cultural and CIs clusters are developed and CIs approach integrated in industrial clusters, agri-businesses and MSMES policies in the Southern Mediterranean region	<ul style="list-style-type: none"> ▪ Project results are disseminated throughout the ENP South region; CCI strategies are developed and promoted for their possible integration in industrial cluster, agri-business and MSME policies in the selected countries (7) ▪ Report on relevant partner agencies and institutions, which can create policy linkages to promote the CCI sector in the Southern Mediterranean region prepared for each country (7) 	Project M&E system Project progress report	<ul style="list-style-type: none"> ▪ Counterparts and institutions are not ready ▪ A high turnover of counterpart staff. ▪ Political changes at management level of relevant agencies could have a negative impact on this output. <p>Risk level: MEDIUM</p>
Output 3.2	A 3-year communication and visibility plan for the project highlighting the importance of the EU intervention is prepared and implemented.	<ul style="list-style-type: none"> ▪ At least 2 Brochures and promotional packages are prepared per year ▪ At least 1 Press release organized and awareness workshop conducted per year and per country (42). 	Records and data from the MICA, chambers of commerce, policy makers, etc.).	It is assumed that no risk would be experienced in this phase of the project (with exception of the general security & stability situation within the countries). Risk level: MEDIUM

ANNEX 2: Detailed questions to assess evaluation criteria

The evaluation team will assess the project performance guided by the questions below.

#	<u>Evaluation criteria</u>
A	<p>Progress to impact</p> <ul style="list-style-type: none"> ✓ <u>Mainstreaming</u>: To what extent information, lessons or specific results of the project are incorporated into broader stakeholder mandates and initiatives such as laws, policies, regulations and project? ✓ <u>Replication</u>: To what extent the project's specific results (e.g. methodology, technology, lessons and etc) are reproduced or adopted ✓ <u>Scaling-up</u>: To what extent the project's initiatives and results are implemented at larger geographical scale? ✓ What difference has the project made to the beneficiaries? ✓ What is the change attributable to the project? To what extent? ✓ What are the social, economic, environmental and other effects, either short-, medium- or long-term, on a micro- or macro-level? ✓ What effects are intended or unintended, positive or negative? <p>The three UNIDO impact dimensions are:</p> <ul style="list-style-type: none"> ✓ <u>Safeguarding environment</u>: To what extent the project contributes to changes in the status of environment? ✓ <u>Economic performance</u>: To what extent the project contributes to changes in the economic performance (finances, income, costs saving, expenditure and etc) of individuals, groups and entities? ✓ <u>Social inclusiveness</u>: To what extent the project contributes to changes in capacity and capability of individuals, groups and entities in society, including vulnerable groups, and hence generating employment and access to education and training?
B	Project design
1	<ul style="list-style-type: none"> • <u>Overall design</u> ✓ The problem, need or gap to be addressed by the project is clearly identified, with clear target beneficiaries? ✓ The project design was adequate to address the problems at hand? ✓ Is the project consistent with the Country's priorities, in the work plan of the lead national counterpart? Does it meet the needs of the target group? Is it consistent with UNIDO's Inclusive and Sustainable Industrial Development? Does it adequately reflect lessons learnt from past projects? Is it in line with the donor's priorities and policies? ✓ Is the applied project approach sound and appropriate? Is the design technically feasible and based on best practices? Does UNIDO have in-house technical expertise and experience for this type of intervention? ✓ To what extent the project design (in terms of funding, institutional arrangement, implementation arrangements...) as foreseen in the project document still valid and relevant? ✓ Does it include M&E plan and adequate budget for M&E activities? ✓ Risk management: Are critical risks related to financial, social-political, institutional, environmental and implementation aspects identified with specific risk ratings? Are their mitigation measures identified? Where possible, are the mitigation measures included in project activities/outputs and monitored under the M&E plan?
2	<ul style="list-style-type: none"> • <u>Logframe</u> ✓ Expected results: Is the expected result-chain (impact, outcomes and outputs) clear and logical? Does impact describe a desired long-term change or benefit to a society or community (not as a mean or process), do outcomes describe change in target group's behaviour/performance or system/institutional performance, do outputs

#	<u>Evaluation criteria</u>
	<p>describe deliverables that project will produce to achieve outcomes? Are the expected results realistic, measurable and not a reformulation or summary of lower level results? Do outputs plus assumptions lead to outcomes, do outcomes plus assumptions lead to impact? Can all outputs be delivered by the project, are outcomes outside UNIDO's control but within its influence?</p> <ul style="list-style-type: none"> ✓ Indicators: Do indicators describe and specify expected results (impact, outcomes and outputs) in terms of quantity, quality and time? Do indicators change at each level of results and independent from indicators at higher and lower levels? Do indicators not restate expected results and not cause them? Are indicators necessary and sufficient and do they provide enough triangulation (cross-checking)? Are they indicators sex-disaggregated, if applicable? Are the indicator SMART? ✓ Sources of verification: Are the sources of verification/data able to verify status of indicators, are they cost-effective and reliable? Are the sources of verification/data able to verify status of output and outcome indicators before project completion? ✓ Are key assumptions properly summarized and reflecting the proper level in the results chain in the logframe?
C	Project performance
1	<ul style="list-style-type: none"> • <u>Relevance</u> ✓ How does the project fulfil the urgent target group needs? ✓ To what extent is the project aligned with the development priorities of the country (national poverty reduction strategy, sector development strategy)? ✓ How does project reflect donor policies and priorities? ✓ Is the project a technically adequate solution to the development problem? Does it eliminate the cause of the problem? ✓ To what extent does the project correspond to UNIDO's comparative advantages? ✓ Are the original project objectives (expected results) still valid and pertinent to the target groups? If not, have they been revised? Are the revised objectives still valid in today's context?
2	<ul style="list-style-type: none"> • <u>Effectiveness</u> ✓ What are the main results (mainly outputs and outcomes) of the project? What have been the quantifiable results of the project? ✓ To what extent did the project achieve their objectives (outputs and outcomes), against the original/revised target(s)? ✓ What are the reasons for the achievement/non-achievement of the project objectives? ✓ What is the quality of the results? How do the stakeholders perceive them? What is the feedback of the beneficiaries and the stakeholders on the project effectiveness? ✓ To what extent is the identified progress result of the project attributable to the intervention rather than to external factors? ✓ What can be done to make the project more effective? ✓ Were the right target groups reached?
3	<ul style="list-style-type: none"> • <u>Efficiency</u> ✓ How economically are the project resources/inputs (concerning funding, expertise, time...) being used to produce results? ✓ To what extent were expected results achieved within the original budget and timeframe? If no, please explain why. ✓ Are the results being achieved at an acceptable cost? Would alternative approaches accomplish the same results at less cost? ✓ What measures have been taken during planning and implementation to ensure that resources are efficiently used? Were the project expenditures in line with budgets? ✓ Could more have been achieved with the same input?

#	<u>Evaluation criteria</u>
	<ul style="list-style-type: none"> ✓ Could the same have been achieved with less input? ✓ How timely was the project in producing outputs and outcomes? Comment on the delay or acceleration of the project's implementation period. ✓ To what extent were the project's activities in line with the schedule of activities as defined by the Project Team and annual Work Plans? ✓ Have the inputs from the donor, UNIDO and Government/counterpart been provided as planned, and were they adequate to meet the requirements?
4	<ul style="list-style-type: none"> • <u>Sustainability of benefits</u> ✓ Will the project results and benefits be sustained after the end of donor funding? ✓ Does the project have an exit strategy? ✓ To what extent the outputs and results have been institutionalized? <i>Financial risks:</i> ✓ What is the likelihood of financial and economic resources not being available once the project ends? <i>Socio-political risks:</i> ✓ Are there any social or political risks that may jeopardize the sustainability of project outcomes? ✓ What is the risk that the level of stakeholder ownership (including ownership by governments and other key stakeholders) will be insufficient to allow for the project outcomes/benefits to be sustained? ✓ Do the various key stakeholders see that it is in their interest that project benefits continue to flow? ✓ Is there sufficient public/stakeholder awareness in support of the project's long-term objectives? <i>Institutional framework and governance risks:</i> ✓ Do the legal frameworks, policies, and governance structures and processes within which the project operates pose risks that may jeopardize the sustainability of project benefits? ✓ Are requisite systems for accountability and transparency and required technical know-how in place? <i>Environmental risks:</i> ✓ Are there any environmental risks that may jeopardize the sustainability of project outcomes? ✓ Are there any project outputs or higher level results that are likely to have adverse environmental impacts, which, in turn, might affect the sustainability of project benefits?
D	Cross-cutting performance criteria
1	<ul style="list-style-type: none"> • <u>Gender mainstreaming</u> ✓ Did the project design adequately consider the gender dimensions in its interventions? Was the gender marker assigned correctly at entry? ✓ Was a gender analysis included in a baseline study or needs assessment (if any)? Were there gender-related project indicators? ✓ Are women/gender-focused groups, associations or gender units in partner organizations consulted/ included in the project? ✓ How gender-balanced was the composition of the project management team, the Steering Committee, experts and consultants and the beneficiaries? ✓ Do the results affect women and men differently? If so, why and how? How are the results likely to affect gender relations (e.g., division of labour, decision-making authority)? ✓ To what extent were socioeconomic benefits delivered by the project at the national and local levels, including consideration of gender dimensions?

#	<u>Evaluation criteria</u>
2	<ul style="list-style-type: none"> ○ <u>M&E:</u> ○ M&E design ○ Was the M&E plan included in the project document? Was it practical and sufficient at the point of project approval? ○ Did it include baseline data and specify clear targets and appropriate indicators to track environmental, gender, and socio-economic results? ○ Did it include a proper M&E methodological approach; specify practical organization and logistics of the M&E activities including schedule and responsibilities for data collection; ○ Does the M&E plan specify what, who and how frequent monitoring, review, evaluations and data collection will take place? Is the M&E plan consistent with the logframe (especially indicators and sources of verification)? ○ Does it allocate adequate budget for M&E activities? ○ M&E implementation ○ How was the information from M&E system used during the project implementation? Was an M&E system in place and did it facilitate timely tracking of progress toward project results by collecting information on selected indicators continually throughout the project implementation period? Did project team and manager make decisions and corrective actions based on analysis from M&E system and based on results achieved? ○ Are annual/progress project reports complete, accurate and timely? ○ Was the information provided by the M&E system used to improve performance and adapt to changing needs? Was information on project performance and results achievement being presented to the Project Steering Committee to make decisions and corrective actions? Do the Project team and managers and PSC regularly ask for performance and results information? ○ Are monitoring and self-evaluation carried out effectively, based on indicators for outputs, outcomes and impact in the logframe? Do performance monitoring and reviews take place regularly? ○ Were resources for M&E sufficient? ○ How has the logframe been used for Monitoring and Evaluation purposes (developing M&E plan, setting M&E system, determining baseline and targets, annual implementation review by the Project Steering Committee...) to monitor progress towards expected outputs and outcomes? ○ How well have risks outlined the project document and in the logframe been monitored and managed? How often have risks been reviewed and updated? Has a risk management mechanism been put in place?
3	<ul style="list-style-type: none"> ○ <u>Results-based management (RBM)</u> <i>Results-Based work planning</i> ○ Review any delays in project start-up and implementation, identify the causes and examine if they have been resolved. ○ Are there any annual work plans? Are work-planning processes results-based? Has the logframe been used to determine the annual work plan (including key activities and milestone)? ○ Examine the use of the project's results framework/ logframe as a management tool and review any changes made to it since project start. <i>Results-based monitoring and evaluation</i> ○ Verify whether an M&E system is in place and facilitated timely tracking of progress toward project objectives by collecting information on selected indicators continually throughout the project implementation period; ○ Review the monitoring tool currently being used: Do they provide the necessary

#	<u>Evaluation criteria</u>
	<p>information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive?</p> <ul style="list-style-type: none"> ○ Do project team and manager make decisions and corrective actions based on analysis from M&E system and based on results achieved? Is information on project performance and results achievement being presented to the Project Steering Committee to make decisions and corrective actions? Do the Project team and managers and PSC regularly ask for performance and results information? <p><i>Results-based reporting</i></p> <ul style="list-style-type: none"> ○ Assess how adaptive management changes have been reported by the project management and shared with the PSC. ○ Assess how well the Project Team and partners undertake and fulfil donor and UNIDO reporting requirements (i.e. how have they addressed delays or poor performance, if applicable?) ○ Assess how results and lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.
E	Performance of partners
1	<ul style="list-style-type: none"> ○ <u>UNIDO</u> ○ Mobilization of adequate technical expertise for project design ○ Inclusiveness of project design (with national counterparts) ○ Previous evaluative evidence shaping project design ○ Planning for M&E and ensuring sufficient M&E budget ○ Timely recruitment of project staff ○ Project modifications following changes in context or after the Mid-Term Review ○ Follow-up to address implementation bottlenecks ○ Role of UNIDO country presence (if applicable) supporting the project ○ Engagement in policy dialogue to ensure up-scaling of innovations ○ Coordination function ○ Exit strategy, planned together with the government ○ Review overall effectiveness of project management as outlined in the Project Document. Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? Recommend areas for improvement. ○ To what extent the project has a proper and operational governance system (e.g. PSC with clear roles and responsibilities)? ○ Review whether the national management and overall coordination mechanisms have been efficient and effective? Did each partner have assigned roles and responsibilities from the beginning? Did each partner fulfil its role and responsibilities (e.g. providing strategic support, monitoring and reviewing performance, allocating funds, providing technical support, following up agreed/corrective actions)? ○ The UNIDO HQ-based management, coordination, monitoring, quality control and technical inputs have been efficient, timely and effective (e.g. problems identified timely and accurately; quality support provided timely and effectively; right staffing levels, continuity, skill mix and frequency of field visits)?
2	<ul style="list-style-type: none"> ● <u>National counterparts</u>

#	<u>Evaluation criteria</u>
	<ul style="list-style-type: none"> ✓ Design ○ Responsiveness to UNIDO's invitation for engagement in designing the project ✓ Implementation ○ Ownership of the project ○ Provide financial contribution as planned (cash or in-kind) ○ Support to the project, based on actions and policies ○ Counterpart funding ○ Internal government coordination ○ Exit strategy, planned together with UNIDO, or arrangements for continued funding of certain activities ○ Facilitation of the participation of Non-Governmental Organizations(NGOs), civil society and the private sector where appropriate ○ Suitable procurement procedures for timely project implementation ○ Engagement with UNIDO in policy dialogue to promote the up-scaling or replication of innovations
3	<ul style="list-style-type: none"> • <u>Donor</u> ✓ Timely disbursement of project funds ✓ Feedback to progress reports, including Mid-Term Evaluation, if applicable ✓ Support by the donor's country presence (if applicable) supporting the project for example through engagement in policy dialogue
F	<p>Overall assessment</p> <ul style="list-style-type: none"> ✓ Overarching assessment of the project, drawing upon the analysis made under Project performance and Progress to Impact criteria above but not an average of ratings.

Annex 3 - Outline of an in-depth project evaluation report

Executive summary

- Must provide a synopsis of the storyline which includes the main evaluation findings and recommendations
- Must present strengths and weaknesses of the project
- Must be self-explanatory and should be maximum 3-4 pages in length

I. Evaluation objectives, methodology and process

- Information on the evaluation: why, when, by whom, etc.
- Scope and objectives of the evaluation, main questions to be addressed
- Information sources and availability of information
- Methodological remarks, limitations encountered and validity of the findings

II. Country and project background

- Brief country context: an overview of the economy, the environment, institutional development, demographic and other data of relevance to the project
- Sector-specific issues of concern to the project²⁷ and important developments during the project implementation period
- Project summary:
 - Fact sheet of the project: including project objectives and structure, donors and counterparts, project timing and duration, project costs and co-financing
 - Brief description including history and previous cooperation
 - Project implementation arrangements and implementation modalities, institutions involved, major changes to project implementation
 - Positioning of the UNIDO project (other initiatives of Government, other donors, private sector, etc.)
 - Counterpart organization(s)

III. Project assessment

This is the key chapter of the report and should address all evaluation criteria and questions outlined in the TOR (see section VI - Project evaluation parameters). Assessment must be based on factual evidence collected and analyzed from different sources. The evaluators' assessment can be broken into the following sections:

- A. Project identification and formulation
- B. Project design
- C. Implementation performance
 - a) Relevance and ownership (report on the relevance of project towards countries and beneficiaries, country ownership, stakeholder involvement)
 - b) Effectiveness (the extent to which the development intervention's objectives and deliverables were achieved, or are expected to be achieved, considering their relative importance)
 - c) Efficiency (report on the overall cost-benefit of the project and partner countries' contribution to the achievement of project objectives)
 - d) Likelihood of sustainability of project outcomes (report on the risks and vulnerability of the project, considering the likely effects of socio-political and institutional changes in partner countries, and its impact on continuation of benefits after the project ends, specifically the financial, socio-political, institutional framework and governance, and environmental risks)

²⁷ Explicit and implicit assumptions in the logical framework of the project can provide insights into key-issues of concern (e.g., relevant legislation, enforcement capacities, government initiatives)

- e) Project coordination and management (Report on the project management conditions and achievements, and partner countries' commitment)
 - f) Assessment of monitoring and evaluation systems (report on M&E design, M&E plan implementation, and budgeting and funding for M&E activities)
 - g) Monitoring of long-term changes
 - h) Assessment of processes affecting achievement of project results (report on preparation and readiness / quality at entry, country ownership, stakeholder involvement, financial planning, UNIDO support, co-financing and project outcomes and sustainability, delays of project outcomes and sustainability, and implementation approach)
- D. Gender mainstreaming

At the end of this chapter, an overall project achievement rating should be developed as required in Annex . The overall rating table required should be presented here.

IV. Conclusions, recommendations and lessons learned

This chapter can be divided into three sections:

A. Conclusions

This section should include a storyline of the main evaluation conclusions related to the project's achievements and shortfalls. It is important to avoid providing a summary based on each and every evaluation criterion. The main conclusions should be cross-referenced to relevant sections of the evaluation report.

B. Recommendations

This section should be succinct and contain few key recommendations. They should be:

- Based on evaluation findings
- Realistic and feasible within a project context
- Indicating institution(s) responsible for implementation (addressed to a specific officer, group or entity who can act on it) and have a proposed timeline for implementation if possible
- Commensurate with the available capacities of project team and partners
- Taking resource requirements into account.

Recommendations should be structured by addressees:

- UNIDO
- Government and/or counterpart organizations
- Donor

C. Lessons learned

- Lessons learned must be of wider applicability beyond the evaluated project but must be based on findings and conclusions of the evaluation
- For each lesson, the context from which they are derived should be briefly stated

Annexes should include the evaluation TOR, list of interviewees, documents reviewed, a summary of project identification and financial data, including an updated table of expenditures to date, and other detailed quantitative information. Dissident views or management responses to the evaluation findings may later be appended in an annex.

Annex 4 – Guidance on integrating gender in evaluations of UNIDO projects and projects

A. Introduction

Gender equality is internationally recognized as a goal of development and is fundamental to sustainable growth and poverty reduction. The UNIDO Policy on gender equality and the empowerment of women and its addendum, issued respectively in April 2009 and May 2010 (UNIDO/DGB(M).110 and UNIDO/DGB(M).110/Add.1), provides the overall guidelines for establishing a gender mainstreaming strategy and action plans to guide the process of addressing gender issues in the Organization's industrial development interventions.

According to the UNIDO Policy on gender equality and the empowerment of women:

Gender equality refers to the equal rights, responsibilities and opportunities of women and men and girls and boys. Equality does not suggest that women and men become 'the same' but that women's and men's rights, responsibilities and opportunities do not depend on whether they are born male or female. Gender equality implies that the interests, needs and priorities of both women and men are taken into consideration, recognizing the diversity of different groups of women and men. It is therefore not a 'women's issues'. On the contrary, it concerns and should fully engage both men and women and is a precondition for, and an indicator of sustainable people-centered development.

Empowerment of women signifies women gaining power and control over their own lives. It involves awareness-raising, building of self-confidence, expansion of choices, increased access to and control over resources and actions to transform the structures and institutions which reinforce and perpetuate gender discriminations and inequality.

Gender parity signifies equal numbers of men and women at all levels of an institution or organization, particularly at senior and decision-making levels.

The UNIDO projects/projects can be divided into two categories: 1) those where promotion of gender equality is one of the key aspects of the project/project; and 2) those where there is limited or no attempted integration of gender. Evaluation managers/evaluators should select relevant questions depending on the type of interventions.

B. Gender responsive evaluation questions

The questions below will help evaluation managers/evaluators to mainstream gender issues in their evaluations.

B.1 Design

- Is the project/project in line with the UNIDO and national policies on gender equality and the empowerment of women?
- Were gender issues identified at the design stage?
- Did the project/project design adequately consider the gender dimensions in its interventions? If so, how?
- Were adequate resources (e.g., funds, staff time, methodology, experts) allocated to address gender concerns?
- To what extent were the needs and priorities of women, girls, boys and men reflected in the design?
- Was a gender analysis included in a baseline study or needs assessment (if any)?

- If the project is people-centred, were target beneficiaries clearly identified and disaggregated by sex, age, race, ethnicity and socio-economic group?
- If the project/project promotes gender equality and/or women's empowerment, was gender equality reflected in its objective/s? To what extent are output/outcome indicators gender disaggregated?

B.2 Implementation management

- Did project monitoring and self-evaluation collect and analyse gender disaggregated data?
- Were decisions and recommendations based on the analyses? If so, how?
- Were gender concerns reflected in the criteria to select beneficiaries? If so, how?
- How gender-balanced was the composition of the project management team, the Steering Committee, experts and consultants and the beneficiaries?
- If the project promotes gender equality and/or women's empowerment, did the project monitor, assess and report on its gender related objective/s?

B.3 Results

- Have women and men benefited equally from the project's interventions? Do the results affect women and men differently? If so, why and how? How are the results likely to affect gender relations (e.g., division of labour, decision making authority)?
- In the case of a project with gender related objective/s, to what extent has the project achieved the objective/s? To what extent has the project reduced gender disparities and enhanced women's empowerment?

Annex 5 – Checklist on terminal evaluation report quality

Independent terminal evaluation of project:

Project Title:

UNIDO Project No./ID:

Evaluation team leader:

Quality review done by:

Date:

Checklist on evaluation report quality

Report quality criteria	UNIDO ODG/EVQ/IEV assessment notes	Rating
A. Was the report well-structured and properly written? (Clear language, correct grammar, clear and logical structure)		
B. Was the evaluation objective clearly stated and the methodology appropriately defined?		
C. Did the report present an assessment of relevant outcomes and achievement of project objectives?		
D. Was the report consistent with the ToR and was the evidence complete and convincing?		
E. Did the report present a sound assessment of sustainability of outcomes or did it explain why this is not (yet) possible? (Including assessment of assumptions, risks and impact drivers)		
F. Did the evidence presented support the lessons and recommendations? Are these directly based on findings?		
G. Did the report include the actual project costs (total, per activity, per source)?		
H. Did the report include an assessment of the quality of both the M&E plan at entry and the system used during the implementation? Was the M&E sufficiently budgeted for during preparation and properly funded during implementation?		
I. Quality of the lessons: were lessons readily applicable in other contexts? Did they suggest prescriptive action?		
J. Quality of the recommendations: did recommendations specify the actions necessary to correct existing conditions or improve operations		

Report quality criteria	UNIDO ODG/EVQ/IEV assessment notes	Rating
('who?' 'what?' 'where?' 'when?'). Can these be immediately implemented with current resources?		
K. Are the main cross-cutting issues, such as gender, human rights and environment, appropriately covered?		
L. Was the report delivered in a timely manner? (Observance of deadlines)		

Rating system for quality of evaluation reports

A number rating 1-6 is used for each criterion: Highly satisfactory = 6, Satisfactory = 5, Moderately satisfactory = 4, Moderately unsatisfactory = 3, Unsatisfactory = 2, Highly unsatisfactory = 1, and unable to assess = 0.

Annex 6 – Job descriptions



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

TERMS OF REFERENCE FOR PERSONNEL UNDER INDIVIDUAL SERVICE AGREEMENT (ISA)

Title:	International evaluation consultant, team leader
Main Duty Station and Location:	Home-based
Missions:	Missions to Vienna, Austria and 4 countries of the MENA region to be confirmed
Start of Contract (EOD):	July 15, 2017 (tbc)
End of Contract (COB):	November 30, 2017 (tbc)
Number of Working Days:	36 working days spread over 3 months

1. ORGANIZATIONAL CONTEXT

The UNIDO Independent Evaluation Division (ODG/EVQ/IEV) is responsible for the independent evaluation function of UNIDO. It supports learning, continuous improvement and accountability, and provides factual information about result and practices that feed into the programmatic and strategic decision-making processes. Evaluation is an assessment, as systematic and impartial as possible, of a project, a project or a theme. Independent evaluations provide evidence-based information that is credible, reliable and useful, enabling the timely incorporation of findings, recommendations and lessons learned into the decision-making processes at organization-wide, project and project level. ODG/EVQ/IEV is guided by the UNIDO Evaluation Policy, which is aligned to the norms and standards for evaluation in the UN system.

2. PROJECT CONTEXT

The objective of the project, funded by the EU with co-funding (Italy and UNIDO) earmarked by the Italian Cooperation, is to foster entrepreneurial co-operation in the cultural and creative industries notably through the promotion of promising pilot initiatives demonstrating contribution to inclusive growth in the South Mediterranean Region. Detailed background information of the project can be found the terms of reference (TOR) for the terminal evaluation.

3. DUTIES AND RESPONSIBILITIES

MAIN DUTIES	Concrete/ Measurable Outputs to be achieved	Working Days	Location
1. Review all relevant project documentation and examine also relevant country background information (national policies and strategies, UN strategies and general economic data) provided by UNIDO; determine key data to collect in the field	<ul style="list-style-type: none"> Adjust table of evaluation questions, depending on country specific context Draft list of stakeholders to interview during the 	2 days	Home-based

MAIN DUTIES	Concrete/ Measurable Outputs to be achieved	Working Days	Location
2. Assess the adequacy of legislative and regulatory frameworks in terms of cluster policy and creative industries and analyze other background info.	field missions; <ul style="list-style-type: none"> Brief assessment of the adequacy of the countries' legislative and regulatory framework. 		
3. Briefing with the UNIDO Independent Evaluation Division, project managers and other key stakeholders at UNIDO HQ. Preparation of the Inception Report	<ul style="list-style-type: none"> Detailed evaluation schedule with tentative mission agenda (incl. list of stakeholders to interview and site visits); mission planning; Division of evaluation tasks with the Junior Consultant. Inception Report 	3 days incl. travel	Vienna, Austria
4. Conduct field mission to 4 countries to be confirmed in August 2017 ²⁸ .	<ul style="list-style-type: none"> Conduct meetings with relevant project stakeholders, beneficiaries, etc. for the collection of data and clarifications; Evaluation presentation of the evaluation's initial findings prepared, draft conclusions and recommendations to stakeholders in the country at the end of the mission. 	15 days including travel (3 Jordan, 4 Tunisia, 4 Lebanon, 4 Morocco)	Tentative: Jordan, Tunisia, Lebanon, Morocco
5. Present overall findings and recommendations to the stakeholders at UNIDO HQ	<ul style="list-style-type: none"> After field mission(s): Presentation slides, feedback from stakeholders obtained and discussed 	2 days including travel	Vienna
6. Prepare the evaluation report, with inputs from the Junior Consultant, according to the TOR; Coordinate the inputs from the international evaluator and combine with her/his own inputs into the draft evaluation report. Share the evaluation report with UNIDO	<ul style="list-style-type: none"> Draft evaluation report. 	12 days	Home-based

²⁸ The exact mission dates will be decided in agreement with the Consultant, UNIDO HQ, and the country counterparts.

MAIN DUTIES	Concrete/ Measurable Outputs to be achieved	Working Days	Location
HQ and national stakeholders for feedback and comments.			
7. Revise the draft project evaluation report based on comments from UNIDO Independent Evaluation Division and stakeholders and edit the language and form of the final version according to UNIDO standards.	• Final evaluation report.	2 days	Home-based
	TOTAL	36	

MINIMUM ORGANIZATIONAL REQUIREMENTS

Education:

Advanced degree in environment, business administration, development studies or related areas

Technical and functional experience:

- Minimum of 10 years' experience in project management and/or evaluation (of development projects)
- Experience in the evaluation and knowledge of UNIDO activities an asset
- Knowledge about multilateral technical cooperation and the UN, international development priorities and frameworks
- Working experience in developing countries

Languages:

Fluency in written and spoken English and French is required. Knowledge of Arabic is an asset

Reporting and deliverables:

- 1) At the beginning of the assignment the Consultant will submit a concise Inception Report that will outline the general methodology and presents a concept Table of Contents;
- 2) The country assignment will have the following deliverables:
 - Presentation of initial findings of the mission to key national stakeholders;
 - Draft report;
 - Final report, comprising of executive summary, findings regarding design, implementation and results, conclusions and recommendations.
- 3) Debriefing at UNIDO HQ:
 - Presentation and discussion of findings;
 - Concise summary and comparative analysis of the main results of the evaluation report.

All reports and related documents must be in English and presented in electronic format.

Absence of conflict of interest:

According to UNIDO rules, the consultant must not have been involved in the design and/or implementation, supervision and coordination of and/or have benefited from the project (or theme) under evaluation. The consultant will be requested to sign a declaration that none of the above situations exists and that the consultants will not seek assignments with the manager/s in charge of the project before the completion of her/his contract with the UNIDO Independent Evaluation Division.



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

TERMS OF REFERENCE FOR PERSONNEL UNDER INDIVIDUAL SERVICE AGREEMENT (ISA)

Title:	International evaluation expert
Main Duty Station and Location:	Home-based
Mission/s to:	Jordan, Algeria, Egypt, Palestine
Start of Contract:	15 July 2017 (tbc)
End of Contract:	30 November 2017 (tbc)
Number of Working Days:	29 days spread over 3 months

ORGANIZATIONAL CONTEXT

The UNIDO Independent Evaluation Division is responsible for the independent evaluation function of UNIDO. It supports learning, continuous improvement and accountability, and provides factual information about result and practices that feed into the programmatic and strategic decision-making processes. Evaluation is an assessment, as systematic and impartial as possible, of a project, a project or a theme. Independent evaluations provide evidence-based information that is credible, reliable and useful, enabling the timely incorporation of findings, recommendations and lessons learned into the decision-making processes at organization-wide, project and project level. The UNIDO Independent Evaluation Division is guided by the UNIDO Evaluation Policy, which is aligned to the norms and standards for evaluation in the UN system.

PROJECT CONTEXT

The objective of the project, funded by the EU with co-funding earmarked by the Italian Cooperation, is to foster entrepreneurial co-operation in the cultural and creative industries notably through the promotion of promising pilot initiatives demonstrating contribution to inclusive growth in the South Mediterranean Region.

The international evaluation consultant will evaluate the projects according to the terms of reference (TOR) under the leadership of the team leader (international evaluation consultant). S/he will perform the following tasks:

MAIN DUTIES	Concrete/ Measurable Outputs to be achieved	Working Days	Location
In cooperation with team leader: 1. Review all relevant project documentation 2. Examine also relevant country background information (national policies and strategies, UN strategies and general economic data) provided	<ul style="list-style-type: none"> Adjust table of evaluation questions, depending on country specific context Draft list of stakeholders to interview during the field missions; 	2 days	Home-based

MAIN DUTIES	Concrete/ Measurable Outputs to be achieved	Working Days	Location
by UNIDO 3. Determine key data to collect in the field			
2. Briefing with the UNIDO Independent Evaluation Division, project managers and other key stakeholders at UNIDO HQ. Preparation of the Inception Report	<ul style="list-style-type: none"> Detailed evaluation schedule with tentative mission agenda (incl. list of stakeholders to interview and site visits); mission planning; Division of evaluation tasks with the Team Leader. Inception Report 	3 days incl. travel	Vienna, Austria
3. Conduct field mission to 4 countries to be confirmed in August 2017 ²⁹ .	<ul style="list-style-type: none"> Conduct meetings with relevant project stakeholders, beneficiaries, etc. for the collection of data and clarifications; Evaluation presentation of the evaluation's initial findings prepared, draft conclusions and recommendations to stakeholders in the country at the end of the mission. 	18 days including travel (3 Jordan, 6 Algeria, 4 Egypt, 5 Palestine)	Tentative: Jordan, Algeria, Egypt, Palestine
In coordination with the team leader, prepare the necessary inputs for the evaluation report. Share the evaluation report with UNIDO HQ and national stakeholders for feedback and comments.	<ul style="list-style-type: none"> Draft evaluation report. 	6 days	Home-based
	TOTAL	29	

REQUIRED COMPETENCIES

Core values:

1. Integrity
2. Professionalism
3. Respect for diversity

Core competencies:

1. Results orientation and accountability
2. Planning and organizing
3. Communication and trust

²⁹ The exact mission dates will be decided in agreement with the Consultant, UNIDO HQ, and the country counterparts.

4. Team orientation
5. Client orientation
6. Organizational development and innovation

Managerial competencies (as applicable):

1. Strategy and direction
2. Managing people and performance
3. Judgement and decision making
4. Conflict resolution

MINIMUM ORGANIZATIONAL REQUIREMENTS

Education: Advanced university degree in economics, business administration or other relevant discipline like developmental studies.

Technical and functional experience:

- Minimum of 7 years' experience in project management and/or evaluation (of development projects)
- Experience in the evaluation and knowledge of UNIDO activities an asset
- Knowledge about multilateral technical cooperation and the UN, international development priorities and frameworks
- Working experience in developing countries

Languages: Fluency in written and spoken English and French is required. Knowledge of Arabic is an asset

Absence of conflict of interest:

According to UNIDO rules, the consultant must not have been involved in the design and/or implementation, supervision and coordination of and/or have benefited from the project (or theme) under evaluation. The consultant will be requested to sign a declaration that none of the above situations exists and that the consultants will not seek assignments with the manager/s in charge of the project before the completion of her/his contract with the UNIDO Independent Evaluation Division.

ANNEX 2: Project Results Framework

(revised version, inception report, March 2015)

RESULTS	INTERVENTION LOGIC	OBJECTIVE VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	RISKS AND ASSUMPTIONS
Development objective (impact)	To boost the competitiveness of the private sector, specially MSMEs, in terms of business, social and environmental performance in the Southern Mediterranean Region	<ul style="list-style-type: none"> ▪ Business performance: increases sales, improved quality, increased revenue ▪ Social performance: job creation, improved work conditions ▪ Environmental performance: improved waste management, improved energy efficiency, reduced pollution 	Household survey, Biannual business survey	
Immediate Objectives (outcomes) <ul style="list-style-type: none"> • Conduct a mapping of clusters and value chains in CCI in the ENP South Region • Stimulation of promising pilot initiatives in a number of clusters demonstrating the CCI potential in promoting inclusive growth and employment in the ENP South Region • Replication of promising pilot initiatives throughout the ENP South Region • Results disseminated to stakeholders 	<ul style="list-style-type: none"> ▪ Performance of assisted clusters of Creative Industries improved in terms of: products and service innovation, inter-firm collaboration and linkages created at national and regional level ▪ Improved availability and accessibility of business development services for MSMEs through Cluster Support Service Platforms (CSSP) for key support institutions ▪ Successful cluster approach replicated in the region 	<ul style="list-style-type: none"> ▪ Number of products, services and innovations in line the market trends and needs developed ▪ Level of inter-firm collaboration (joint/collective actions) ▪ No of linkages and networks created among the different cluster actors at national and regional level ▪ % of direct beneficiaries satisfied with quality of services by CSSP ▪ % of cluster members who access CSSPs ▪ Number of replication 	Project M&E system Cluster M&E system Project progress and review report Survey of beneficiaries	It can be assumed that political and economic instability in the Southern Mediterranean region will not be simultaneously to severely hamper overall implementation. Risk level: MEDIUM
INCEPTION PHASE <i>Mapping of clusters and value chains in the cultural and creative industries in the ENP South Region (12 months).</i>				
Output 1	Existing clusters and value chains per sub-sector mapped, analyzed and selected, M&E and project management structure set-up.	<ul style="list-style-type: none"> ▪ Identification of stakeholders ▪ M&E structure ▪ At least 10 CCI clusters are selected to participate in the project ▪ Identification of the 3 sub-sectors and countries ▪ Draft call for expression of interest prepared (including documentation of criteria for selection and award) ▪ Call for expression of interest is organized 	<ul style="list-style-type: none"> ▪ Inception report ▪ Mapping report ▪ Guidelines and call for expression of interest ▪ Publication of the call for expression of interest ▪ Received applications from clusters for call for expression of interest 	Access to the facilities could be limited due to security. Not all countries committed to the participation into this project. Risk level: LOW

RESULTS	INTERVENTION LOGIC	OBJECTIVE VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	RISKS AND ASSUMPTIONS
		<ul style="list-style-type: none"> ▪ At least one cluster per country is selected for further support (7) ▪ One regional PAC and 7 Steering Committees established ▪ A 3-year communication and visibility plan is prepared ▪ Assessment of the competitiveness and innovation of the CI sub- sectors 	<ul style="list-style-type: none"> ▪ Minutes of the PAC and national PSCs 	
IMPLEMENTATION PHASE Clusters of cultural and creative industries strengthened to contribute to inclusive growth and employment in the Southern Mediterranean region (around 36 months).				
Output 2.1	At least 10 CCIs clusters are assisted through specific technical assistance programs to serve as pilot models	<ul style="list-style-type: none"> ▪ At least 1 CCI cluster per country (7) is assisted through specific technical assistance programmes (UNIDO cluster methodology and UNIDO creative industry approach) to serve as pilot models. Average 10 enterprises per cluster (70 enterprises) ▪ 50 entrepreneurs, including women and youth trained in networking and clustering in each country (350) ▪ Technical assistance on identified gaps of the selected CCI value chains provided to each selected cluster (at least 9) ▪ Capacity building provided to at least 2 relevant agency/institutions on clustering and networking (maximum 18) • 20 entrepreneurs benefitting from business development support services in each country (140) ▪ Establishment of CCIs cluster linkages 	<ul style="list-style-type: none"> ▪ Diagnostic study for each cluster ▪ Action plan for each cluster ▪ Data and progress report requested from clusters ▪ Data and reports from the counterparts and institutions assisted ▪ Baseline data collected for M&E framework ▪ M&E documents and reports on participation results 	Volatility of the business environment in the SMR due to an unfavourable macro-economic scenario. Risk level: MEDIUM
Output 2.2	Cluster Support Service Platforms (CSSPs ³⁰) created or established	<ul style="list-style-type: none"> ▪ At least 1 CSSP established and/or strengthened in each country (7) 	<ul style="list-style-type: none"> ▪ Baseline data ▪ Availability of services 	Lack of physical infrastructure.

³⁰ The Cluster Support Service Platform can either be part of a Ministry, University (faculty of architecture, industrial design) or a technical college for industrial design or within the premises of a Cluster Association, Chamber of Commerce or Local Economic Development Agency. It acts as a Business Development Service provider including trainings on cluster development, product development, design, marketing etc as well as a show room for the cluster's products. The CSSP is thus a collaborative platform for exchange, upgrading and dissemination between the cluster members as well as the market.

RESULTS	INTERVENTION LOGIC	OBJECTIVE VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	RISKS AND ASSUMPTIONS
	within existing institutions to act as service providers for cluster development, CCIs, product and service development, strategic business advice and market penetration.	<ul style="list-style-type: none"> ▪ Training of at least 20 national per country (140) in entrepreneurship and marketing skills. ▪ Trainings of at least 30 national per country (210) in product development through design workshops ▪ At least 20 entrepreneurs have received advisory services through the CSSP 	<p>before and after project intervention</p> <ul style="list-style-type: none"> ▪ Data and reports on the establishment of the CSSPs 	<p>Lack of absorption capacity of key institutions</p> <p>Risk level: MEDIUM</p>
Output 2.3	Up to 10 cultural and CIs clusters market penetration strategies are elaborated for the development of the domestic, regional and eventual export markets.	<ul style="list-style-type: none"> ▪ At least 1 supporting structures inside the clusters ensure the sustainability of further developments (14) ▪ At least 14 branding strategies and product branding developed and linked to countries images and market demands ▪ Develop at least 1 product collection per cluster (14) in line with the branding strategies. ▪ Expose 2 beneficiaries per cluster (at least 28) to international markets through relevant Trade Fairs. ▪ Assist all selected clusters (14) in post-fair follow-up. 	<ul style="list-style-type: none"> ▪ Data and reports from CCI clusters ▪ Data from Trade and Industry Ministries/ agencies in the SMR ▪ Sales and export figures per selected cluster/ value chain 	<p>Limitation in free flow of export goods due to security conditions as well as custom procedures in the region.</p> <p>Risk level: MEDIUM</p>
DISSEMINATION PHASE - Dissemination of promising pilot initiatives throughout the ENP South region				
Output 3.1	Results of the project are disseminated through-out the ENP South region and proper strategies for cultural and CIs clusters are developed and CIs approach integrated in industrial clusters, agri-businesses and MSMEs policies in the Southern Mediterranean region	<ul style="list-style-type: none"> ▪ Project results are disseminated throughout the ENP South region; CCI strategies are developed and promoted for their possible integration in industrial cluster, agri-business and MSME policies in the selected countries (7) ▪ Report on relevant partner agencies and institutions, which can create policy linkages to promote the CCI sector in the Southern Mediterranean region prepared for each country (7) 	<p>Project M&E system</p> <p>Project progress report</p>	<ul style="list-style-type: none"> ▪ Counterparts and institutions are not ready ▪ A high turnover of counterpart staff. ▪ Political changes at management level of relevant agencies could have a negative impact on this output. <p>Risk level: MEDIUM</p>

RESULTS	INTERVENTION LOGIC	OBJECTIVE VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	RISKS AND ASSUMPTIONS
Output 3.2	A 3-year communication and visibility plan for the project highlighting the importance of the EU intervention is prepared and implemented.	<ul style="list-style-type: none"> ▪ At least 2 Brochures and promotional packages are prepared per year ▪ At least 1 Press release organized and awareness workshop conducted per year and per country (42). 	Records and data from the MICA, chambers of commerce, policy makers, etc.).	It is assumed that no risk would be experienced in this phase of the project (with exception of the general security & stability situation within the countries). Risk level: MEDIUM

ANNEX 3: Evaluation Framework

Evaluation criteria/issues	Key evaluation questions	Sub-questions	Sources of information	Data collection/analysis methods
A. Project identification and design (including inception phase)				
To what extent was the project design based on a needs assessment (analysis of situation, of problems/needs/gaps to be addressed) and was adequate to address the problems/opportunities at hand?	If obstacles/problems/lost opportunities resulting from project design, which action was taken to correct or solve such situation?	Project document Inception report Cluster maps National counterparts UNIDO experts	Content Analysis Interviews	
To what extent was the project stakeholder analysis adequate, covering clear identification of beneficiaries, project partners, and clearly defined roles and responsibilities in the project?	In case of gaps between project design and the implementation requirements/realities with respect to stakeholders, which steps were taken?	Project document Inception report Cluster maps National counterparts UNIDO experts	Content Analysis Interviews	
To what extent and how did the project design take into consideration regional and national priorities and strategies <ul style="list-style-type: none"> • of the participating countries • of the donors • of UNIDO 	In case of gaps between project design and the regional/national priorities and strategies, which steps were taken to improve/ensure alignment?	Project document Inception report Cluster maps Minutes of SC meetings Related strategy documents (countries; donors; UNIDO) National counterparts UNIDO experts Donors	Content Analysis Interviews <i>(see also: Relevance)</i>	
To what extent and how were country representatives involved in/participating in the development of the project (design stage) including priority setting (sub-sectors), development of the project strategy, identification of counterparts/partners, the identification and selection of target beneficiaries, project launching and overall communication on the project?	Which steps were taken to involve the countries?	Project document Inception report Cluster maps Minutes of SC meetings National counterparts UNIDO experts	Content Analysis Interviews <i>(see also: Ownership)</i>	
To what extent did the design of the project document follow a logical framework approach ? More precisely, to what extent <ol style="list-style-type: none"> a) Did the project's design have a clear thematically focused development objective; b) Were the project outcomes clear, realistic, relevant, 	As amended in the inception phase, which changes were introduced and initiated by whom?	Project document incl. logical framework Revised Logical Framework (inception report) M&E system developed by project (indicator matrix)	Content Analysis	

Evaluation criteria/issues	Key evaluation questions	Sub-questions	Sources of information	Data collection/analysis methods
<p>addressing the problems identified and providing a clear description of the benefit or improvement to be achieved after project completion;</p> <p>c) Were the outputs were clear, realistic, adequately leading to the achievement of the outcome;</p> <p>d) Were the indicators to determine the attainment of the overall development objective, outcomes and outputs SMART (specific; measurable; achievable; relevant; time-bound);</p> <p>e) Is the results hierarchy in the logical framework, from activities to outputs, outcome and overall objective, logical and consistent;</p> <p>f) Were assumptions adequate and were important external factors and risks that could affect project performance identified.</p>				
B. Project implementation				
Relevance and Ownership	Key evaluation questions	Sub-questions	Sources of information	Data collection/analysis methods
Relevance	How relevant is the project to national/regional development needs/priorities/strategies, to the target groups and to what extent is it consistent with donor/UNIDO/UN priorities?	<p>To what extent was/is the project relevant to the national development priorities (industry, trade, job creation and poverty reduction) and strategies? How did the project take into account and reflect national priorities and strategies during implementation?</p> <p>To what extent were the objectives, outcomes and outputs pertinent to the needs of the target beneficiaries?</p> <p>To what extent was the project in line with the project donors' priorities, with UNIDO's mandate including its ISID agenda priorities, as well as UN priorities in the countries covered?</p>	<p>Inception report</p> <p>Progress reports</p> <p>UNIDO Country Framework (countries)</p> <p>UN Development Assistance Framework/countries</p> <p>National counterparts</p> <p>Project beneficiaries</p> <p>Donor representatives</p> <p>UNIDO experts</p> <p>UNIDO Office/countries</p>	<p>Content Analysis</p> <p>Interviews</p>
	Were there any changes in the environment (regional/	Does the project remain relevant taking into account eventual changes	<p>Progress reports</p> <p>Minutes of SC meetings</p>	<p>Content Analysis</p> <p>Interviews</p>

Evaluation criteria/issues	Key evaluation questions	Sub-questions	Sources of information	Data collection/analysis methods
	country/donor/UNIDO level) during project implementation affecting the relevance of the project?	(national/regional/donors/UNIDO)	National counterparts Project beneficiaries Donor representatives UNIDO experts UNIDO Office/countries	
Ownership	To what extent was/is a participatory approach followed in the implementation of the project?	To what extent and how are the main national counterparts involved in project steering and monitoring	Minutes of SC meetings Progress reports National counterparts UNIDO experts UNIDO Office/countries	Content Analysis Interviews
		To what extent are the main national counterparts actively supporting the implementation of the project (financially; policy decisions; otherwise)? Have linkages to financial institutions been established?	Minutes of SC meetings Progress reports National counterparts Project beneficiaries UNIDO experts	Content Analysis Interviews
		To what extent is there a mechanism of cost-sharing by the target beneficiaries and, in the affirmative, in what form? To what extent are companies paying for /cost-sharing services rendered (also: sustainability dimension)?	Minutes of SC meetings Progress reports National counterparts Project beneficiaries UNIDO experts	Content Analysis Interviews
Efficiency of implementation	Were all inputs and services provided in an efficient manner <ul style="list-style-type: none"> ○ within expected time or delays (causes/effects) ? ○ in line with initial budget? Variances? ○ in most cost-efficient manner? 	To what extent <ul style="list-style-type: none"> • have donor, UNIDO and counterpart inputs been provided as planned and were these adequate to meet requirements and provided in a timely manner; in case of delays, what were the cause(s) and effect(s)? • was the quality of UNIDO inputs and services (expertise, training, methodologies, etc.) as planned and led to the production of outputs; • was the budget utilisation in line with the planned allocation? 	Progress reports Budget/revisions/related reporting Beneficiaries National counterparts UNIDO experts Donor representatives Observations	Content Analysis Interviews

Evaluation criteria/issues	Key evaluation questions	Sub-questions	Sources of information	Data collection/analysis methods
		<ul style="list-style-type: none"> • were UNIDO procurement services provided as planned and were these adequate in terms of timing, value, process issues, responsibilities, etc. 		
Project coordination and management including M&E	How efficient and effective was project steering?	<ul style="list-style-type: none"> • To what extent the regional and national steering mechanisms have been efficient and effective such as in terms of representation, frequency of meetings, strategic guidance and decision making? Have beneficiary clusters been selected based on transparent, fair and appropriate criteria? 	Minutes of SC meetings (regional and national) Progress reports Information on PSD/trade support environment (countries) National counterparts UNIDO experts Donor representatives Observations	Content Analysis Interviews
	How efficient and effective was project management coordination and management (UNIDO HQ)?	<ul style="list-style-type: none"> ○ Were the UNIDO HQ management and coordination, quality control and technical inputs efficient and effective such as: staffing levels; continuity; skill mix; support to/communication with field based project staff; frequency of field visits; work planning, decision making including on amendments in coverage/approach if required; reporting; process of approval of and documentation of changes in activity planning/budget allocations during implementation; communication; link with UNIDO Office/Desk 		
	How efficient and effective was project management coordination and management at the field level?	<ul style="list-style-type: none"> ○ Were the field level management and coordination, quality control and technical inputs efficient and effective (staffing levels; continuity; skill mix; frequency of cluster/counterpart meetings/follow-up; involvement of UNIDO Office/Desk; communication with HQ; reporting) 		

Evaluation criteria/issues	Key evaluation questions	Sub-questions	Sources of information	Data collection/analysis methods
	Was the M&E system developed and implemented adequate to measure project performance?	<ul style="list-style-type: none"> ○ Was the M&E system implemented as planned (including sufficiently budgeted)? ○ Was project staff trained on the system? ○ Is baseline information available for each of the clusters? ○ Was information collected complete and accurate? ○ How was the M&E system used for decision making project steering and adaptive management)? 		
	To what extent were there synergies?	<ul style="list-style-type: none"> ○ Were there internal synergies (in relation to other UNIDO activities in the country or elsewhere including lessons learned from cluster development projects elsewhere; synergies with other UNIDO branches/services or extent in which there are opportunities to establish/strengthen such linkages? ○ Were there external synergies (with national/regional initiatives; other projects related to SME support, business environment, trade development, access to finance or opportunities to establish/ strengthen such linkages 		
Effectiveness and impact	Which results have been achieved? What is the likelihood of impact at this stage?	<p>To what extent</p> <ul style="list-style-type: none"> • have outputs been produced and how do the target beneficiaries perceive their quality and use these outputs; • what does the before-after picture look like for each of the clusters supported (<i>NB: core elements for this</i> 	<p>M&E data Progress reports Beneficiaries National counterparts UNIDO experts Donor representatives</p>	<p>Content Analysis Interviews Observation</p>

Evaluation criteria/issues	Key evaluation questions	Sub-questions	Sources of information	Data collection/analysis methods
		<p><i>snapshot defined by the evaluation team and same format used in each of countries)</i></p> <ul style="list-style-type: none"> • have outcomes been or are likely to be achieved through utilization of outputs; • have developmental changes (economic, environmental, social, inclusiveness) have occurred or are likely to occur as a result of the interventions; • in addition to country specific results, what are the results at the regional level? • was the project already replicated/ did it have a multiplying effect; • were there other direct/indirect/foreseen/unforeseen effects (positive/negative) 		
Sustainability	How sustainable are the results achieved? What are the sustainability prospects?	<p>To what extent</p> <ul style="list-style-type: none"> • are the developmental changes that have occurred or are likely to occur as a result of the interventions sustainable (i.e., the likelihood of benefits from the project to be maintained after the project phase ended); • was sustainability correctly factored in the project strategy (risks analysed and assumptions identified at design stage, a sustainability strategy formulated during implementation); • is there prospect for technical, organizational and financial sustainability of the support provided; 	<p>Progress report SC minutes Upscaling plans (country level) Beneficiaries National counterparts UNIDO experts Donor representatives</p>	<p>Content Analysis Interviews Observation</p>

Evaluation criteria/issues	Key evaluation questions	Sub-questions	Sources of information	Data collection/analysis methods
		<ul style="list-style-type: none"> • are the partnerships established (inter-enterprise; enterprise-public/private support providers and between support providers) sustainable; • as the project has worked with a limited number of selected clusters, can the results expected to be replicated; 		
Cross-cutting issue: gender equality and youth	To what extent were gender equality and youth issues addressed in the project?	<p>To what extent</p> <ul style="list-style-type: none"> • have women and youth benefited from the project/can be expected to benefit; • have gender and youth issues been mainstreamed in the implementation of the project • have gender and youth analyses been included in baseline studies, monitoring and reporting? • has there been gender balance in the contracting of experts and consultants? 	M&E data Progress reports Beneficiaries National counterparts UNIDO experts	Content Analysis Interviews Observation
Cross-cutting issue: environment	To what extent were environment related issues addressed in the project?	<p>To what extent</p> <ul style="list-style-type: none"> • has the project promoted environmental sustainability; • are any positive environmental benefits likely, even if they may be indirect; • are any negative environmental benefits likely, even if they may be indirect; 	M&E data Progress reports Beneficiaries National counterparts UNIDO experts	Content Analysis Interviews Observation

Note: Based on the above framework, interview guidelines have been prepared for the different project stakeholders (adjusted to the different stakeholders and to the country specific interventions)

ANNEX 4: List of organizations/persons met

UNIDO HQ	
Mr. Gerardo Patacconi	Project Lead (OIC, Agri-Business Development Department, Programme Development and Technical Cooperation, PTC/AGR)
Mr. Marlen Bakalli	Project Manager, Rural Entrepreneurship, Job Creation and Human Security Division, PTC/AGR/RJH)
Mr. Fabio Russo	Project Manager (Business Environment, Cluster and Innovation Division, Department of Trade, Investment and Innovation (PTC/TII/BCI)
Mr. Olivier Stoellig	Project Coordinator
Ms. Stefanie Dworzak	Project Assistant
Ms. Julie Puech	Communication Assistant (part-time)
Ms. Carlota Sans	M&E and communication expert
Ms. U. Müge Dolun	Evaluation Officer, Independent Evaluation Division (IED)
Ms. Thuy Le	Evaluation Officer, Independent Evaluation Division (IED)
EU Brussels	
Ms. Ingrid Schwaiger	Deputy Head of Unit – Regional Programmes Neighbourhood South (by phone)
Ms. Heinke Veit	Programme Manager, Neighbourhood Directorate (by phone)
ALGERIA	
DONORS	
Mr. Giulio Bolaffi	First Secretary, Section Economy and Finance, Italian Embassy
Ms. Mirandolina Celli	Commercial Attachée, Italian Embassy
UNIDO	
Ms. Hassiba Sayah	Country Representative
PROJECT TEAM	
Ms. Meriem Terki	NPC cum CDA/Batna
Ms. Rajda Fergani	CDA, Constantine
Mr. Ahmed Benabdelhadi	National Expert (handicraft)
MINISTRY OF INDUSTRY AND MINES	
Mr. Abdellah Telailia	Chef de Division Attractivité de l'Investissement
Mr. Salah Kaloun	Chef d'Etudes
MINISTRY OF TOURISM AND HANDICRAFT	
Mr. Choukri Benzarour	Directeur du Développement de l'Artisanat
Mme. Zakia Kasbadji	Sous-Directrice
BATNA CLUSTER – JEWELRY	
Mr. Esmail Ramdani	Directeur, Chambre de l'Artisanat et des Métiers
Mr. Wahib Lahmar	Artisan bijoutier
Mr. Khalil Khettashe	Artisan bijoutier

ALGERIA	
Mr. Amar Oinsa	Artisan bijoutier
CONSTANTINE CLUSTER – COPPERWARE	
Mr. Nacereddine Benarab	Directeur, Chambre de l'Artisanat et des Métiers
Mr. El Hassan Boudinar	Artisan copperware, President of Association "Art de Cuivre"
Mr. Talah Soulymane	Artisan copperware/polishing, Vice-President f Association "Art de Cuivre"
Mr. H. Bousbiat	Artisan copperware/welding and forms
Mr. S. Boudchicha	Artisan copperware/designs

EGYPT	
DONORS	
Mr. Matteo RONGIONE	Private Sector Development Expert, Italian Cooperation, Embassy of Italy
PROJECT TEAM	
NPC	absent
Ms. Radwa Khater	Cluster Development Agent-Leather Design Cluster
Ms. Nermin Helmy	Cluster development Agent-Designers Habitat Cluster
COUNTERPARTS/STEERING COMMITTEE MEMBERS	
Ms. Rania A. El Sobky	Projects Manager, Council of Development Projects (representing Dr Sherine Al Sabbagh Head of and Strategy Unit, Council of Development Projects, Chairman of NSC, Ministry of Trade and Industry
Mr. Hisham El Gazzar	Export Council for Handicrafts, Vice Chairman, Chamber of Handicrafts, Cluster Service Providers Cluster
LEATHER CLUSTER, CAIRO, NAILA DESIGN HUB	
Ms. AïdaZayed,	Leader Leather Design Hub, Managing Director for: Fashion and Design Centre; Jewellery Technology Centre; Leather Technology centres
Mr. M. Riyan	Head, Leather Technology Center
Mr. Omar Mohamed Omar	Leather Cluster Member, CEO/El Sarh company
Mr. Emad H. Michael	Leather Cluster Member, Nile Leather, Leather Fashion
Mr. Wafaa H. Abdel Hafez	Chairman,Leather Cluster Member; Tanneries of Old Egypt,Export & Import Manager; Egyptian Association for Development of Leather Tanning and Industry
HABITAT DESIGN CLUSTER, CREATIVE DESIGN HUB	
Ms. Asmaa Eldegwie	Habitat Design Cluster member, DEgWIES company, Managing Director, Owner, Designer
Ms. EsraaFathi	Habitat Design Cluster member, AlefWa Noun, Managing Director, Owner, Designer (Fashion & homme accessories)
Nina Shawki Nina	Habitat Design Cluster member, Shawki collections, Managing Designer, Owner
Ms. Yasmine Elwani	Habitat Design Cluster member, Yellow Design Studio, Founder/product designer
CREATIVE EGYPT DESIGN HUB	

EGYPT	
Ms Amal Taha	Creative Egypt Design Hub, IMC
Mr. Ahmed Reda	Creative Egypt Design Hub, IIMC
NILE DESIGN HUB	
Mr. Nagui T. El-Fayoumi,	Service Provider, Executive Director, Expolink Egyptian Exporters Association Cluster
JORDAN	
DONORS	
Ms. Maria Iarrera	EU Delegation. Note: could not be met (sick leave)
Mr. Michele Morana	Director, Italian Agency for Development Cooperation
UNIDO	
Ms. Sulafa Mdanat	UNIDO Representative (UNIDO Desk/Jordan)
PROJECT TEAM	
Mr. Omar Fanek	NPC cum CDA
COUNTERPARTS/STEERING COMMITTEE MEMBERS	
CEO JEDCO	Note: passed away early September 2017; tried to meet other staff/JEDCO but no appointment obtained
Mr. Sabri Khassib	Director of Economic Policies & Studies Directorate, Amman Chamber of Commerce
CLUSTER ACTORS	
Mr. Adel Tawileh	Chairman, Garment Design & Training Services Centre(GSC), Board Member, Jordan Chamber of Industry
Mr. Ameer Abdel Qader	Director, GSC
Ms. Dina Maqdash	Designer, GSC staff (Design Team member)
Ms. Zein Hamzeh	Independent designer (Design Team member)
Mr. Yaseen Abulrus	General Manager, Noorway Clothing Est.
LEBANON	
DONORS	
Ms. Virginie Cossoul	EU Delegation, Attaché, Trade and Private Sector Development
Mr. Dietmar Ueberbacher	Programme Officer, Italian Agency for Development Cooperation,
UNIDO	
Mr. Cristiano Pasini	Country Representative
Ms. Nivine Chahni	Project Coordinator of Japan funded project/furniture sector, North Lebanon
PROJECT TEAM	
Ms. Soha Abdallah	former NPC cum CDA
Mr. Raja Keldani	current NPC (organizer of the evaluation mission)
Ms. Najla Hassan	National Expert (furniture specialist/interior architect)
MINISTRY OF INDUSTRY	

LEBANON	
Mr. Dani Gideon	DG, Ministry of Industry
Mr. Pierre Omran	UNIDO Focal Point, Ministry of Industry
ALI (Association of Lebanese Industrialists)	
Mr. Daniel Abboud	Member of Board/ALI and Project Focal Point (via skype after the mission, as not present in Lebanon at time of evaluation mission)
JEWELLERY CLUSTER BOURJ HAMMOUD	
Badguèr Cultural centre	
Ms. Arpi Mangassarian	Founder-Manager
Ms. Sarine Hagopian	Project Focal Point
Enterprises	
Mr. Roger Yessayan	Cluster member, Jewellery designer/producer
Mr. Krikor Asdarjia	Cluster member, Jewellery designer/producer
Mr. Khajag Barsoumian	Cluster member, Jewellery designer/producer
FURNITURE CLUSTER TRIPOLI	
Mr. Abdallah Harb	President of Syndicate of Owners of Wood Industries and Furniture Craft in the North
Enterprises	
Mr. VaheOkajian	Cluster member, Business Development Manager of family enterprise OKAJIAN
Mr. Jihad Toros	Cluster member, General Manager, TOROS Furniture
Mr. Elie Mechaham	Cluster member, General Manager, COSTI
Mr. Marwan Elias	Cluster member, General Manager, Bouchra
Other	
Mr. Julien Schmitt	Team Leader, EU funded and Expertise France executed project Supporting private sector development in Lebanon (former UNIDO consultant; cluster diagnostics/2015 and also cluster development training/2017)

MOROCCO	
UNIDO	
Ms. Hanan Hanzaz	Country Representative
PROJECT TEAM	
Mr. Mohamed Bennani Hassan	NPC
Mr. Ali Berrada	CDA/Casablanca cluster
Mr. Nizar Ben Chekroune	CDA/Marrakech cluster
MINISTRY OF INDUSTRY	
Mr. Youssef Fadil	Directeur a.i., Direction des Technologies Avancées, de l'Innovation, et de la R&D, Chef Division Plateformes Technologiques, de la R&D et des Clusters

MOROCCO	
Ms. Sara Mounir	Division Plateformes Technologiques, de la R&D et des Clusters
MINISTRY OF TOURISM, AIR TRANSPORT, HANDICRAFT AND SOCIAL ECONOMY, STATE SECRETARIAT OF HANDICRAFTS AND SOCIAL ECONOMY	
Mr. Mohammed Msellek	Secretary General
Mr. Abdeljalil Errajaji	Director, Préservation du Patrimoine, de l'Innovation et de la Promotion
Mr. Mohammed Hasni	Division Préservation du Patrimoine, de l'Innovation et de la Promotion
Mr. Zitouni Lahoussaine	Director, Institut des Arts Traditionnels (under the Ministry in charge of Handicrafts)
Enterprises Marrakech Creative Interiors Cluster	
<p>Mr. Omar Benabderrazik, Coté Bougie (President of cluster association) Ms. Mathilde Lemoalle, SOME, Slow Concept Store Ms. Noemie Le Naour, NO.M CREATION, partner in Slow Concept Store Ms. Anne Bénédicte Vincent, DJEANN Rugs & More Ms. Catherine Lejeune, HENRY CATH Mr. Walter Schopphoven, W.Home Mr. Wafa Kiran, Zine Zwine Mr. Jamel Wazguidi, AGOUM</p>	
Enterprises Casablanca Home Textiles Cluster	
<p>Mr. Nabil Tazi, PIF – Textile Emotions (President of cluster association) Mr. Mohamed Joumani, HIKMATEX Mr. Ben Masour, VASCO/LOUCHAM Mr. Smina, VELVETEX/ATRETIS Mr. Jâafar Merzou kildrissi, ATRETIS (ATREFIL)</p>	
OTHER	
Mr. Taoufik Aboudia	CEO & Founder Emerging Business Factory
Mr. Omar Boubkraoui	Maroc PME

PALESTINE	
DONORS	
Ms. Myriam Sekkat	Private sector and trade officer, West Bank and Gaza Strip, Office of the European Union Representative, Jerusalem
Ms. CalaraCappelli	Italian Development Cooperation, Jerusalem
OTHER UN INSTITUTIONS	
Mr. Majed Bakri	Safety and Security Israel, West Bank and Gaza Strip, UNDSS
PROJECT TEAM	
Mr. Ahmed F. ElFarra	National Project Coordinator
Ms. Dalia Hussein	Cluster Development Agent, Bethlehem Treasuries Cluster & Director of Membership & Services Department, Bethlehem Chamber of Commerce and Industry
Ms. Dalia	Cluster Development Agent, Nablus Furniture Cluster

PALESTINE	
COUNTERPARTS/STEERING COMMITTEE MEMBERS	
Ms. Manal Farhan	Chairman NSC, National Focal Point, Ministry of National Economy, Deputy Minister
Mr. Omar M. Hashem	Vice Chairman, Federation of Chambers of Commerce and Industry Chairman, Chairman of Nablus Chamber of Commerce and Industry
NABLUS FURNITURE CLUSTER	
Mr. Isam A. Abu Zaid	Service Provider, General Manager, Nablus Chamber of Commerce of Industry,
Mr. Iyad Braik	Service Provider, Focal point - NFC, Nablus Chamber of Commerce of Industry
Mr. Rashid Abdel Hamid	Nablus Design Hub, National Designer Expert, Palestine
Ms. Ruba Saleem	Member of the Design Hub, representative of members the Design Hub (Young Women Designers)
Ms. Dima Srouji	Member of the Design Hub, representative of members the Design Hub
Mr. Sameh Almasri	Nablus Furniture Cluster Member, AlMasri Furniture (Wood/Upholstery),
Mr. Sameh Surkji	Nablus Furniture Cluster Member, Sameh Furniture (Wood/Upholstery), Cluster member
Mr. Rashid Shantier	Nablus Furniture Cluster Member, Blue Home (Wood/Upholstery)
Mr. Youssef Rayyan	Nablus Furniture Cluster Member, Al Rayyan for Furniture (Wood / Furniture)
Mr. Nabil Zaid	Nablus Furniture Cluster Member, Zaid for Fabrics (Suppliers of fabrics)
Mr. Ayman Hannon	Nablus Furniture Cluster Member, Hannon Brothers (Upholstery), Cluster member
Mr. Zafer Aghbar	Nablus Furniture Cluster Member, Maher AGHBAR & Sons, Cluster member
Mr. Sami AlBizreh	Nablus Furniture Cluster Member, Albizreh Center for Furniture, Cluster member
BETHLEHEM TREASURIES CLUSTER	
Mr. Alaa N. Adili	Service provider, Director General Bethlehem Chamber of Commerce and Industry
Mr. Abed Alkhazem	Service provider, Department of Business Development, Chamber of Commerce and Industry
Mr. Dalia Hussein	Service provider, Focal Point BTC, Director of Membership and Services Department, Bethlehem Chamber of Commerce and Industry, CDA
Mr. Chebli AbuFarha	Bethlehem Treasuries Cluster member, Manager Olive wood (Family factory)
Ms. Mariam Khalil Ahmed Jibril	Bethlehem Treasuries Cluster member, Women Cooperative of Embroideries, Cluster member
Ms. Redha Ben Oura	Bethlehem Treasuries Cluster member, Workshop owner, Cluster member

PALESTINE	
Mr. Yassar Barhan	Bethlehem Treasuries Cluster member, Olive wood / Collaboration with other cluster members, Cluster member
Mr. Abdelbaset Ayesh	Bethlehem Treasuries Cluster member, Gypsum, Cluster member
VIRTUAL DESIGN HUB	
Mr. Rachid Hamdi	National design Expert, Hub Lead
Young Designers + students	Members of the Hub

TUNISIA	
DONOR	
Mr. Vladimir Rojanski	Former project manager/ EU HQ), EU Delegation
Ms. Eleonora Fiorello	in charge of decentralisation and social development, Italian Cooperation
Mr. Mohamed Dhifi	Expert, programme "private sector development", Italian Cooperation
UNIDO	
Ms. Dorsaf ZangarLabidi	Country Representative
PROJECT TEAM	
Mr. Talel Sahmim	NPC cum CDA/Nabeul
Ms. Doha Ellouze	interior designer, former CDA/EI Jem
OFFICE NATIONAL DE L'ARTISANAT / ONA - TUNIS	
Mr. Faouzi Ben Halima	Director General
Mr. Khalil Chatti	Deputy Director
Mr. Karim Louhichi	Director, Cooperation
Mr. Zied Zaoui, Director	Development of Competencies
REGIONAL OFFICE/ONA - NABEUL	
Mr. Mohamed Mdimagh	Regional Director
Ms. Sana Mansour Ezzine,	Deputy Regional Director
UTICA	
Mr. Maher Fki	Director, Economic Affairs
ENTERPRISES - ART DE LA TABLE Nabeul Cluster	
Mr. Habib Chabbouh	Maison de l'Artisanat (President of cluster – also President of UTICA's Chambre Nationale de la Poterie Artisanale)
Mr Imed Slama/Mr. Khalil Slama	SlamaPoterie

TUNISIA	
Mr. Fayçal Kerkni	PoterieFayçalKerkni
Mr. Azzouz Kerkni	PoterieAzzouzKerkni
Ms. Nour Bellelouna	Art Belle Lune
Mr. Zied Nsir	ZiedN'sir Handicraft group
Mr. Mohamed RiadhZegdane	Potterie
Mr. Seif Charade	Tunisia Art (olive tree wood)
Mr. Fethi Harbaoui	Hamila Stoneware
ENTERPRISES - MOSAIC El JemCluster	
Mr. Mouldi Kacem	Mosaïqued'Afrique (President of cluster association)
Mr. Abderrazak Belgacem	GalerieMosaïque
Mr. Ridah Hafayedh	Dar El Jem

ANNEX 5: List of main documents used

Title	Date
Project documentation	
European Union Contribution Agreement cum Project Document	version signed by EU on 24 November 2013/ by UNIDO on 12 Dec 2013
UfM, Letter to UNIDO regarding UfM Labelling of CCI project	3 July 2014
Permanent Representative of Italy, Vienna, Letter to UNIDO concerning IDF contribution to CCI project	6 November 2014
Terms of Reference of Project Approval Committee (PAC)	non dated
Terms of Reference of Project Steering Committee (PSC) - example of Egypt	non dated
Evaluation criteria for the Call for Expression of Interest	October 2014
Proposal Submission Set (for the Call for Expression of Interest)	non dated
Call for Expression of Interest	non dated
Assessment of proposals received	non dated
Mapping of clusters in CCI in the Southern Mediterranean, Executive Summary	October 2014
Proposals submitted by the 14 selected clusters	non dated
Inception Report	March 2015
Communication Strategy	2015
Cluster strategic analysis and diagnosis (all 14 selected clusters)	2015
Vision building (all 14 selected clusters)	2015
Action plans (all 14 selected clusters)	2015
Progress Report 2015	end 2015
Progress Report January 2016 – March 2017	March 2017
Main Results as of June 2017	June 2017
Power Point Presentation, Results as of June 2017	26 July 2017
Back-to-Office Mission Report (Brussels), G. Patacconi	17-18 July 2017
Project Brand Manual	non-dated
Minutes of PAC Meetings	11 Dec 2014; 25 Feb 2016
Minutes of PSC Meetings - all seven countries	over period 2014 - 2017
Periodic Country reports – all seven countries	over period 2014 - 2017
Data from M&E system	2016/17

Title	Date
HR data (UNIDO PROJECT DATA)	Sept 2017
Budget data (UNIDO PROJECT DATA)	Sept 2017
Terms of Reference, Independent Evaluation, CCI project (draft)	June 2017
Inception Report, Independent Evaluation, CCI project	2 August 2017
Other	
Joint Communication EC/High Representative of the EU for Foreign Affairs and Security Policy, A new response to a changing neighbourhood	COM, 2011
European Parliament, Resolution on promoting the European cultural and creative sectors s sources of economic growth and jobs - Document A7-0248/2013 on prom	2013
UfM Ministerial Meeting on Industrial Cooperation – adoption of the 2014-2015 Euro-Mediterranean Industrial Cooperation Work Programme	19 February 2014
EU ROM (Report and ROM Monitoring Questions)	4 November 2016
UNIDO Independent Thematic Evaluation of the UNIDO Cluster and Networking Development Initiatives	July 2009
UNIDO Working Paper 08/2014 – The creative ecosystem: Facilitating the development of creative industries	2015
UNIDO, Agro-food, tourism and creative industries: an integrated cluster approach, F. Prota, University of Bari “Aldo Moro”	May 2017
UNIDO, Market Access for Origin-linked Products and Geographic Indications - an integrated approach	non-dated
UNCTAD, Creative Economy Report	2015