

EVALUATION SUMMARY

Road to Jobs: Bringing decent work to rural households in the Northern Provinces of Afghanistan

Quick Facts

Countries	Afghanistan
Final Evaluation	20 January 2021
Evaluation Mode	Independent
Administrative Office	ILO Office in Kabul
Technical Office	ILO HQ, Enterprises Department, SME Unit/The Lab
Evaluation Manager	Ei Haymar (M&E Officer, ILO Myanmar)
Evaluation Consultant	Samuel Hall
Project Code	AFG/14/01/SID
Donor and Budget	Swedish International Development Cooperation Agency (Sida) – USD 9.4 million
Keywords	Market systems development, private sector development, fragile context

Background and Context

The International Labour Organization (ILO) carried out the Road to Jobs (R2J) project between 2015 and 2020, aiming to create more and better jobs in two provinces of Northern Afghanistan, Balkh and Samangan. The project adopted a market systems development (MSD) approach to identify, address and remove the constraints that thwart the growth of more inclusive markets in the region. Its aim was to expand employment opportunities in key sub-sectors – Almonds, Grapes and Raisins, Dairy, Poultry, Sheep and Goats, Cotton, and Carpets – through sustainable and systemic change in the markets. The ILO reports that more than 60,000 people have recorded positive changes in their working conditions and/or income and approximately 120,000 beneficiaries from disadvantaged groups have been reached throughout the project's lifespan. Around USD 14 million has been generated over five years for poor-income earners and targeted MSMEs.

As the project came to completion in December 2020, Samuel Hall was commissioned by the ILO to conduct the final independent evaluation of R2J and assess its achievements on market systems and local communities. **Despite limited resources and scant access to primary data, the final evaluation's added value lies in its ability to examine the impact of a five-year multisectoral project in challenging times both on the political and health fronts.** The evaluation aims to foster accountability and learning across relevant ILO departments and project stakeholders. The findings are intended to inform the ILO's future interventions in Afghanistan and in similar conflict-driven contexts.

The work was guided by ILO evaluation questions and used a **mixed-methods approach**, combining quantitative and qualitative data, as well as a rigorous examination of project documents. It used the OECD-DAC criteria to examine the project's relevance, coherence, effectiveness, efficiency, impact and sustainability in a holistic manner. The evaluators conducted 25 key informant interviews with government actors, employers' and workers' organisations, support institutions, collaborating agencies and the ILO; 25 semi-structured interviews with employers in Balkh and Kabul; and 262 phone surveys with end-beneficiaries in Balkh and Samangan. **As no baseline data was available to render a more objective assessment of the R2J project, the report's main conclusions are largely based on the triangulation of project documents and the primary data collected.** The findings of this evaluation should be regarded in light of two main limitations: i) the limited resources allocated to this evaluation, which have reduced the breadth of the primary data collected and ii) the absence of a baseline assessment, which restricts the capacity to objectively attribute observed changes to the project.

Main Findings and Conclusions

1. **Implementing the R2J project and its market systems development (MSD) approach in a conflict-affected setting does not always guarantee the intended positive results.** However, despite rolling out the project in challenging local conditions characterised by volatility, administrative hurdles, and ongoing political struggles, the outcomes and impacts achieved after five years of implementation are promising. 51 collaboration mechanisms were created resulting in improved dialogue among local stakeholders, more than 60,000 people recorded positive changes in their working conditions and/or income situation (14% are women and 86% are men), and more than 5,500 jobs were created and sustained as a result of the programme (77% benefiting women and 23% benefiting men). This indicates the potential of the MSD approach to foster private sector growth and enhance local economic development in politically unstable settings.
2. **The project has contributed to the growth of the region’s two main economic sectors – agriculture and manufacturing.** It was able to do so by increasing the productivity of farmers and suppliers of raw products through skills development, by strengthening linkages along value chains – notably between suppliers and processing companies in the grapes, dairy, cotton and poultry value chain – and by fostering an entrepreneurship ecosystem through the capacity-building of local business development services (BDS) providers, associations and professional organisations, as well as through efforts to improve financial literacy and access to finance.
3. **The project demonstrated good collaboration with local stakeholders overall.** While the project strived to be clear on its private sector driven approach, mentalities within the public sector on how development projects should work take time to evolve, as some government actors expressed the desire to be more involved in the project. Gaining the trust of business partners was not an easy task in an aid-dominated environment where companies continue to expect “freebies”. Yet, systemic change is underway as businesses in targeted provinces and beyond express the desire to replicate successful models.
4. **Phone surveys with end-beneficiaries reveal that R2J participants consider themselves to be in a better economic position than non-R2J participants.** Women carpet weavers who define themselves as waged employees manage to generate steady earnings in normal economic times but are less resilient than men working on their own account in times of economic hardship.
5. **While the jobs created thanks to the project’s support are associated with appeased employer-employee relationships and high employee treatment standards, they still lag behind on decent work indicators that require efforts at the policy level.** However, this needs to be examined in the light of the political instability and ineffective labour markets that prevail in Afghanistan.
6. **Interventions to expand mobile and media extension services increased farmers’ access to accurate, relevant and timely information, and have the potential to boost their economic self-reliance.** Farmers and poor income-earners were not very receptive to financial inclusion interventions, namely mobile money and loan-based schemes, due to their limited financial literacy.

Recommendations

1	In light of the project’s contribution to market systems and local communities in a fragile environment, as well as its value for money, a second phase of the project could be warranted for long-term impacts.
2	Stronger donor engagement is needed, especially by investing in a well-thought Monitoring, Evaluation, Accountability and Learning system. This will allow the donor to accumulate knowledge, track progress, and judge the project’s impact in an evidenced-based manner, while guaranteeing a shared understanding of the project’s approach and sustaining a long-term donor-agency relationship despite turnover and other contextual impediments.
3	A comprehensive implementation strategy can be designed for each value chain, as an intermediary step between market assessments and implementation. The strategy anticipates linkages between interventions for a single value chain and includes a cost-benefit analysis for each intervention to identify exogenous factors that could affect implementation.
4	A communications strategy can be designed based on a rapid political economy analysis to 1) map out local stakeholders, understand political dynamics and clarify the role government representatives and social partners ought to play in the project; and 2) communicate better on the fundamental principles of the MSD approach to prevent misalignment.

5	The current MRM system can be complemented with a participatory dimension. Partner companies and poor income-earners should be regarded as active participants in the monitoring process. Feedback loops for each intervention can be formalised to allow R2J beneficiaries to engage with and react to the monitoring results to make them their own.
6	Information-sharing events, such as bi-annual business fairs, could be multiplied and tailored to specific economic sectors. While the project collaborated with BCCI to provide networking opportunities to businesses, some pointed out working in silos and stated the desire to meet other businesses, suggesting a need to expand such opportunities.
7	Adopting a gendered lens could allow the project to better assess and address the sociocultural barriers women face in the local labour market. Specific measures that increase their bargaining power and render them more resilient, such as bringing them together in savings groups or cooperatives, can help ensure they equally benefit from interventions.
8	To communicate on the project's success while remaining "invisible", a few businesses that were positively impacted could be selected to act as local MSD ambassadors. This can also be important in the event of programme replication or scaling-up.
9	Financial literacy could be strengthened through 1) awareness-raising on digital finance tools; 2) capacitating a higher number of financial education trainers, notably women; and 3) adapting the programme to the needs of disadvantaged groups. With the launch of the National Financial Inclusion Strategy in 2020, the project could harness this window of opportunity for collaborative action.
10	A field officer could be appointed at the country level to oversee internal processes and ensure swifter approval thanks to contextualised knowledge of practical issues. This could contribute to aligning internal procedures with project expectations and narrow the gap between the project's two separate components – informal negotiations in the field and formalised agreements at HQ.

The visual below summarises the main findings and conclusions obtained by assessing the project against the OECD-DAC evaluation criteria.

<p>RELEVANCE</p> <ul style="list-style-type: none"> - Contribution to Afghanistan's National Development Agenda and ONE UN Model through self-reliance, private sector development and inclusive growth and poverty reduction - Meeting the needs of local communities through market assessments and collaboration with market payers - However, greater participation of businesses in project monitoring could be achieved 	<p>COHERENCE</p> <ul style="list-style-type: none"> - Strong coherence with other interventions on the ground, fostering the One UN Model and the HDPN - Overall good collaboration with ILO's tripartite constituents which act as project advisors and strong adaptation capacity to COVID-19 crisis - However, government expectations on its involvement remain high and not aligned with the project's market-driven ethos 	<p>EFFECTIVENESS</p> <ul style="list-style-type: none"> - Strong effectiveness in addressing market constraints and creating income-generating jobs, but stronger focus on working condition is needed - Robust MRM system and learning by doing approach, but more qualitative evidence and formalised community participation could be useful - Collaborative donor-agency relationship, despite high turnover
<p>EFFICIENCY</p> <ul style="list-style-type: none"> - R2J's decentralised approach allowed the project to be cost-effective and use resources in an efficient manner - However, lengthy administrative processes and inadequate timeframe undermined implementation and project outcomes - Resources allocation in line with gender objectives and donor agenda 	<p>IMPACT</p> <ul style="list-style-type: none"> - Partner companies and disadvantaged groups benefited from the project, notably with the introduction of inclusive recruitment and production models (e.g. carpet industry) - Male workers still tend to gain more from the project than female workers and are more resilient - Impact on financial inclusion remains nuanced and reveals a stronger need for financial literacy 	<p>SUSTAINABILITY</p> <ul style="list-style-type: none"> - Thanks to market facilitation, the project generated impacts that are likely to be sustained over time - Cases of systemic change have been recorded with businesses wanting to test successful models - Volatile security could undermine sustainability but should not mask the behavioural changes that are slowly taking shape

Lessons Learned

1	Carefully planned MSD interventions do not always produce positive outcomes in a conflict-affected country and business partners may experience the failure of business models, which could have worked in a more predictable setting.
2	While the project's monitoring and results measurement system is sufficiently robust, thanks to systematic data collection and a solid attribution strategy, it is not completely aligned with the project's ethos and community-based approach . In the shift from beneficiaries to partners, businesses could also be involved to a greater extent in the monitoring process. So far, they can voice their concerns during regular progress meetings, but have not been able to engage and react to the results identified through monitoring activities.
3	With the MSD approach's proven potential for social inclusion, the project could place a stronger focus on disadvantaged groups and design interventions that are more mindful of their social, economic and cultural situation.
4	While the project's efforts to engage with social partners should be examined in light of local conditions, notably political instability, decent work outcomes that require greater policy advocacy cannot be achieved without workers' and employers' organisations active participation in the conceptualisation and design of key interventions.
5	Due to lengthy internal procedures and administrative delays, the project was not always capable of following the blueprint it set out for itself and ensuring a timely implementation of project activities. This led the project to evolve at a two-paced speed : a fast pace characterising private sector engagement, which implies swift decision-making when brokering agreements with business partners, and a slower pace once private sector deals move from the realm of informal talks to that of bureaucratic processes.
6	Behavioural change, a primary objective of MSD programming, is a long process that requires appropriate adjustment of budget and timeframe , as well as donors' commitment to a strong MEAL approach .
7	The success of an MSD intervention in a fragile context like Northern Afghanistan does not only depend on how rigorously market assessments and interventions have been carried out , but also on more contextual factors that may significantly affect project outcomes.
8	So far, R2J's interventions in agricultural value chains sought to create more and better work opportunities for the poor but omitted examining how such interventions could build a buffer against climate change or, conversely, aggravate environmental impacts .