

Final Evaluation Report of the
**“Local Level Response for Employment Generation and Integrated Territorial
Development”**
InTerDev project

Prepared for
UNDP Office in Kosovo¹

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Disclaimer

The evaluation report was prepared by a team of external international and local consultants, respectively Heli Heusala and Krenar Loshi, with the review and oversight of the UNDP in Kosovo. The content, analysis and recommendation of this report do not reflect necessarily the views of the UNDP or the United Nations' member states.

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LIST OF ACRONYMS AND ABBREVIATIONS

ADA	Austrian Development Agency
AEP	Agency for Environmental Protection
ADC	Austrian Development Cooperation
ALMP	Active Labour Market Programme
ARDA-S	Association of Regional Development Agency South
AfT	Aid for Trade
B2B	Business to Business
BSC	Business Service Centre
CDP	Common Development Plan
CYAC	Central Youth Action Centres
DAG	Directorate of Agriculture
DATRD	Directorate of Agriculture, Tourism, Rural Development and Inspection
DED	Department of Economic Development
EO	Employment office
ET	Evaluation Team
GDB	Gratë e Dragashit në Biznes
IRDS	Integrated Regional Development in the Municipality of Suharekë/Suva Reka in the sector of agriculture (ADC/CARE project)
LED	Local Economic Development
LDF	Local Development Fund
LYAC	Local Youth Action Councils
MESP	Ministry of Environment and Spatial Planning
MCYS	Ministry of Culture Youth and Sports
MDC	Municipal Development Centre
MDG	Millenium Development Goal
MDP	Municipal Development Plan
MnS	Mladi na Selu
MLSW	Ministry of Labour and Social Welfare
MPSO	Municipal Project Support Officer
MSE	Micro and Small Enterprise
MoV	Means of Verification
MTE	Mid-Term Evaluation
NGO	Non-Governmental Organization
SDG	Sustainable Development Goals
SQ	Sub-question
TEP	Territorial Employment Pacts
ToC	Theory of Change
ToR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
UNKT	United Nations Kosovo Team
UNEG	United Nations Evaluation Group
UPMS	Udruženje Proizvodjača Maline Sušice
VTC	Vocational Training Centre

I EXECUTIVE SUMMARY

This report represents the findings of the final evaluation of the UNDP Kosovo Project “Local Level Response for Employment Generation and Integrated Territorial Development” (InTerDev), which aims at creating institutional and local capacities in Dragash/Dragaš and Shtërpçë/Štrpce municipalities that will facilitate the transition from survival based to business and market-oriented economic activities.

In achieving its objective the project engages in Dragash/Dragaš and Shtërpçë/Štrpce municipalities in following three components:

1. Capacity development activities, to strengthen the capacities of municipal staff and structures involved in the provision of services for economic development and integrated rural development;
2. Provision of grants, to support creation of new jobs and income generation opportunities through an improved market positioning and productivity of local micro and small enterprises, including farmers; and
3. Participatory design and application of Territorial Employment Pacts (TEPs), to operationalize bottom-up approaches and local-level concentration for employment generation at municipal level.

In line with ToR, the evaluation of the project was carried out in terms of its relevance, potential for impact, effectiveness, efficiency and sustainability and the results are the following:

Relevance: The project is highly relevant to the situational context, tackling key problems at the local level through the three components. The project as such is relevant to local and national strategies, as well as UNDP and ADA priorities. It is evident that there is still a high demand to strengthen employability and support individuals at high risk of economic and social exclusion to the next level, facilitating the transition from survival based to business and market-oriented economic activities in the two municipalities.

Effectiveness: The project to date has achieved and surpassed all the original (2014) targets set across the three components, namely:

1. Capacity development: Estimated 246 (target 39) municipal staff were trained in economic and rural development activities & human rights-based approach to service delivery; and 772 (target 135) representatives of local businesses, NGOs, associations and farmers have been trained in economic and rural development (July 2016, Project progress report);
2. Grants: 57 (target 30) businesses have been upgraded through 3 rounds of LDF calls for proposals (67 direct grant beneficiaries in total); In the second half of 2016, feeding into planned consultancy services and workforce training envisaged under component 2 of the project, in total 157 residents/value chain producers (cow-breeders, raspberry farmers, beekeepers and forest fruits and herbs’ collectors) and potential ones (students), from Dragash/Dragaš and Shtërpçë/Štrpce municipalities have been trained and raised awareness through introduction of eco-friendly farming approach and agro-rural tourism through interactive workshops, demonstrations, and awareness raising activities.
3. TEP: Estimated 652 (target 238) jobs were generated/formalized through the TEPs. Women constitute 37.4 % of the TEP beneficiaries (target 35%). In addition, 268 (target 59) of rural micro-enterprises have been created or upgraded (including all the rounds and the

municipal co-financing), and number of people whose employability is improved reaches 772 (target 293).

Sustainability: There are several key factors that demonstrate strong sustainability of the results achieved, i) the project has managed to establish a strong local ownership through the long presence of UNDP and ADA in the region; ii) the highly participatory approach in preparing the project was deemed very positive by the stakeholders as it allowed a lot of flexibility to design the intervention on the bases of stakeholder needs; iii) the approach of the project to strengthen institutional and individual capacities through fostering concertation between the local level stakeholders is, as such a fundamental element in terms of sustainability; iv) well established LDF funding mechanisms, which brings a high value in terms of sustainability of the process; and v) increased own funding from local municipal budgets (Shtërpcë/Štrpce contributed EUR 30 000 and Dragash/Dragaš EUR 23 000 for TEP activities. In view of the second phase of the project, the municipalities have committed to increase their own funding.

Potential for impact and gender: At the institutional level the potential for impact builds on the platforms of collaboration that the project has supported for coordination of territorial employment pacts, local development funding and inter-municipal cooperation between the three municipalities. The project has strengthened considerably the coordinated local level efforts to strengthen employability and contribute to the job creation through implementation of TEPs and close collaboration with the smallholder funding. The local action groups are actively coordinating the TEPs and it is evident that TEP initiative has brought the key stakeholders operating at the local level closer to each other.

Approach in the TEP and LDF implementation, combined with field visits, study visits, exchanges, proves to be an appropriate way of learning and promoting behaviour change at the local level. However, there is lot of potential in terms of strengthening the TEP mechanisms through collaboration between national and local level stakeholders on one hand, and increase donor coordination on the other hand, to strengthen the linkages to wider development initiatives in the territory as a framework for TEPs.

Based on the project's own monitoring data and estimations, a total of 270 jobs were created through LDF ² and 652 to 693 through the TEPs (including jobs ranging from permanent to seasonal, full-time, part-time, self-employment, jobs within the family and jobs where workforce was hired from outside.

According to the recent monitoring data from the project office (January 2017), LDF grant recipients have increased their income on average by 68 %. Upgrading of rural microenterprises in raspberry farming and beekeeping (TEP Action 1) in Shtërpcë/Štrpce is increasing average income of the support recipients by 84%. At the same time, the similar support in Dragash/Dragaš to cow breeders and milk producers increases their income on average by 35%. According to the project progress report (July 2016) the results under the TEP Action 2 are mixed- while some generate decent income, the others struggle for assignments and income.

Specific elements to gender and social inclusion, sustainable management of natural resources, and access to markets, are further elaborated under this section.

The focus of the project is on people at risk of **social exclusion and gender issues** are at the heart of the project. The project has worked on the value chains that enable also women's participation. Gender as selection criteria has been emphasized for LDF and TEP measures; and actions that target women specifically have been designed. The participation of women as direct beneficiary (individually or in groups) reached 34.3 % in the component 2. In the component 3 (TEPs), 37.4 % of the direct beneficiaries were women. In the component 1, the majority of the participants in the trainings were men, reflecting the gender composition of the municipal staff.

A significant part of the jobs created by the TEP and LDF actions are jobs within the family. Women have naturally benefitted from the employment opportunities as family members and also as hired employees, especially in the case of raspberries. Independently from the income, the project has empowered women; by helping them to prove that women can do it also, the perception of women has been improved within their communities in a relatively short time period, and also encouraging some of them to seek for business contacts and marketing their products.

Monitoring and reporting has been gender differentiated and following the MTE, information gathering on job creation and income was initiated.

With regard to the component 2 (LDF), 37.3 % of the direct beneficiaries were **non-majority community members**, either as individuals or in groups (25 out of 67 beneficiaries). Regarding the component 3, 38.9 % of the direct beneficiaries were non-majority community members. In Dragash/Dragaš their share was 49.8 % and in Shtërpçë/Štrpce 27.7 %.

Approximately one third of direct women beneficiaries of TEP actions were women from non-majority communities; in Dragash/Dragaš 32.9 % (Gorani women) and in Shtërpçë/Štrpce 35.4 % (Albanian women and one RAE community member).

Participation of persons with disabilities was all but absent in all three components, with two beneficiaries in Dragash/Dragaš (TEP Action 1, TEP Action 2).

When looking at the overall picture (project monitoring data), the direct beneficiaries of TEP actions TEP2 - TEP6 (vocational education, social enterprises, green jobs, wage subsidies) include women, minority members, PwDs or belonging to the age group 18-35, totally or with just a very few exceptions. This is also the case with TEP1 (raspberries) in Dragash/Dragaš.

For the TEP1 measures targeting milk production households (Dragash/Dragaš) and TEP 1 in Shtërpçë/Štrpce as well as LDF grants, the proportion of the direct beneficiaries who do not belong to these categories is much bigger. It is worth noting however that there is also a set of other criteria affecting selection, but these were not looked at the individual level by the ET.

Efficiency: The evaluation confirmed that the way in which the project is organized; project office in Prizren and municipal support project officers both in the municipality of Dragash/Dragaš and Shtërpçë/Štrpce has been fundamental in terms of organizing project activities efficiently. In general

stakeholders and beneficiaries highly appreciated the communication with the project and beneficiaries are seeking information from the MPSOs on a continuous basis. In addition, LDF efficiency in delivering large number of small grants and deployable human capacities at MDC bring a great added value to project efficiency. Capitalizing on other UNDP projects -analysis, instruments (Aft, ALMP, biodiversity projects and experience with TEPs) and ADA's previous experience with LDF has also been crucial in terms of efficient use of resources.

Stakeholder strategies: The cooperation between the stakeholders is deemed very positively. Municipal employment offices (MLSW/EOs) have been active partners throughout the project, coordinating closely with LAGs and VTCs, for example. The involvement of both local and national partners in TEPs is an opportunity to increase collaboration between the local level stakeholders and local branches of line ministries. At the same time, the project has built on synergies with other UNDP and ADA projects, using the LDF infrastructure, TEP's methodology and value chain analysis. Development of partnerships and closer coordination with stakeholders that work on other parts and with other players of the selected value chains is also crucial to promote pro-poor growth and therefore emphasized.

Theory of change, monitoring and evaluation: The theory of change of the project has been analysed during the evaluation and adjustment proposed. The objective of the project has been changed to include income generation and employment, with the specific focus on individuals at the risk of social and economic exclusion. The result 2 was slightly reformulated by specifying that market positioning and productivity is achieved through the funding mechanism and targeted services. In line with these adjustments, clearer distinction can be made between different levels of indicators in the log frame hierarchy.

It is assumed that by strengthening the capacities of municipal staff and structures involved in the provision of services for economic development and integrated rural development; by providing funding mechanism and targeted services to improve market positioning and productivity of local micro and small enterprises, including farmers; and by operationalizing bottom-up approaches and local level concertation for employment generation at municipal level through TEPs, the municipalities are able to facilitate economic empowerment and job creation for individuals at risk of economic and social exclusion and employability of the target groups as well as market positioning and productivity of MSEs has been improved. Consequently, new jobs and income generation opportunities are created, with a specific focus on individuals at risk of economic and social exclusion. To further attract applicants from these groups, the project activities could tackle prevailing cultural and social norms, as proposed by the MTE.

The project contributes to the UNDP Outcome 2 (2016-20) "Education and Employment policies and programmes enable greater access to decent employment opportunities for youth and women". The education and training to various target groups is provided with the aim of increasing employment opportunities and job creation, both women and youth are emphasized as beneficiaries of project activities. Regarding the KPAP 2011-2015, the project contributed to the Outcome 1 "Vulnerable women and men (returnees, IDP, minority groups, PWD, youth) have more economic and livelihood opportunities and benefit from better public and social services".

Mid-term evaluations have been conducted as planned and the recommendations reflected in the implementation. Monitoring of deliverables of the project has been conducted by the project and after the MTE an effort has been made to improve the data collection on employment and income. Indicators, while necessary to keep the number of them limited, should reflect the main elements of the project and more emphasis given to quality aspects.

Lessons learned: These are built around the key features of the project that need to be maintained in future phases or similar context:

Physical **presence** of the project through focal points in both benefiting municipalities has proven to be a great value added proposition to the project, securing not only effective and direct communication and follow-up with beneficiaries, but also an added quality assurance.

The present focus on practical training combining on-site advise, study visits, B2B exchanges, with involvement of local action groups have proven to be most beneficial approach to assisting the **new farmers** joining the scheme.

The current levels of **municipal own contributions** have proven to strengthen the local ownership and a clear value for money for benefiting municipalities, which paves the way for exploring opportunities for raising the municipal share, and also the share of farmers aiming at expansion.

Based on the feedback of evaluators and performance of the selected applicants, **further adjustments** should be made in the application form and evaluation grid and ensure **continued monitoring** of application procedures and tools related to LDF calls. Any knowledge gaps of potential beneficiaries leading to incomplete applications should be addressed through training to reduce the number of rejected applications.

There's a need to **maintain training on environmental issues** including training session at the outset of the LDF calls, using extracts from successful and poorer applications as example.

Recommendations: The evaluation suggests that the project on oncoming future phases needs to undertake the following measures:

The present focus on individual/household level, with **gradual withdrawal** of support to established local producers and focusing on new entrants only. The support to established producers should now be limited to strengthening of Associations and access to markets whereby municipalities and producers contribute with an increased own share at 50%.

Conduct a specific **evaluation of farmers associations** in terms of functioning/organization and economic potential.

In the future, **clustering of TEP actions** under 2-3 entities would make monitoring easier. Furthermore, monitoring could become easier also by placing the training for end-beneficiaries under the components 2 and 3 while including only the training for the institutions under the component 1.

The project needs to explore ways to deepen **further the institutional cooperation** with MLSW and MAFRD and other central level institutions at Prishtinë/Priština level, namely with Chamber of Commerce, MCYS and CYAC as well as with MESP/AEP. At the local/regional level, the project needs to strengthen further the network with locally based tourist vendors, events, fairs and festivals, tourism associations, ARDA East, LYACs, etc., all important for promotion and marketing of Sharr/Šar region products.

For monitoring purposes, consider adding an age group for young people up to 24 years. For monitoring, be specific when defining concepts such as decent job/formalization/job creation. In connection with collaboration with MLSW, further strengthen the collaboration to improve to statistics related to employment at the local level, for the purposes of targeting the measures and monitoring.

Enhance donor coordination, to strengthen the linkages to wider development initiatives in the territory as a framework for TEPs and to further develop coordination on other segments of the selected value chains.

Further analyse and develop possibilities of collaboration with other vocational training centres.

For further expansion purposes, the project needs to introduce measures to **enhance marketing and commercialization** segment (branding, identification of markets, sales agents with social entrepreneur background, product licensing and certification, including through tourism) with co-financing municipality/expanding farmers minimum 50%, as well as introduce inter-municipal cooperation initiatives aimed at commercialization, quality assurance and branding of Sharr/Šar products; cross- municipal enterprises; sponsoring events and festivals (as facilitator) for example DokuFest and NgomFest in Prizren, and similar.

Under LDF and TEP Action 1, where applicable: introduce measures to **enhance neighbour to neighbour exchange** (of knowledge, experience, share of new seedling, etc.) focusing on women and also interethnic collaboration were possible, primarily targeting those neighbours who have not been able to join the scheme. Successful grant beneficiary should be encouraged to assist non-successful neighbour as a good principle, on a voluntary basis and possibly a rewarding mechanism developed for such assistance. This would contribute to the much needed economic collaboration behaviour at the community level, leading to stronger communities of producers and stronger market position.

Consider organizing **mid-calls or sub-calls** within the same call with modified criteria, targeting specific neighbour to neighbour assistance activities (e.g. women to women and inter-ethnic neighbour to neighbour activities). This could also help to challenge cultural and social gender norms and values.

For cost-efficiency purposes, group purchases have been promoted were possible under LDF. However, the feedback from the beneficiary's side regarding the purchases shows that in some cases the beneficiaries would like to be more closely involved in the selection and acquisition process of agricultural and breeding inputs in order to guarantee that the products are meeting exactly their

expectations, thus favouring **individual purchases** more. In case where **group purchases** are applied, involve representation of farmers to ensure greater compatibility of acquired inputs.

Introduce a reserved budget line for **100 % grants** for valid cases under LDF fulfilling the criteria (to be applied in certain cases), making it clear and transparent at the outset of the call.

Introduce mechanisms to facilitate those who cannot articulate the complaint in writing (applications), whereby the complaint can be filled orally. On the basis of the feedback received, the municipal project office could prepare a list of **Frequently Asked Questions (FAQ)**, and submit it to LDF to support information sessions that could possibly be organized after each call.

Based on the findings, the evaluation team has ranked the evaluation criteria using the UNDP Scoring Scale³, with the overall score of 5: **Satisfactory, with minor shortcomings (scale 1- 6)**⁴. The details of ranking are highlighted in the Conclusions chapter.

³ United Nations Development Programme, Evaluation Office, 2012. Project- level Evaluation Guidance for Conducting Terminal Evaluations of UNDP supported, GEF-financed projects

⁴ 6 = Highly satisfactory: no shortcomings; 5= Satisfactory: minor shortcomings; 4 = Moderately satisfactory: moderate shortcomings; 3 = Moderately unsatisfactory: significant shortcomings; 2 = Unsatisfactory: Major problems; 1 = Highly unsatisfactory: Severe problems.

I INTRODUCTION

The final evaluation of the “Local Level Response for Employment Generation and Integrated Territorial Development” (InTerDev Project) was commissioned by the UNDP Kosovo, and was carried out during the period of 28 November 2016 – 20 January 2017, by an evaluation team consisting of one international and one local expert.

InTerDev is a three year project (15 January 2014 to 14 January 2017), funded by the Austrian Development Cooperation (ADC) with the overall budget of 1,660,000 EUR, and is managed by the UNDP Kosovo.

At the **national level**, although Kosovo’s economic growth (WB data: 2015: 3.9%, 2016: 3.6%) has outperformed its neighbours and been largely inclusive, it has not been sufficient to reduce the high rates of unemployment; provide formal jobs, particularly for women and youth; or reverse the trend of large-scale outmigration. Apart from the high unemployment, the labour force participation, especially of women and youth is low.

In Kosovo, according to Labour Force Survey (LFS) 2015, the unemployment rate amongst working age (15-64) population still reached 32.9% (36.6% female and 31.8% male) in 2015, down from 35% in 2014. Based on 2015 LFS, 27.4% of the unemployed in Kosovo were young people (aged 15-24 years), with an almost seven percentage point difference between males and females. A significant share of the youth population is unemployed (57.7%) and the unemployment rate of women is higher (67.2%) compared to men (54.2%)⁵.

The LFS 2015 data show that the percentage of those employed in part-time jobs decreased from 11.1% in 2013 to 5.3% in 2015. Self-employment (as a percentage of those employed) declined slightly from 2014 to 2015. The percentage of the employed in vulnerable jobs (persons who are self-employed without employees and those who work unpaid in a family business) declined from 24.9% in 2014 to 22.8% in 2015⁶.

The trade sector employed 14.4%, manufacturing 13.8%, education 11.9% and construction employed 10.9%, and agriculture, forestry and fishing sector employed only 6.7% (male 6% and female 0.7%) of all the employed in Kosovo⁷, which is surprising considering majority of the population lives in rural area.

At the **local level**, both municipalities of Dragash/Dragaš and Shtërpçë/Štrpce face significant challenges in addressing their resident’s concerns.

Kosovo Mosaic Survey (KMS) 2015, shows significant drop in satisfaction index with the local government since 2012 survey in both municipalities (-8.01 and -19.31 points respectively). Unemployment and lack of economic growth are the two main concerns of people in both municipalities (in DG: 62% and 22% respectively, and in ST: 33% and 17.5% respectively), which the project aims to address.

⁵ *Results of the Kosovo 2015 Labour Force Survey, Kosovo Agency of Statistics*

⁶ *Ibid*

⁷ *Ibid*

III DESCRIPTION OF THE INTERVENTION

The InTerDev project aims at **creating institutional and local capacities** that will facilitate the **transition from survival based to business and market-oriented economic activities**. This will be achieved through three expected results:

RESULT 1: The capacities of municipal staff and structures involved in the provision of services for economic development and integrated rural development are strengthened through the application of the Suharekë/Suva Reka model;

RESULT 2: New jobs and income generation opportunities created through an improved market positioning and productivity of local micro and small enterprises, including farmers;

RESULT 3: Bottom-up approaches and local-level concertation for employment generation are operationalized at municipal level through Territorial Employment Pacts (TEPs).

The first component related to the result 1, focuses on **strengthening capacities of the municipal structures** in Dragash/Dragaš and Shtërpçë/Štrpce municipalities. The municipal staff involved in the provision of services for economic and rural development in the two municipalities has received training on mainstreaming gender perspective, equal opportunities, inclusive service provision and accountability as well as a package of human rights based approach to service delivery. The municipal officials as such also participated in the trainings on economic development, agriculture, branding, etc. together with farmers and producers. To this end, the Municipal Development Centre (MDC), established previously in Suharekë/Suva Reka municipality with the support of the ADC/CARE IRDS project, has played a crucial role in this process by transferring knowledge and developing capacities of the two other municipalities. In addition, the component focuses on **fostering cooperation** between the three municipalities by organising inter-municipal joint initiatives.

Under the **component 2**, the project focuses on **provision of grant funding** in gender sensitive manner to business initiatives in selected value chains that have been identified as high return potential. The grants have been implemented through Local Development Fund (LDF) based in Suharekë/Suva Reka, targeting especially microenterprises (household based) that already work in these value chains or individuals interested in starting a new business. Under this component, the project also aimed at strengthening the management and monitoring capacity of the LDF. Technical advice and skills training has also been provided by engaging local Employment Offices, VTCs, MDC and external service providers. Networking has been facilitated by organising B2B events in the region. Towards the end of the project, the focus has also been on expanding to new value chains on the basis of the analysis carried by other UNDP projects.

The component 3 is structured around local partnership and negotiated planning model of **Territorial Employment Pacts (TEPs)**. TEPs are established between the key stakeholders in the two municipalities, to promote economic development and employment through inter-connected roles and responsibilities of local and national level stakeholders, building on the prior experiences of UNDP in targeting youth and ethnic minorities through profiling system. As with component 2, the existing working groups, such as local action groups (LAG) have been used to coordinate TEPs implementation.

TEPs consist of 6 inter-connected service lines that include: entrepreneurship/ business advisory and development services, with a particular focus on women; training incentives, skills training grants; access to credit opportunities; subsidised employment and organization/association building (to enhance voice and representation) and regulatory environment, including rights.

The TEPs evolve around six key areas. In the municipality of Dragash/Dragaš the TEP covers all six areas, while in Shtërpçë/Štrpce the four TEP 1- 4 areas are in use.

TEP 1 = Generation and formalization of employment through upgrading of rural micro-enterprises (milk, raspberries, honey)

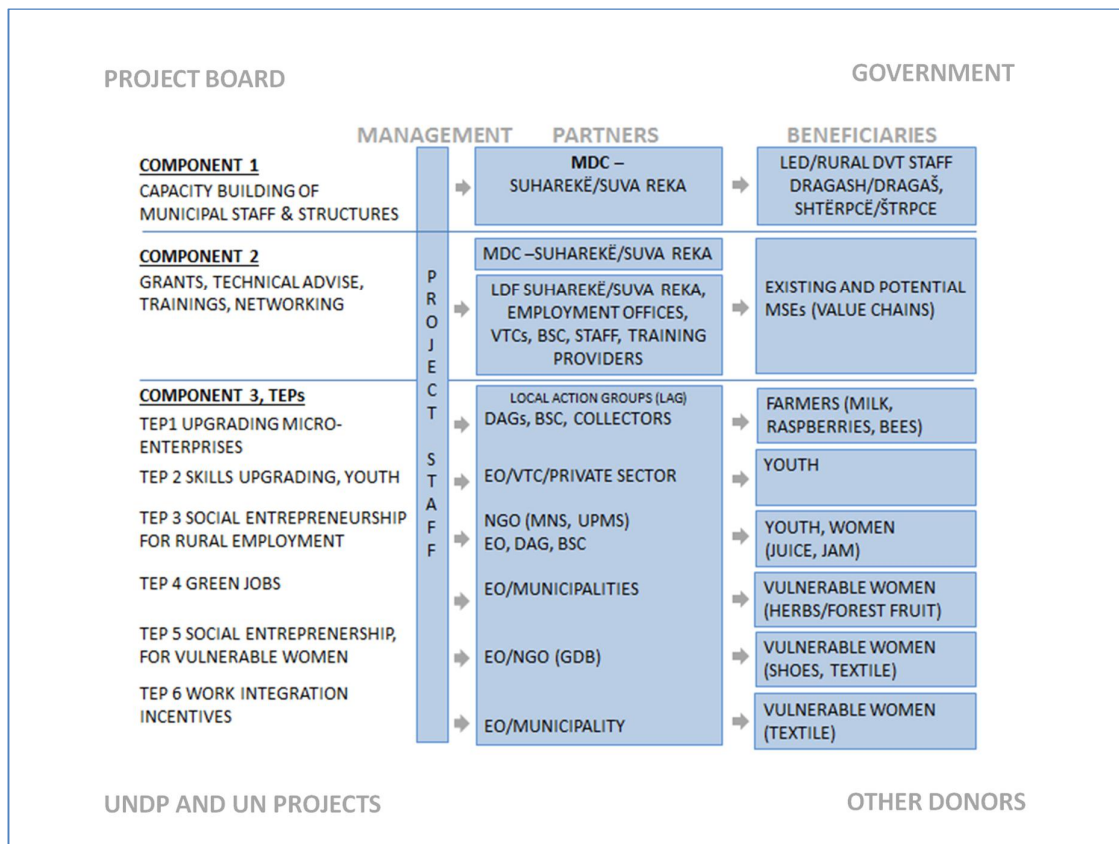
TEP 2 = Skills upgrading (youth)

TEP 3 = Social enterprises (juice, jam)

TEP 4 = Green jobs (herbs, forest fruit)

TEP 5 = Social enterprise

TEP 6 = Work integration incentives



Picture 1. Stakeholder map (elaborated on the basis of project documentation)

IV EVALUATION SCOPE AND OBJECTIVES

Objective: In line with ToR, the evaluation of the project was conducted in terms of its relevance, impact, effectiveness, efficiency and sustainability, elaborating also on lessons learnt and provision of recommendations for the next phases or similar projects in the future.

The ToR also emphasizes further criteria that the evaluation is expected to cover, namely stakeholders and partnership strategies, evaluation and monitoring, theory of change and gender.

During the inception phase, UNDP was consulted whether there are any specific evaluation questions of particular importance. Within this, gender scope, social inclusion and empowerment are crucial and in view of further developments, the level of ownership of the project at the municipal level. Apart from gender issues, the funding partner ADA had a specific interest in environmental aspects of the intervention.

Besides assessing the overall progress of the project and seeking evidence on whether, why and how the logic of the intervention has worked, the focus was on evaluating to which extent the recommendations of the project mid-term evaluation (Q4 2015) have been addressed during the second half of the project.

It is worth noting that due to the project ending in January 2017, it is still very early for the impact of the project to materialize in full. Thus, the wording has been slightly adjusted and instead **potential for impact** was analysed.

Geographical scope: The evaluation focused on the benefiting municipalities of **Dragash/Dragaš** and **Shtërpcë/Štrpce** where project activities have been implemented, cooperating also with the municipality of **Suharekë/Suva Reka** whose Municipal Development Centre has supported the two benefiting municipalities through coaching, knowledge sharing and advise and with the Local Development Fund located situated in Suharekë/Suva Reka.

Time scope: The evaluation covered a time period of entire project duration, from **15 January 2014 to 14 January 2017**. An important milestone during the implementation was the mid-term evaluation carried out at the end of 2015, which provided several key recommendations to be carried during the second half of the project.

V EVALUATION METHODOLOGY

Approach: The evaluation was conducted in line with the methodology foreseen in the inception report, relying on **mixed-methods**. Data collection consisted of a **comprehensive desk review** of relevant documents and **field data collection** from stakeholders through interviews, focus group discussions and site visits. The evaluation, both in the desk review and in the field data collection phase, relied very much on the monitoring data collected by the project and the stakeholders.

Table 1. Main information sources.

Main information sources	Description
Documentary evidence	Project specific documentation. This includes monitoring data generated by the project management and descriptive statistics from the monitoring systems. Monitoring data both before and after the MTE has been utilised.
	Background documentation at local, regional and national level.
	UNDP and ADA documents
Interviews, focus group discussions	Opinions, views, knowledge of project stakeholders and beneficiaries.
	Other actors with relevant knowledge or connection to the project
On the spot project monitoring data	Project monitoring data tabulated during the evaluation period.

The desk review documentation has been provided by UNDP InTerDev Project Manager at the outset of the evaluation, additional documents were also requested during the evaluation. **Field data collection** was carried out during the period 12 - 16 of December 2016. The documents consulted (Annex 1), list of interviewed stakeholder (Annex 2) evaluation matrix (Annex 3), set of questions applied in the stakeholder interviews and group discussions (Annex 4) and itinerary for the field mission (Annex 6) are included at the end of this document.

Sampling techniques: Non-random sampling was used for conducting the qualitative data collection part in the field. Based on the stakeholder mapping, **a purposive, non-random sampling and cluster technique** was used to guarantee a balanced representation of views and opinions from the key stakeholders, some secondary stakeholders and end beneficiaries. These interviews and discussions were conducted in three languages and with translation on site, which might be source of some deviation in terms of findings, to be taken into account.

It is worth noting that the time for carrying out the field data collection was limited taking into account the high number of stakeholders and beneficiaries of the various actions of the project.

Local municipal staff who participated in the trainings (component 1) was covered by the MTE. As such, the trainees have not been subject to interviews in this final evaluation. TEP 6 beneficiaries have not been interviewed directly, either, as they were also interviewed during the MTE.

VI FINDINGS AND DATA ANALYSIS

6.1 RELEVANCE

The project is highly relevant to the situational context, tackling key problems at the local level through the three components. It is well aligned with local and national strategies as well as UNDP/ADA priorities. It is evident that there is still a high demand to strengthen employability and support individuals at high risk of economic and social exclusion to the next level, facilitating the transition from survival based to business and market-oriented economic activities in the two municipalities. Seeking the balance between the expansion of the programme to cover new beneficiaries in the municipalities and supporting those already involved further, ET provides some recommendations on where the future support of the project should focus, building on the strengthened capacities of the stakeholders and proposing some adjustment in design.

The project is linked clearly to ADA goals and strategies, UN MDGs⁸ and SDGs, and relevant national and local level strategies and plans, but this link needs to be strengthened and detailed in the project document as well.

Table 2. ADA goals and strategies, UN MDGs and SDGs, relevant national and local level strategies and plans.

ADA	Key priorities/targets
ADA Strategy for Kosovo 2013 - 20	Focus area economy and development in rural areas, taking into account the governance (including ethnic minorities) gender equality and environmental aspects)
Danube Area- Western Balkans Region: Regional strategy (complementary to the existent bilateral strategy) 2016	Thematic priority areas: 1 Economy and development: focusing on employment; 2 Education – focusing on labour market oriented, socially inclusive vocational education (and higher education) 3 Governance, human rights and rule of law Cross-cutting issues: Gender equality, social inclusion and environment/climate change
UNDP	Key priorities/targets
SDG 8 on economy (main one)	Target 3 “Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services”
SDG 5 on gender	Target 5 “Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life”

⁸ SDGs entered force in 2016, during the last year of project implementation

SDG 1 on poverty	Target 4 “Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance”
SDG 15 on biodiversity	Target 9 “integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts”
SDG 16 on peace and institutions	Target 11 “Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime”
UNDP Kosovo Programme Action Plan 2011 – 2015 (KPAP)	Outcome 1: By 2015, vulnerable women and men (returnees, IDP, minority groups, PWD, youth) have more economic and livelihood opportunities, and benefit from better public and social services
UN CDP 2016 – 2020	Social Inclusion: Outcome 2.1: Education & employment policies and programmes enable greater access to decent employment opportunities for youth and women.
MDG 1 on poverty (main one)	Target 2 “Achieve full and productive employment and decent work for all, including women and young people”
MDG 7 on environment	Target 1 “Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources”
National level	Key priorities/targets
National Development Strategy (2016 - 2021)	Pillar 4 on Infrastructure. Target 6 “Improved support infrastructure for agriculture production”
Kosovo Program for Gender Equality (2008)	Objective 4 “Economic empowerment of women and girls”
MESP Sharri Park Management Plan	
Kosovo Environmental Strategy and National Environmental Action plan 2011 - 2015	Strategic objective no 3 “Ensuring integrated protection of nature through cooperation with other sectors, sustainable use of biodiversity and equal sharing of benefits”
Sectoral Strategy for Employment and Social Welfare (2014 - 2020)	Emphasis on local level employment generation through linkages to rural and regional development policies
Agricultural and Rural Development Programme (2014 - 2020) and MAFRD strategy for extension of	

services	
MLGA Local Government Strategy and Action Plan (2016 - 2020)	
Local level	Key priorities/targets
Municipal Development Plan for the Municipality of Dragash/Dragaš 2013 - 2023	<ul style="list-style-type: none"> -Agriculture and forestry -Education -Local economy -Nature conservation and biodiversity -Also waste
Strategic Economic Plan for Dragash//Dragaš Municipality, 2012	<ul style="list-style-type: none"> -Governance of the economic system -Economic performance and competitiveness" of the value chains -System for providing services for economic development -Capacities for economic development planning
Municipal Development Plan for the Municipality of Shtërpçë/Štrpce 2013 - 2023	
Strategy for the development of small and medium-size enterprises and entrepreneurship of Shtërpçë/Štrpce Municipality 2011 - 2016	<p>Most significant economic problems⁹</p> <ul style="list-style-type: none"> -Obsolete and abandoned utility tourist facilities; -Lack of education and motivation to produce products and start their own local business; -Poor access to external markets (markets outside the local communities); -Inadequate financial services (inadequate credit terms from existing financial institutions); -Lack of capital and financial resources; and -Insufficient investment in the promotion of the municipality.

The project is positively contributing towards the achievement of UN/UNDP SDG goals, which nevertheless need to be more clearly linked in the project document during the next phases of the project. As per UNKT's "Post 2015 Kosovo Debate" contribution to the High Level Panel, the persistent migration from rural areas still poses a significant challenge *"Kosovo's villages are emptying and the towns are being overwhelmed. To the people living in rural areas, this is a grave problem. Migration, in their eyes, was expressed as a pernicious threat. If only local living conditions and opportunities could be improved, they believed, young people would stay"*, a challenge which is being addressed by the project by focusing on economic revival of rural areas through employment and income generation, targeting vulnerable groups.

In general, ADC quality criteria have been well taken into account in the project design and implementation.

⁹ Territorial audit report, 2014

Table 3. ADC principles, quality criteria and cross cutting issues

Evidence of ADC principles and cross cutting issues in project planning, implementation and reporting	
<p>a) the respect for cultural diversity;</p> <p>b) gender equality and social exclusion</p> <p>c) consideration for the needs of children and persons with disabilities</p>	<p>Gender issues, social inclusion, cultural diversity, needs of persons with disabilities are in the heart of the project design and continuous focus in the implementation as the main goal is on strengthening the employability and increasing employment of the most vulnerable groups. Gender assessment was conducted before the project (2013) emphasizing gender competence under the municipal staff, gender specific targets, importance of tackling the existing stereotypes and applicable gender policies and action plans. Monitoring of direct beneficiaries has taken into account age, gender PWD and ethnicity. Reporting has been gender differentiated as such. Following the recommendations of the MTE a great effort has been made to collect impact level data which enables more systematic reporting and analysis according to non-majority and PWD status also. See also the Chapter on Gender and Social Inclusion (Chapter 6.4 Potential for Impact).</p>
d) environment and climate	<p>As pointed out by the environmental assessment (expert opinion on environmental criteria), carried out before the project (2013), the relevant aspects to be considered include effects on water systems through ground- and surface waters, effects on soil (agribusiness), biodiversity protection and air pollution/climate issues. The project has implemented capacity building measures related to agricultural best practices safe use of pesticides; rules and regulations for resource utilization within the national park, implementation of the municipal development plan (MDP) and training in tourism development focusing especially on rural tourism, traditional and healthy food and eco-tourism. Green jobs measures have targeted women involved in harvesting of non-wood forest products with the goal of increasing the income generation while at the same time focusing on topics such as seasonality, environmental friendly harvesting techniques to protect the flora of the national park. The project has supported value chain analysis and implementation plan recommending land utilizations study in Dragash/Dragaš and study for an irrigation plan are proposed in both municipalities. Evaluation criteria for LDF component include environment. See also the chapter Sustainable management of Natural resources (Chapter 6.4 Potential for Impact).</p>
Evidence of ADC quality criteria in project planning, implementation, reporting.	
1. Has the market or the market segment been analysed comprehensively (i.e. in its economic, social, ecological and political dimensions) and is the planned intervention based on the results of such analysis?	<p>The project design reflects value chains emphasized in the municipal planning documents and inputs provided by UNDP and other projects. The territorial audit reflects economic, social, ecological and political dimensions of value chains (employment, labour market participation, environmental aspects related to income generation).</p> <p>The project has supported preparation of additional value chain analysis of economic, social, ecological and political dimensions and implementation plan has been developed for the municipalities during 2016 which will serve future initiatives in the area.</p>
2) Are the underlying causes	The employment and labour market and demand side have been

of existing problems in the system defined (or only its symptoms)?	thoroughly analysed building also on earlier UNDP experiences on TEPs.
3) Is market access of poor/disadvantaged women and men restricted and does the project/programme aim to lift these restrictions?	The project has contributed to the draft law on social enterprises in Kosovo which has a high potential in terms of income generation for most vulnerable groups. The project has worked along the value chain, addressing constraints related to collection, quality, negotiation power (associations). It has also supported in commercialization and marketing, however this area needs to be strongly addressed in the future (including licenses).
4) Was inclusiveness a criterion for selecting the market system and the partners?	Project as such has inclusiveness in its heart, as the focus is to create jobs focusing on individuals at risk of economic and social exclusion. Concertation between local level partners for job creation and improvement of employability is crucial in the TEP concept and the players whose mandate covers this are on board together with civil society and private sector. Value chains that the project works are potential in terms of women's employment.
5) Is it clear how the planned interventions affect results, and vice versa (cause/effect logic)?	The project through its three results aims at creating institutional and local capacities in Dragash/Dragaš and Shtërpçë/Štrpce municipalities that will facilitate the transition from survival based to business and market-oriented economic activities. The ultimate goal therefore is jobs creation/formalization and new income generation opportunities
6) Have both public and private actors been considered for the interventions?	Public and private actors have been involved from the design phase of the project, widely consulted during the territorial development audit and now participating in project activities and active in LAGs.
7) Does the project/programme adopt the role of a facilitator? a. Or does the project advocate direct business support? If so, is the decision who to assist subject to a transparent, competitive process? b. Will direct support to single market players change the market system (or simply support the market players)?	The governance element in the projects is in the heart of the project and the project as such as is facilitator supporting implementation of TEPs (component 3) and local development funding (component 2) as a joint effort of the stakeholders at the local level. A) Both of these are subject to transparent competitive process. B) Although in line with the UNDP principles, the focus is on supporting the most vulnerable groups to achieve the next level, it is worth noting that the project has worked along the value chains and, for example in the case of milk, promoting also association building and collection. However there is place to further strengthen the value chain thinking, association and measures targeting the value chain close to the market end of the value chain by the project, through closer cooperation and partnerships and handing some responsibilities to municipalities.
8) Have all dimensions of sustainability been taken into account: economic, social, political, ecological?	The dimensions are built in in the project design. Sustainable income generation for individuals at the risk of social and economic exclusion. The political aspects are taking into account as a part of the implementation context.
9) Is it clear why the interventions are deemed sustainable?	Funding by the municipalities has been identified as a key issue from the beginning of the project and monitored as a risk throughout the project.
10) Is it clear at which point development cooperation will have fulfilled its role? Is	Strengthened capacities of municipalities to facilitate economic empowerment and job creation (purpose) for individuals at risk of economic and social exclusion further strengthened is the project

there a clear exit strategy?	purpose. Both capacity to self- sustain the process including the fund raising capacity are important here although the fulfilment of the role not clearly specified. See chapter 6.3 for further suggestions on exit strategy.
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6.2 EFFECTIVENESS

In general, the project has achieved all the results and the purpose set out. In the following, a short description is provided regarding each result.

Result 1 - Capacity Development

The project, during its first two years, delivered a comprehensive set of training measures. The targets were surpassed considerably in terms of number of people trained. It was possible to use saved funds for training representatives of local businesses, NGOs, associations and farmers in economic and rural development activities.

The MTE discovered that although the trainings delivered were, as such, perceived of high quality, there appeared to be a training fatigue and achievement of results in terms of acquirement of new skills and knowledge and changes in attitude were not at the expected level. On the basis of MTE recommendations, further trainings were cancelled. It is worth emphasizing that **learning by doing** has been identified as an effective way of learning in the project. Collaboration between the stakeholders in the local action groups, study visits, and the monitoring and inspection visits in the field have been considered crucial in terms of strengthening of the capacities of the municipal staff and contributed to changes in attitudes.

Table 4. Indicators, component 1.

Indicator 1.1: Number of municipal staff trained in economic and rural development activities	Target 1.1: 39 municipal staff from the departments of economic and rural development in the two municipalities are trained (log-frame)	Situation: 246 municipal staff trained in economic and rural development activities & human rights-based approach to service delivery (Information obtained from the project office in January 2017)
Indicator 1.2 Number of representatives (women and men) of local businesses, NGOs, associations and farmers trained in economic and rural development	Target 1.2 135 representatives (women and men) of local businesses, NGOs, associations and farmers trained in economic and rural development activities (not included in the original log-frame, according to the project office added afterwards due to savings under the component 1)	Situation: 772 representatives of local businesses, NGOs, associations and farmers trained in economic and rural development (Information obtained from the project office in January 2017)

Source: Project monitoring data

Result 2 - New jobs and income generation opportunities created through an improved market positioning and productivity of local micro and small enterprises, including farmers.

The component 2 is achieved and surpassed. With the exception of delays with the first call at the outset of the project, the number of newly created and upgraded businesses under this component has been surpassed to 57 from 30 originally planned. 57 residents/value chain producers (cow-breeders, raspberry farmers, beekeepers and forest fruits and herbs' collectors) and potential ones (students), from Dragash/Dragaš and Shtërpçë/Štrpce municipalities have been trained and raised awareness through introduction of eco-friendly farming approach and agro-rural tourism through interactive workshops, demonstrations, and awareness raising activities.

Table 5. Indicators, component 2.

Indicator 2.1: Number of functioning newly created and upgraded businesses	Target 2.1: At least 30 businesses receive advisory services and access to grants (log-frame)	Situation: 57 businesses upgraded through 3 rounds of LDF calls for proposals (67 direct grant beneficiaries)
Indicator 2.2: Number of additional people receiving vocational training in the 2 municipalities	Target 2.2: At least 150 people receive vocational training under the project (log-frame)	Situation: According to the information from the project office ¹⁰ , value chain reports didn't provide recommendation related vocational trainings; instead, 157 residents-local producers/farmers from both municipalities (beekeepers, cow breeders, raspberry farmers, forest fruits and herbs collectors and processors and potential local producers/students) were trained in eco-friendly farming approach and agro-rural tourism.

Source: Project monitoring data

Timing of the LDF calls in accordance with yearly agricultural cycle is crucial. In order to complete all the steps related to a call for proposals and to deliver to the beneficiaries in time, the timing of the call was accordingly adjusted by the project and the start of preparations brought forward over the years.

One of the challenges in the LDF calls for proposals had to do with adjusting the criteria and the evaluation grid, in order to better reach the intended target groups and have more detailed information to inform evaluation, as was the case with regard to environmental aspects. Reaction has been quick and adjustments made throughout the project. It is important to continue this practice in order to avoid any gaps in the information provided by the applicants. (See also the comment to the environmental aspects).

Table 5. Number of applications and grants per call (LDF).

	1 st call		2 nd call		3 rd call	
	Applications	Grants	Applications	Grants	Applications	Grants
Dragash/	44	4	156	9	67	9

¹⁰ Information obtained from the project office in January 2017

Dragaš						
Shtërpçë/ Štrpce	101	5	81	13	116	17
TOTAL	145	9	237	22	183	26

Source: Project monitoring data

In the case of LDF (component 2), group purchases were conducted in order to achieve lower unit costs, as also recommended by ADA. There was no major involvement of farmers' representatives in the selection and acquisition process. As such, in some cases the acquired inputs did not meet exactly the expectations of the farmers.

Result 3 - Bottom-up approaches and local-level concertation for employment generation are operationalised at municipal level through Territorial Employment Pacts (TEPs).

Table 6. Indicators, component 3.

Indicator 3.1: Number of jobs created/formalized through TEPs ¹¹	Target 3.1: 238 jobs generated/formalized in the two municipalities by the end of the TEP implementation (log-frame)	Situation: 467 jobs generated through TEPs (Progress report July 2016) According to the information from the project office, 652 jobs generated by the time of the evaluation ¹² .
Indicator 3.2. Women as % of TEP beneficiaries	Target 3.2: Women constitute 35% of TEP beneficiaries (log-frame)	Situation: 37.4% (Information from the project office, January 2017)
Indicator 3.3. Number of rural micro-enterprises created or upgraded through TEPs	Target 3.3: 59 micro-enterprises (log-frame)	Situation: 213 rural microenterprises upgraded through TEPs (Progress report July 2016) According to the information from the project office 268 rural microenterprises upgraded under TEP1 (55 out of which with the municipal co-funding), January 2017
Indicator 3.4. Number of people whose employability is improved	Target 3.4: 293 individuals (log-frame)	Situation: Data not available in the last approved Progress report July 2016. According to the information from the project office 772 people improved employability by the evaluation

Source: Project log-frame 11.8.2014, Project monitoring data

¹¹ According to the information obtained from the project office, TEP1 has created minimum 2 jobs per action, TEP4 minimum 1 job per action, TEP6 1 job per action through wage subsidy. LDF, according to the project office is estimated to generate minimum 2-3 jobs per action.

¹² Information obtained from the project office during the evaluation, different kind of jobs included (full time, part time, seasonal, jobs within the family, hired employees. It was not possible to validate the nature of the jobs.

The log-frame as such does not include the detailed targets for each TEP activity separately. However, to have a better picture for the purposes of the evaluation, the team looked at the achievements under the TEP measures.

With regard to the component 3 (TEPs), in general it can be said that implementation of TEPs has performed well. Several TEPs have performed better than foreseen in the target for example TEP1, TEP2 and TEP6. In Dragash/Dragaš the situation of social enterprises remains challenging while in Shtërpçë/Štrpce the biggest deviation was in the green jobs.

Table 7. Indicators of TEP Actions.

TEP Actions	Dragash/Dragaš		Štrpce/Shtërpçë		Achieved
	Target	Achieved*based on information obtained from the project office	Target	Achieved * based on the information obtained from the project office	
TEP 1 Upgrading of rural micro-enterprises	30 MEs supported 60 production units	39 cow-breeding and 17 raspberry MEs (raspberry MEs with co-funding) 60 production units	45 MEs	152 MEs (38 with the co-funding from the municipality)	<i>Information from the project: 268 (55 out of which with co-funding from municipalities)</i>
TEP 2 Skills upgrading (youth)	10 young people	17 young people	13 young people	19 young people	<i>Information from the project: 36 by the end of the project (January 2017)</i>
TEP 3 Social entrepreneurship for rural employment opportunities	1 enterprise 20 farmers	1 enterprise 18 farmers (6 women involved in production)	1 enterprise 30 people	1 enterprise 42 people (35 members, 7 women involved in production)	2 enterprises, 60 people (13 women involved in production)
TEP 4 Green jobs	30 women	33 women	60 women	30 women	<i>Information from the project: 63 women</i>
TEP 5 Social entrepreneurship	1 enterprise 20 women	1 enterprise 8 women	n/a	n/a	
TEP 6 Wage subsidy scheme	16 trained 16 employed	25 trained 19 employed	n/a	n/a	Progress report July 2016

Source: Municipal TEPs, Project monitoring data, Progress reports.

Some beneficiaries were hesitant with the social enterprise concept at the beginning of the project, due to misunderstanding of the concept. The concept was thoroughly clarified and the functioning mechanism of the social enterprises explained which, according to the evidence gathered solved this issue.

The social enterprise specialised in textiles faced several challenges in commercializing their production. The project provided an expert to support them with the market access. At the time of the evaluation the problem still persisted, further recommendations of the ET are made under Lessons Learned and Recommendations.

Risk management: The project document identifies four main risks namely Economic and financial risks (covered under 6.3 Sustainability); risk of low participation of women and girls in project activities, risk of interference in the LDF selection process and the risk of elections (after election period) affecting commitment at the municipal level. Mitigation/management strategy was identified for each risk, building on presence of the project in the municipalities and governance structures and capacity building supported by the project.

Findings/ recommendations of the MTE: Mid-term evaluation of was carried out at the end of 2015. Recommendations were provided for the remaining project duration.

a) Renew the commitment - 2nd phase of the project. The project followed the recommendations. The ownership is of the municipalities is strong, also evidenced by the commitments in terms of own contribution during the project and also for the future.

b) Rethink the training component. The project followed the recommendations and organized no more capacity building sessions under the component 1. One of the findings of the final evaluation is that in terms of staff training, learning by doing approach (eg. working groups such as LAG, field site visits, study visits) in collaboration with the project staff is an effective way of learning.

c) Do not give up on Dragash/Dragaš Women in Business. Project has provided further support to the SE in developing a catalogue for their products and in matchmaking at many levels. However, despite of contacts with potential buyers no contracts have been established. One of the findings of the ET is that the members of the social enterprise are capable of producing traditional type of handicrafts also which could be an opportunity when connected to tourism.

d) Conduct monitoring on expected impacts. The team has done a great effort on strengthening the data collection on income generation and job creation and refers to this information in reports. Data on employment (for the household members and jobs for hired employees) is now being gathered, making distinction between the types of job created, change in monthly income, gender, ethnicity, age group and PWD, in accordance with the specific target groups. This database, the coverage of which should still be expanded, is a valuable tool for the stakeholders involved in defining the measures and targets for future initiatives, conducting participatory monitoring and evaluation on a continuous basis, based on a systematized way of presenting the results. It is worth emphasizing the importance of having a shared understanding among the stakeholders based on specified definitions for different types of work, making also the clear distinction between job creation and formalization.

d) Actions that could challenge social values and norms related to gender roles. The progress report 1-6/2016 refers to this recommendation, feeding the design of the next stage. The story of the first woman welder in Shtërpçë/Štrpce got wide publicity globally and this is a high potential in terms of future information campaigns related to TEP actions targeted to local audiences. Similarly,

highlighting experiences of joint inter-ethnic cooperation between (Albanian and Serbian) raspberry growers could generate high impact with local audiences.

e) Scaling up (municipalities/national level). Recommendation has been taken into account.

6.3 SUSTAINABILITY

Elements contributing to the sustainability will be analysed through SWOT analysis, with an aim of turning potential weaknesses into strengths, and threats into opportunity.

Table 8. SWOT on sustainability.

SWOT sustainability analysis	Helpful to meeting objectives	Harmful to meeting objectives
	Strengths	Weaknesses
Internal Factors	<ul style="list-style-type: none"> -Strong local ownership through long presence in the area. -Participatory approach during the design contributing to the local ownerships and sustainability. -Approach for achieving the results through coordination platforms. -Presence in benefiting municipalities. -Contributions from own municipals budgets. -Well established LDF funding mechanism. -Cooperation and cost-sharing with VTCs. 	<ul style="list-style-type: none"> -Cooperation with central level institutions, Prishtinë/Priština level. -Exit strategy. -The 10% minimum contribution. -Branding and marketing support.
	Opportunities	Threats
External Factors	<ul style="list-style-type: none"> -Increasing own municipal contributions. -New donors joining the scheme. -Government funding. -Expansion of LDF. -Expansion of Associations. -The increased funding opportunities for social enterprises. 	<ul style="list-style-type: none"> -Declining own municipal contributions. -Food processing and product licensing. -Access to local and export markets. -Continuity of LDF. -Setbacks vs. high expectations

STRENGTHS contributing to project sustainability:

Funding from local municipals budgets. The project document clearly defines as a risk (medium probability, high impact) that “the municipal initiatives supported by the project might not secure sufficient funding from local municipal budgets in order to be self-sustainable at the end of the project”. As a mitigation measure, PD foresaw specific attention towards solutions for economic sustainability from the very beginning of the project, taking into account that some adjustments

might be required in terms of how initiatives are designed and pursued. This risk has been monitored and reported throughout the project. The partner municipalities increased their own funding to the project for the year 2016. The municipality of Shtërpçë/Štrpce contributed EUR 30 000 in the 2nd half of the year 2016, with the purpose of supporting the upgrading rural microenterprises in raspberry farming through TEP action 1. The municipality of Dragash/Dragaš provided during the same period EUR 23 000 for the activities under TEP 1, namely cow breeding, milk production and raspberry farming. It is foreseen that 3000 EUR will be given in spring 2017 to the MNS by each municipality. In view of the second phase of the project, the municipalities have also committed to continue with their own funding contributions, and increase where possible.

A crucial sustainability element is the **presence of the project in municipalities**, practice of conducting a site visit after the pre-selection. This, on the one hand, supports the sustainability as a quality control mechanism during the selection and implementation.

Strong local ownership through long presence in the area. The fact that the project builds on the accumulated experience of both UNDP (ALMP, Aft, Biodiversity projects) and ADA (ADC/CARE IRDS project) in the region, partnerships with the municipalities and LDF are a fundamental factor in terms of the sustainability of the project. The set up for the implementation of the component 1 and 2 builds on the partnership between ADA and the municipality of Suharekë/Suva Reka through dissemination the knowledge, advisory services and good practices to the two other municipalities. This, together with the accumulated experience of the UNDP in the region, through projects such as Biodiversity project in Dragash/Dragaš and TEPs in Fushë Kosovë/ Kosovo Polje and Obiliq/Obilić municipalities, contributing to component 3, means that there was a solid knowledge and experience basis when planning for the InTerDev project was initiated.

Participatory approach during the design contributing to the local ownerships and sustainability. The highly participatory approach in preparing the InTerDev project was deemed very positive by the stakeholders as it allowed a lot of flexibility to design the intervention on the basis of stakeholders needs. A wide range of consultations was carried out with the stakeholders at the design stage to reflect the local needs in the project design.

Approach for achieving the results through coordination platforms. The approach of the project to strengthen institutional and individual capacities through fostering concertation between the local level stakeholders is, as such, a fundamental element in terms of sustainability of the process. Both LDF and TEP components are closely connected to the local action groups (LAG) as platforms for stakeholder participation, which have been considered, due to its practical approach, to be a very efficient way of strengthening individual and institutional capacities. For being a joint initiative, it is also building on combined skills and resources of the participating stakeholders, bringing this way tangible benefits to all parties involved. In fact, the initiated process related to TEPs and LDFs could probably be sustained to some extent by the key stakeholders.

Well established funding mechanisms - LDF. As a part of institutional capacities, LDF as well established funding mechanisms has a high value in terms of sustainability of the process. There is an increasing interest of beneficiaries in the LDF funding and the beneficiaries have positive perception of the procedures. Quality of the applications has improved and continuous

improvement based on the feedback on evaluators has helped to make improvements in the grant process, adjustments in the tools accordingly (discussed more under effectiveness).

WEAKNESSES that need to be addressed:

Market access as means to enhance motivation and confidence of local producers. The project as such has a clear target group and focuses on individuals at risk or economic and social exclusion, in line with UNDP strategic priorities. Simultaneously with the growing demand at the grass root level there is need to work on the market access, for example in the case of the social enterprise GDB, which the project tried to address, but a more strategic approach – jointly with municipalities is needed. On the one hand, the project can support beneficiaries' market access in the context of local tourism, market, festival initiatives (e.g. DokuFest and NgomFest in Prizren, etc.) and other events, which are ad-hoc and dependent on third party cooperation. On the other hand, the project could support municipalities to develop an inter-municipal Sharr/Šar product branding and protection strategy, which could potentially bring in sustainable buyers and distributors from Kosovo and abroad.

The approach of the project has been positively deemed by the stakeholders at the local level. In order to further strengthen project's potential at the local level, further strengthening of **vertical collaboration with central level institutions** such as MSLW and MAFRD should be sought, and new collaborations initiated, such as with Chamber of Commerce, especially important for access to markets and product commercialisation phases, recommended in this document.

Sustainability of the projects under the LDF and TEP component is well embedded in **the selection process of the beneficiaries**. For example, under the TEP 1, the candidates have to fulfil certain preconditions (number of cows, number of hives) in order to be eligible for a grant. Similarly, the LDF procedures require the beneficiary a certain level of co-funding, reimbursing the beneficiary once the action is completed. This procedure, as such, contributes to the sustainability of individual projects by engaging the beneficiary through the commitments. However, these criteria will be discussed from the social inclusion point of view under the chapter impact.

The project needs to start in elaborating a clear **exit strategy** in certain segments of the project with gradual withdrawal of support to established local producers and focusing on new entrants only. The support to established producers should now be limited to strengthening of Associations and access to markets whereby municipalities and producers contribute with an increased own share at 50%, slowly moving to 100% coverage by producers themselves, municipalities and MAFRD grant schemes.

OPPORTUNITIES:

There are numerous opportunities that the project should now start exploring, ranging from **increasing own municipal contributions** in general and in certain segments of the project; bringing **new donor and government funding** into the **expanded LDF-TEP grants scheme** through strengthening collaboration with central level institutions and coordination with donors at Prishtinë/Priština level; utilizing the increased **funding opportunities for social enterprises** and

strengthening access to markets through strengthening and expansion of **local producer's associations**.

At the level of end individual beneficiaries associations are important elements of sustainability. They have potential to strengthen the service provision related to training and advisory at different segments of the value chain and are also crucial in terms of negotiating with potential buyers and sellers of agricultural inputs as well as for diffusion of new techniques and products". Therefore it would be important to make a specific evaluation of farmers associations in terms of functioning/organization and economic potential.

THREATS:

There are couple of potential threats that could hamper the sustainability of the project, if not addressed in timely manner, namely linked to **food/product processing licensing** measures, which need to be undertaken jointly with the producers and municipality. This also hampers the opportunities for **access to local and export markets**.

While there is a wide enthusiasm among the beneficiaries and in relatively short time many of them seek to look how to develop the business further, it is possible that they face setbacks caused by changes in the value chain functioning or legal framework, for example. Management of expectations is proposed for the next phase as a way to promote long term commitment to business development.

Specific attention must be paid to **continuity of LDF**, through conduct of regular audits and checks.

6.4 POTENTIAL FOR IMPACT AND GENDER

POTENTIAL FOR IMPACT – GENERAL:

Institutional systems/mechanisms. At the institutional level the potential for impact builds on the platforms of collaboration that the project has supported for coordination of territorial employment pacts, local development funding and inter-municipal cooperation between the three municipalities. The project has strengthened considerably the institutional systems and mechanisms that support further capacity development at local level and promote sustainable and inclusive development.

There is evidence that in both municipalities the TEP initiative has brought key stakeholders operating at the local level closer to each other and stakeholders deem the cooperation positively. Municipal employment offices (MLSW/EOs) coordinate closely with LAGs and VTC Prizren which has, for the time being, been the only VTC for the TEP2. In general it can be said that the approach in the TEP and LDF implementation, combined with field visits, study visits, exchanges, has proven to be an appropriate way of strengthening capacities.

There is willingness to continue with cooperation at inter-municipal level, which is crucial to greater sustainability. There is also a lot of potential to further strengthen the LAGs through increased collaboration between Prishtinë/Priština and local level stakeholders and to strengthen the linkages

to wider development initiatives and stakeholders in the territory as a framework for TEPs. This is also important in order to coordinate support along different value chains.

There is evidence that many beneficiaries are analysing ways to take next step in the value chain. There are interests in purchasing equipment for processing, packing, storing different kind of products while some, unhappy with the prices paid by buyers, are planning how to get a better price to their products, possibly through joining action. This means there is a demand for increased support for current or potential associations.

Income generation. According to the project's own monitoring data and estimations, LDF grant recipients have increased their income on average by 68 % (January 2017 project data). With regard to TEP, upgraded microenterprises increase income for the families on average by 84 % in the case of berry farming and beekeeping and honey production, and 35 % under cow breeding and milk production (Project progress report July 2016). According to the project progress report (July 2016) the results under the TEP Action 2 are mixed- while some generate decent income, the others struggle for assignments and income.

Multiplier effect. In short time, the project has generated a strong multiplier effect among the local populations. Encouraged by the other community members, there is a strong interest and enthusiasm among the local population in joining the scheme to start or expand the businesses.

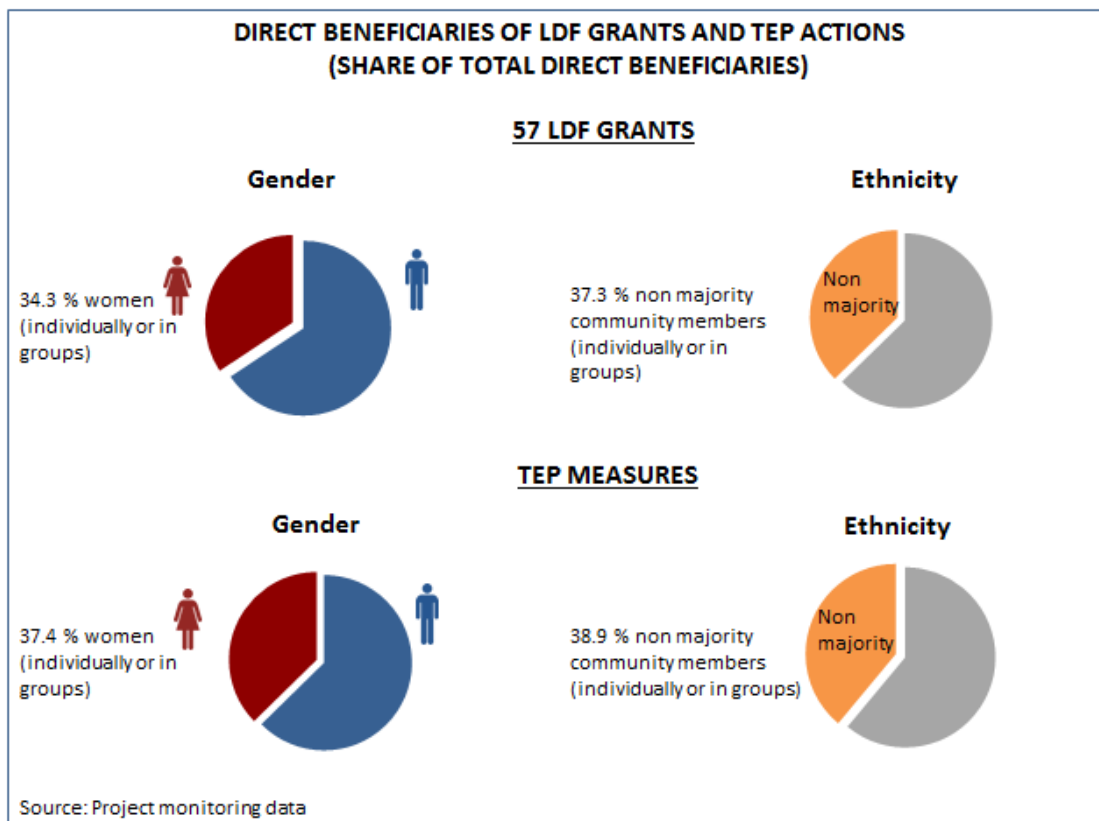
GENDER AND SOCIAL INCLUSION:

A degree of change could be observed with regard to marginalized and vulnerable population groups.

When looking at the overall picture (project monitoring data) the direct beneficiaries of TEP actions TEP2 - TEP6 (vocational education, social enterprises, green jobs, wage subsidies) include women, minority members, PWDs or belonging to the age group 18-35, totally or with just a very few exceptions. This is also the case with TEP1 (raspberries) in Dragash/Dragaš.

For the TEP1 measures targeting milk production households (Dragash/Dragaš) and TEP 1 in Shtërpçë/Štrpce as well as LDF grants, the proportion of the direct beneficiaries who do not belong to these categories is much bigger. It is worth noting however that there is also a set of other criteria affecting selection, but these were not looked at the individual level by the ET.

Participation of women and men. In the component 1, the majority of the participants in the trainings were men. This reflects the fact that the staffs in the two municipalities are dominated by men.



Picture 2. Direct beneficiaries of LDF grants and TEP Actions (share of total direct beneficiaries)

In the component 2, the women participation is more evident, whereby 34.3 % of the direct LDF grant beneficiaries were women or groups of women (23 beneficiaries out of 67). These grants related to raspberry value chain (47 % of the total EUR), followed by livestock (30 % of the total EUR) and beekeeping (18 %). In Shtërpcë/Štrpce, 24.4 % of the grants were awarded to women, either individuals or groups (44.4 % of the beneficiaries were women taking into account the members of an association). In Dragash/Dragaš 13.6 % of the grant beneficiaries were women.

In the component 3 (TEPs), similarly the women participation is evident, whereby 37.4 % of the direct beneficiaries of TEP measures were women, (161 out of 430 beneficiaries). In Shtërpcë/Štrpce the share of women of all TEP beneficiaries was 38.5 % (82 out of 213 beneficiaries) and in Dragash/Dragaš 36.4% (79 out of 217 beneficiaries). In both municipalities all participants of the TEP Action 4 measure (green jobs) were women. Apart from that, in Dragash/Dragaš all direct beneficiaries of the TEP5 (social enterprises, GDB) and TEP 6 (wage subsidy scheme) were women.

A significant part of the jobs created by the TEP and LDF actions are jobs within the family. Women have naturally benefitted from the employment opportunities as family members and also as hired employees, especially in the case of raspberry farming. Besides the income, the project has empowered women; by helping them to prove that women can do it also, the perception of women has been improved within their communities in a relatively short time period, and also encouraging some of them to seek for business contacts, marketing their products and seeking support.

Table 9. Direct beneficiaries representing specific target groups - LDF Grants (component 2)

Municipality	Direct beneficiaries representing specific target groups - LDF Grants (component 2)			
	Direct beneficiaries, total	Women / total direct beneficiaries, share and number	Non majority community members / total direct beneficiaries, share and number	Persons with disabilities / total direct beneficiaries, share and number
Dragash/Dragaš	22	13.6 % 3	18.2 % 4	0
Shtërpçë/Štrpce	45	44.4 % 20*	46.7 % 21**	0
Total	67	34.3 % 23*	37.3% 25 **	0

* including one Association of 10 women

**of which 5 are in an Association

Source: Project monitoring data

Table 10. Direct beneficiaries representing specific target groups - TEPs (component 3)

Municipality	Direct beneficiaries representing specific target groups - TEPs (component 3)			
	Direct beneficiaries, total	Women / total direct beneficiaries, share and number	Non majority community members / total direct beneficiaries, share and number	Persons with disabilities/ total direct beneficiaries, share and number
Dragash/Dragaš	217	36.4 % 79/ (of them 26 Gorani women)	49.8 % 108	0.9 % 2
Shtërpçë/Štrpce	213	38.5 % 82 (of them 28 Albanian and 1 RAE)	27.7 % 59	0% 0
Total	430	37.4 % 161	38.9 % 167	0.5% 2

Source: Project monitoring data

Participation of vulnerable groups:

Participation of persons with disabilities was all but absent in all three components, with two beneficiaries in Dragash/Dragaš (TEP Action 1, TEP Action 2).

Participation of non-majority communities. With regard to the component 2 (LDF), 37.3 % of the direct beneficiaries were non-majority community members, either as individuals or in groups (25 out of 67 beneficiaries). In Shtërpçë/Štrpce 21 (46.7 %) of the direct beneficiaries were non-majority community members while in Dragash/Dragaš 18.2% (4 direct beneficiaries).

Regarding the component 3, 38.9 % of the direct beneficiaries were non majority community members. In Dragash/Dragaš their share was 49.8 % and in Shtërpçë/Štrpce 27.7 %.

Approximately one third of direct women beneficiaries of TEP actions were women from non-majority communities; in Dragash/Dragaš (32.9 % Gorani women) and in Shtërpçë/Štrpce 35.4 % (Albanian and one RAE community member).

Critical aspects in terms of participation of women and vulnerable groups:

The findings show that several factors affected the participation of women and vulnerable groups in the project activities, such as:

Gender-sensitive value chains. At the design phase, gender-sensitive information was gathered on employment, social and cultural barriers that affect women's participation in decision making and restrictions on mobility, closely connected to employment. The value chains that the project works with include textile sector, collection of non-wood forest products, medical and aromatic plants (where women are normally involved in harvesting and cleaning) and raspberry cultivation which are sectors where women are commonly employed. Furthermore, cow breeding is a family occupation and involvement of women can be identified in all stages of production (The value chain study 2016). The project also worked in tourism which is a very labour intensive sector. According to the value chain study, field visits in Shtërpçë/Štrpce show equal engagement of women and men in the tourism sector in general.

Actions targeting different vulnerable groups. The project design enabled targeting different vulnerable groups through different measures. Both LDF and TEP components implemented criteria that emphasized the participation of women and other vulnerable groups. The general impression by stakeholders is that the calls for proposals are well managed. The beneficiaries interviewed consider the application process to be transparent and clear. In general, the evidence shows that a lot of attention has been paid to the elements related to the calls for proposals from UNDP and ADA side to improve the quality of the proposals (through training), to increase the share of smallholders as beneficiaries (through information events), increase clarity and make evaluation easier (through continuous modifications and updating of the application and evaluation matrix). This continuous improvement, has contributed significantly to the consolidation of this funding mechanism which has a lot of potential to support future developments.

Focus on small farmers - high potential for quick impact start-ups. In the case of LDF, for example, smallholders, women associations, single women heading a household with insufficient income and farmers with poor access to market for isolation or poor infrastructure are clearly mentioned. The project works on bridging the gap and enabling farmers to grow to a level necessary. For example, the TEP Action 1 in Dragash/Dragaš supported breeders of milking cows who currently have 3-4 milking cows (Group A). This clear targeting of smallholders has helped them to achieve the next level (5 cows) where they have eligibility to apply for subsidies, for example from the MAFRD and have better possibilities to obtain a loan.

It is also worth mentioning that apart from owning the land, the project also considered eligible those applicants who have leased the land or are using land of a close family member. The TEP actions targeted different vulnerable groups in terms of promoting employability and job creation. Profiling table that has been used in earlier UNDP supported projects was used in the process.

Tackling gender roles. It is evident that three years is a short time for challenging the gender norms. One of the recommendations of the mid-term evaluation was to design specific actions that could challenge social values and norms related to gender. Although the plans for the remaining project period of the project were not change in this regards, it is worth mentioning that wide publicity was given to a change story of a woman welder who found employment after the vocational training offered by the project which is an excellent example of challenging the norms.

The ET identified some elements that are important in terms of impact on social inclusion:

100 % grant funding to foster social inclusion. As a general rule, minimum 10 % of co-funding is required from the applicants participating in LDF calls. In selected cases where applicant faced financial challenges to secure the funds, there was a possibility to obtain 100 % as a direct procurement which favours social inclusion. This possibility has been communicated by the team to the participants of the information events and has been applied twice. Nevertheless, this possibility should be publicised from the outset of calls made, in ensuring greater outreach and social inclusion.

Own-share contribution above minimum 10 % (LDF). Apart from the general requirement of own-share of 10 %, there is also the possibility to obtain additional points by increasing own funding, which although being one way of confirming ownership, favours applicants with better availability to funding, which may negatively impact applications from those with less or no available own share of funding.

Life chances and future perspectives for youth. The potential for impact is also linked to offering chances for skills improvement of young people through vocational education and training or through social entrepreneurship. Youth are the specific target group of the TEP action 2 which has its focus on vocational training and self-employment.

SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES:

The project has supported value chain analysis and implementation plan in both municipalities. For the municipality of Dragash/Dragaš, the recommendations include development of a detailed study for land utilization in order to analyse possibilities for expanding production with a specific focus on fodder, bee specific cultures, blackberry and strawberry. The detailed study would start by analysing the soil and seek to identify most suitable items for the specific area and based on the testing, the plan then proposes concrete measures for the area. The implementation plans further proposes development of study for an irrigation plan in both municipalities, in order to improve competitiveness of raspberry producers in the municipalities.

The project has implemented capacity building measures related to agricultural best practices. These have included safe use of pesticides; rules and regulations for resource utilization within the national park, implementation of the municipal development plan (MDP) and training in tourism development focusing especially on rural tourism, traditional and healthy food and eco-tourism.

Green jobs measures have targeted women involved in harvesting of non-wood forest products with the goal of increasing the income generation while at the same time focusing on topics such as seasonality, environmental friendly harvesting techniques to protect the flora of the national park. Farmers have also been trained in eco farming approach.

It's apparent that herb and wild berry collectors trained by the project are now applying less harmful practices when conducting their work as a result of the project. However, as these trained people represent only a small proportion of all potential collectors (including occasional) in the Sharr/Šar national park, it is not possible to draw conclusions with regard to the wider impact this would have on management of natural resources in the Sharr/Šar region.

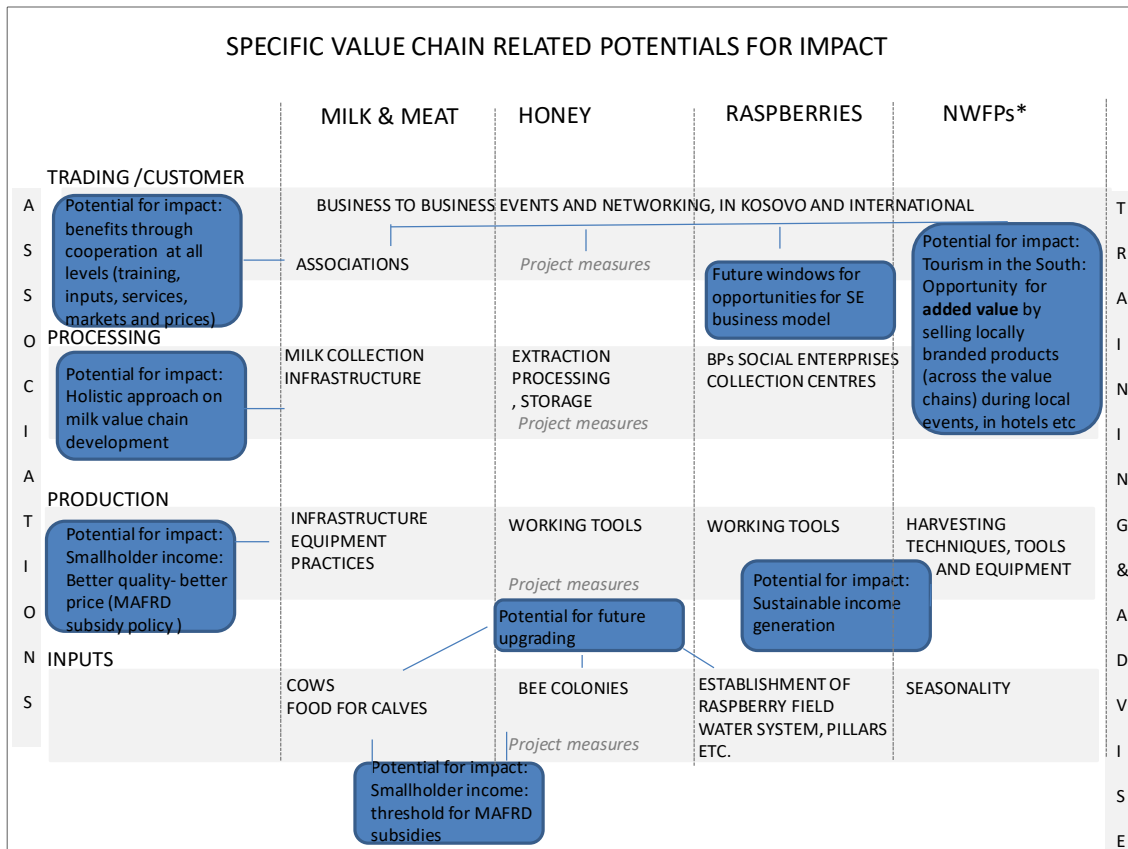
Rapid expansion of raspberry production is foreseen in the two municipalities. However, as irrigation (lack of) is an issue already now, the impact of the planned increase in the cultivation area needs to be thoroughly analyzed from environmental point of view as well. New irrigation systems might require significant landscape interventions that can affect the environment adversely, if not planned and implemented properly.

Based on the summary evaluation report of the 3rd LDF call, there is still space for reflecting the environmental aspects more in the evaluation of applications. More detailed information is suggested in terms of measures related to waste water and manure management, ventilation and use of green list agricultural inputs to inform the evaluation. In addition, the fact that many applications still lack information on environmental topics, calls for further training on these topics. This can be done both as independent trainings and at the outset of the calls, using extracts from successful and poorer applications as example.

ACCESS TO MARKETS:

The beneficiaries (social enterprise) who have been supported under the TEP measure 5 (textile, shoes) have presented the products for potential buyers through a market catalogue and visits to B2B event, using also the services of market agent. So far, however there has been no success in terms of market access. Besides pursuing CM (contract manufacturing) mode of production as suggested by the value chain implementation plan, it is worth noting that the members of the social enterprise are also capable of producing traditional type of handicrafts, which could be an opportunity worth exploring in connection to tourism and events in Prizren, and also in Dragash/Dragaš and Shtërpçë/Štrpce, elaborated further in Recommendations chapter.

The picture below (Picture 3) captures some identified potentials (blue boxes) for impacts analysed in the context of selected value chains. The InTerDev activities in these value chains were mapped according to different segments of the value chain (grey).



Picture 3. Specific value chain related potentials for impact.

6.5 EFFICIENCY

The management and quality assurance of UNDP has provided solid programme backstopping for the project, linked to regional and international experiences. The quality assurance has been provided by the UNDP Kosovo office, namely Programme Coordinator, Programme Analyst and Programme Assistant. Quality assurance has covered all stages of the project, focusing on the review of written outputs such as activity reports, progress reports and field monitoring. The quality assurance provided by the UNDP Programme team has covered also review of all written outputs from gender perspective. The Programme team has also conducted period monitoring visits. In addition, UNDP regional hub in Istanbul has also provided its technical expertise.

The presence of the project in municipalities has ensured quick access and active cooperation ensuring higher institutional responsiveness. The field evaluation mission confirmed that the way in which the project is organized (project office in Prizren and municipal support project officers stationed in the municipality of Dragash/Dragaš and Shtërpçë/Štrpce), has been fundamental in terms of organizing project activities efficiently. In general, stakeholders and beneficiaries highly appreciated the communication with the project, and beneficiaries are seeking information from the MPSOs on a continuous basis.

Delivery of large number of small grants by the LDF, has brought added value in terms of efficiency. Timely implementation of the calls for proposals, contractual procedures, disbursement of funds and evaluation of proposals are crucial to overall project success. The expertise that the LDF has acquired over the years has guaranteed smooth implementation of the funds, and together with the modifications made in terms of timing of the calls for proposals over the years, the calls are now better adjusted in terms of the yearly agricultural production cycle.

Deployable human capacities at MDC. The partnership with the Municipal Development Center of Suharekë/Suva Reka as knowledge disseminator in the process has contributed to cost efficiency of the project. Presence in the region and good knowledge of the stakeholders has been an important element in terms of efficiency.

Accumulated experience on TEPs. The accumulated experience of UNDP on the Territorial Employment Pacts, has contributed significantly to the efficiency of the project. The TEPs as such are replicable models that provide a general framework but are to be adjusted to each territory. TEPs in FushëKosovë/Kosovo Polje and Obiliq/Obilić municipalities have also supported youth and ethnic minorities and the profiling table, used for the selection of applicants in those projects, has been as a tool in the implementation of TEPs in Dragash/Dragaš and Shtërpçë/Štrpce. TEP process supported by the project builds, as such, on shared responsibilities and **efficient use of skills and resources** available in the region and in this way contributes to efficiency in project implementation as well as management efficiency beyond the project lifetime.

Capitalizing on other UNDP projects, analysis, instruments (Aft, ALMP, HSTF, biodiversity projects). The way InTerDev has cooperated with relevant UNDP projects, has been crucial in terms of efficient use of resources. MSLW has, through the ALMP project, benefitted from the operational guidelines for active labour market measures (e.g. wage subsidy scheme) to be followed in the implementation of TEP in the two municipalities. Dragash/Dragaš municipality has benefitted from the self-employment programme of ALMP. The project “Conservation of Biodiversity and Sustainable land use management in Dragash/Dragaš), in turn, has benefitted the InTerDev project through the inputs related to the four value chains, promotion of energy efficiency measures, and use of renewables. UNDP’s HSTF project in Fushë Kosovë/Kosovo Polje and Obiliq/Obilić, was the first project which piloted the TEPs in Kosovo.

In general it can be said that the level of operational costs has been modest. Mainly local expertise and suppliers have been used throughout the project. UNDP’s thorough knowledge of the local conditions from previous projects has helped to plan the operation in a cost efficient way.

Savings made during the project lifetime on the budgets gave space for **reallocating the funds**. It is worth noting that the project reacted quickly to re-allocate the saved resources to involve new beneficiaries.

In supporting the small holders, the project has been very efficient in **converting small investments in high returns**. It would seem that in terms of investment per (different kind of) jobs created, TEP1, TEP6 and TEP4 have been among the most efficient ones while social enterprises and LDF investment per job created has been higher. However, it is worth emphasizing that each measure

has a different kind of approach and time perspective to support employability and creating employment for vulnerable groups and the analysis should take into account a wide range of other aspects well.

6.6 STAKEHOLDERS, PARTNERSHIP STRATEGY

Multiple approach for coordinating the territorial employment pacts that the UNDP project has followed has, as such, implemented the commitments of Paris declaration. The fact that the TEPs are based on local partnerships and negotiated planning for strengthening the employability and job creation, has strongly contributed to the governance and to the implementation of those commitments at the local level. The local action groups (LAGs) play a key role in the coordination of TEPs and are also informed about the LDF processes. Apart from coordination at the component level, the key stakeholders are also contributing to the **overall management** through Board meetings.

The involvement of both local and national partners in TEPs is an opportunity to increase **collaboration between the local level stakeholders and local branches of line ministries**. Municipal employment offices (MLSW/EOs) have been active partners throughout the project, coordinating closely with LAGs and VTCs, for example. The cooperation between the stakeholders in this partnership is deemed very positively and the contribution of UNDP to governance and collaboration at the regional level is recognized. There is evidence that, in addition to achievements within the project activities, closer collaboration between the stakeholders operating locally has increased awareness on the services provided by the employment offices and helped to find quick solutions for matching the offer and the demand.

A crucial element of the partnership strategy has been **knowledge dissemination at many levels**, building on the existing capacities and knowledge in the territory. These exchanges have taken place at many levels with different target groups, taking advantage of the wide scope of the project. MDC Suharekë/Suva Reka has provided advise to the other two municipalities. Exchange of best practices has been promoted as a part of inter-municipal cooperation between Dragash/Dragaš and Shtërpçë/Štrpce, focusing on exchange of experiences on specific value chains (raspberries in Shtërpçë/Štrpce and dairy sector in Dragash/Dragaš). Also B2B events have been organized to enable networking between private sector stakeholders, current or potential.

At the same time, the project has built on **synergies** with other UNDP and ADA projects, using the LDF infrastructure (previously supported by ADA), TEP's methodology and value chain analysis (previously implemented by UNDP ALMP, AfT and Biodiversity projects as well as HSTF in Fushë Kosovë/Kosovo Polje and Obiliq/Obilić project, as the one which piloted the TEPs.

Joint actions (trainings, expertise, acquisition) with other donors (Caritas, Helvetas). The project has been coordinating activities mainly with the HELVETAS/S4RE, Swiss Caritas, GIZ and ARDA South as well as with an EU-funded project in the area. The joint actions have focused on avoiding overlapping in activities and seeking to maximize the number of beneficiaries in some activities, as has been the case with HELVETAS/S4RE. However, apart from collaboration with specific projects,

there is no frequent **platform for aid coordination** in the region. Apart from participating in MAFRD meetings twice a year, InTerDev project has organized a coordination meeting in Prizren in 2016 and, in collaboration with other counterparts, aiming at creating a platform to facilitate collaboration. This kind of collaboration platform would be of high importance in order to coordinate support along different value chains and promote integrated approach on territorial development. The scope of the project is wide and, UNDP, in line with its principles, focuses on supporting the most vulnerable groups. Development of partnerships and closer coordination with stakeholders that work on other parts and with other players of the selected value chains are also crucial to promote pro-poor growth and therefore emphasized.

In addition, the project needs to explore ways to deepen further the cooperation with MLSW and MAFRD and other **central level institutions** at Prishtinë/Priština level, namely with Kosovo Chamber of Commerce (especially important for access to markets and product commercialisation phases), MCYS and CYAC (on youth related issues, advocacy and mobilization), as well as with MESP/AEP (on environment protection issues and management of Sharr/Šar National Park). At the **local/regional level**, the project needs to strengthen further the network with locally based events, fairs and festivals (such as DokuFest and NgomFest in Prizren), tourism associations, ARDA East, LYACs, etc., all important for promotion, branding and marketing of Sharr/Šar region products.

6.7 THEORY OF CHANGE, MONITORING AND EVALUATION

THEORY OF CHANGE:

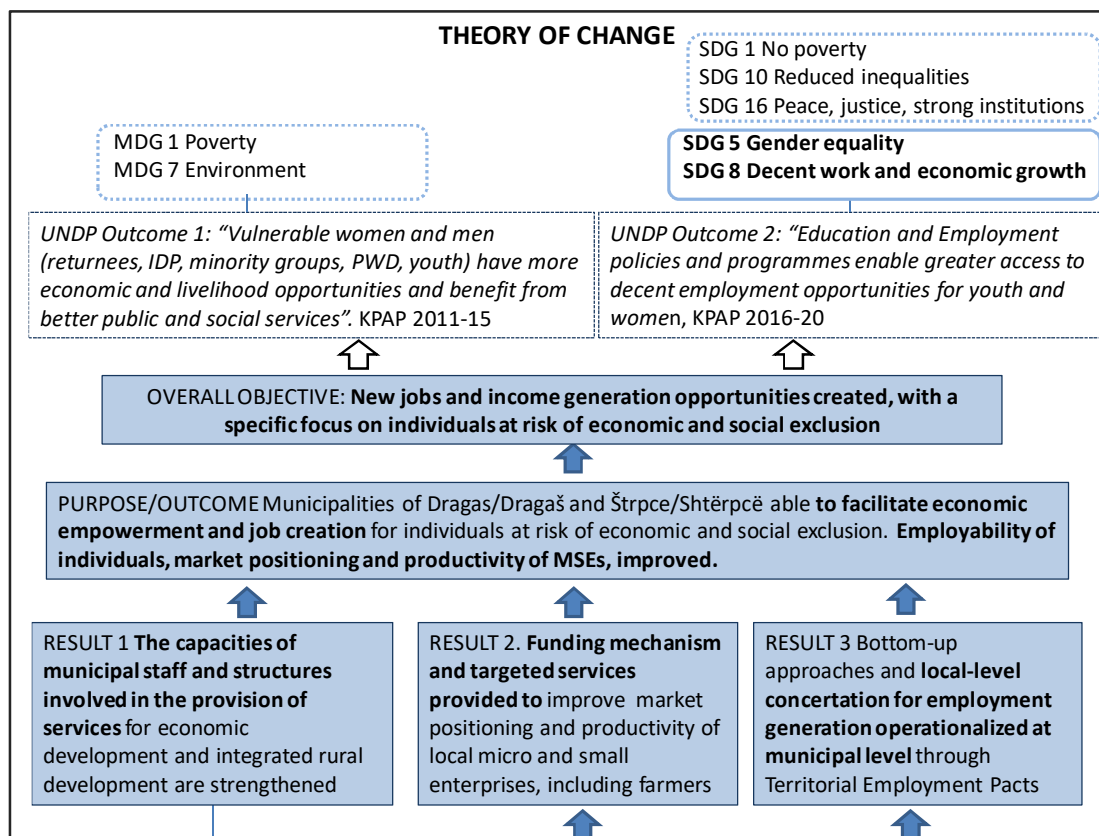
According to the MTE, based on the discussions and analysis an implicit ToC was developed and validated during the field work phase in 2015. It was emphasized that the project purpose encapsulates the ToC, namely by “creating or strengthening individual and institutional capacities, the project fosters economic empowerment and increases the number of quality of jobs in the two municipalities”.

As part of the final evaluation, the ToC of the project was analysed against the interviews and documentary evidence, adjusting it accordingly (Picture 4). As such, the objective of the project has been changed to include income generation and employment, with the specific focus on individuals at the risk of social and economic exclusion. In addition, the result 2 was reformulated by specifying that market positioning and productivity is achieved through the funding mechanism and targeted services which aim at improving the market positioning and productivity of local micro and small enterprises, including farmers. Consequently, the strengthened market positioning and productivity of local MSEs and employability of individuals was included at the purpose level.

It is assumed that by strengthening the capacities of municipal staff and structures involved in the provision of services for economic development and integrated rural development (Component 1); by providing funding mechanism and targeted services to improve market positioning and productivity of local micro and small enterprises, including farmers (Component 2); and by operationalizing bottom-up approaches and local level concertation for employment generation at municipal level through TEPs (Component 3), the municipalities of Dragash/Dragaš and

Shtërpcë/Štrpce are able to facilitate economic empowerment and job creation for individuals at risk of economic and social exclusion and that the employability of individuals, market positioning and productivity of MSEs is improved (purpose/outcome). Consequently, new jobs and income generation opportunities are created, with a specific focus on individuals at risk of economic and social exclusion. To further attract applicants from these groups and further increase share of women, tackling prevailing cultural and social norms, could be strengthened under each component, as also proposed by the MTE.

The project, through the results achieved through its three components, contributes to the UNDP Outcome 6A “Education and Employment policies and programmes enable greater access to decent employment opportunities for youth and women”. The education and training provided by the project to various target groups, both facilitators and people working on the value chains, is provided with the aim of increasing employment opportunities and job creation. In line with the UNDP Outcome 2 (KPAP 2016-20), women and youth are emphasized as beneficiaries of project activities with specific positive discrimination measures designed both for training and employment. The project refers both to job creation and formalization, however in order to measure the contribution to the UNDP Outcome 2, “decent job” needs to be defined and reflected in the monitoring indicators.



Picture 4. Theory of change.

In the current project, the capacity building is a component of its own. To clarify the division between the components and make the monitoring of the progress easier, the training under the 1st component could be focused on the beneficiary and partner institutions in the future while the

components 2 and 3 would include the training targeted to final beneficiaries (of LDF grants and TEP measures).

Regarding the components 2 and 3, at the moment both the LDF and TEP1 deal with milk value chain, raspberry value chain and beekeeping, Also the TEP3 focuses on jams and juices. Within the TEP1, multiple actions have been coordinated to target specific segments of the value chain (inputs, production, collection) such as is the case with milk collection in Opojë/Opolje and Gorë/Gora regions (TEP1 A and B). In the longer run, the division of roles between the components 2 (LDF) and 3 (TEP) could be further articulated within the value chains. One alternative to develop the division of roles in the future could be to target and connect each instrument more clearly to a certain segment of the value chain or to specific socio-economic situation of the applicant. Within the TEPs, clustering of measures into 2-3 entities would make the coordination and monitoring of actions easier.

MONITORING AND EVALUATION:

From the point of the view of the monitoring and evaluation, this is a very complex project due to the vast number of sub-projects within the components 2 and 3. Simultaneously with monitoring of the progress against the expected results, it is also crucial to monitor the achievement of the higher level goals on income and employment generation, with a specific focus on individuals at risk of economic and social exclusion.

Improved impact monitoring (employment). The log-frame of the project includes indicators and the respective targets at the level of overall objective, purpose and results, included in the M&E plan of the project. One of the recommendations of the mid-term evaluation was to strengthen the monitoring of impact (employment generation) of the measures. The team has done a great effort on strengthening the data collection on income generation and job creation. Regarding TEP measures, information on employment for the household members and jobs for hired employees) is now being gathered, making distinction between the types of job created, change in monthly income, gender, ethnicity and PWD.

For Shtërpçë/Štrpce, this database includes during the field mission 105 beneficiaries (TEP 1,2, 4) and for Dragash/Dragaš 44 beneficiaries (TEP1-TEP6) and has been further extended during December 2016, according to the information from the project office. Regarding the LDF the monitoring has been done for 31 beneficiaries (first two calls). It is worth stressing the importance of this kind of data in terms of management for results and planning of future interventions. While helping with the targeting of the measures, the expanded version of this dataset provides also a valuable tool for monitoring the progress towards overall goals. It is therefore crucial to define how to put this data into use in order to take full potential out of it in terms of management for results. Related to that, it is important to ensure shared understanding of definitions between all stakeholders involved (e.g. specific definitions of full time work, part time work, self-employment), comparability between the beneficiaries.

TEPs and log-frame. At the results level the indicators do not reflect the full range of measures taken under the TEP measures and therefore does not use the full potential in terms of monitoring achievements with different target groups, in quantity and quality. The municipal TEP contracts

include a number of specific targets (such as “farmer group established”, “increase in the number of farming MEs with 5 or more milking cows” (eligibility for subsidies) or specific targets related to the social enterprises). These aspects have been referred to in all project progress report but an effort should be made to reflect a limited number of indicators from the TEP measures in the log frame or, alternatively, including the follow-up of TEP indicators in the progress reports as tables.

Hierarchy of indicators. In terms of indicators and log frame, there is space for making a clearer distinction between what the project delivers and what are the respective changes generated. For example, for measuring strengthened capacities of the municipal staff in service provision, the user satisfaction based on Kosovo Mosaic surveys (Annex 4 presents select indicators from the latest 2015 survey that could be utilized to set the baseline for monitoring the impact generated at the municipal level through the training programmes and the project in general), while emphasizing productivity, market positioning and employability for the other two components.

Regarding the higher level objectives, as pointed out in the territorial audit report, the “Data coming from different sources is very contradicting, therefore creating lots of confusion in terms of having a clear reference as to which are the most vulnerable groups in society and what impact will the project have in the lives of the communities and on the labour market”. The report correctly emphasizes the need to intensify the cooperation between the local and central government level to address this issue highlighting the role that TEP could have in initiating this.

VII CONCLUSIONS AND RATING

Based on the findings, the evaluation team has ranked the evaluation criteria using the UNDP Scoring Scale¹³, with the overall score of 5: Satisfactory, with minor shortcomings.

The UNDP Scoring Scale is explained below:

- 6 = Highly satisfactory (HS): no shortcomings
- 5 = Satisfactory (S): minor shortcomings
- 4 = Moderately satisfactory (MS). Moderate shortcomings
- 3 = Moderately unsatisfactory (MU): Significant shortcomings
- 2 = Unsatisfactory (U): Major problems
- 1 = Highly unsatisfactory (HU): Severe problems.

OVERALL SCORE:

Overall Score	5: Satisfactory, with minor shortcomings
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RELEVANCE:

Overall Rating	5: Satisfactory, with minor shortcomings
Observations	-High relevance in terms of local needs, in line with national and local level strategies and UNDP and ADA priorities. -However, the level these strategies are referred to in the project document is relatively general, and at points not sufficient, especially with regard to UN CDP/KPAP.

The project is highly relevant to the situational context, tackling key problems at the local level through the three components. It is well aligned with local and national strategies as well as UNDP and ADA priorities. It is evident that there is still a high demand to strengthen employability and support individuals at high risk of economic and social exclusion to the next level, facilitating the transition from survival based to business and market-oriented economic activities in the two municipalities.

EFFECTIVENESS:

Overall Rating	5: Satisfactory, with minor shortcomings
Observations	-High level of effectiveness. Lot of attention has been put on selection criteria both under LDF and TEPS. In the LDF, an effort has been made to revise the process and adjust the selection criteria and also organize the calls in an appropriate way in terms of yearly production cycle. -Marketing and commercialization could have been emphasized more, especially in the case of textiles.

In general, the project has achieved all the results and the purpose set out.

Component 1 - project, during its first two years, delivered a comprehensive set of training measures. The targets were surpassed considerably in terms of number of people trained. Learning

¹³UNDP 2012

by doing has been identified as an effective way of learning and facilitated collaboration between the stakeholders in the local action groups, study visits, and the monitoring and inspection visits have been considered crucial in terms of strengthening of the capacities and contributing to changes in attitudes.

Component 2 - is achieved and surpassed. With the exception of delays with the first call at the outset of the project, the number of newly created and upgraded businesses under this component has been surpassed to 57 from 30 originally planned. Same with vocational training, 157 people received training from 150 originally planned. Furthermore, the project beneficiaries interviewed demonstrated high degree of satisfaction and appreciation for the grants and quality of trainings received.

Component 3 - in general it can be said that performance of TEP implementation has been satisfactory. Several TEPs have performed better than foreseen in the target for example TEP1, TEP2 and TEP6. In Dragash/Dragaš the situation of social enterprises remains challenging, while in Shtërpcë/Štrpce the biggest deviation was in the green jobs.

Mid-term review recommendations - the project has taken into account the mid-term review recommendations in terms of renewing the commitments in 2nd phase, scaling up and rethinking the training component.

SUSTAINABILITY:

Overall Rating	4: Moderately satisfactory, with moderate shortcomings
Observations	-Sustainability built in the collaboration platforms (LAGs) -Increased co-funding of the municipalities -However, the project did not have a clear exit strategy (as per requirements of the Final Evaluation TOR). Besides the municipal ownership and moderate contributions, the project needs to bring central level institutions and other donor partners on board (through formal coordination at Prishtinë/Priština level) to secure greater sustainability of the project.

Strengths - The strengths in terms of sustainability include the strong local ownership which is based on the long presence of ADA and UNDP in the area, highly participatory approach in the project design and implementation. The municipalities see the benefits of the project and ownership has converted to increased financial municipal contributions.

Weaknesses - The level of cooperation with central level institutions and donors through formal coordination at Prishtinë/Priština level is relatively low. Although the project is locally based, increase of the vertical collaboration would strengthen project’s potential at the local level. Elaboration of a clear exit strategy is of high importance, making distinction between established local producers and new entrants to the scheme and building on increased capacities of the local stakeholders.

Opportunities - Increasing own municipal contributions and bringing new donor and government funding into the expanded LDF-TEP grants scheme provides a future opportunity. Strengthening and expansion of local producer’s Associations is an opportunity which helps to bring benefits at various

segments of value chain (training and advisory, negotiation with potential buyers, agricultural inputs).

Threats - There are couple of potential threats that could hamper the sustainability of the project, if not addressed in timely manner, namely linked to **food/product processing licensing** measures, which need to be undertaken jointly with the producers and municipality. This also hampers the opportunities for **access to local and export markets**. Specific attention must be paid to **continuity of LDF**, through conduct of regular audits and checks.

POTENTIAL FOR IMPACT:

Overall Rating	5: Satisfactory, with minor shortcomings
Observations	<ul style="list-style-type: none"> -Very high future potential for impact in terms of connecting women and vulnerable groups to value chains. -Satisfactory level in terms of participation of vulnerable groups as direct beneficiaries. Share of non-majority community members as direct beneficiaries 37.3 % in the component 2 (either as individuals or in groups) and 38.9 % in the component 3, where every third direct beneficiary is from non-majority community. -Well- functioning criteria to promote social inclusion. In the selection of beneficiaries for TEP measures, the social aspects are emphasized more while the preconditions, own-funding requirements and payment after implementation can potentially exclude some beneficiaries under the component 2. -Sustainable management of natural resources /environmental aspects are emphasized in the trainings, in the evaluation of applications and through specific actions (TEP4). There is space for reflecting environmental aspects more in the LDF application procedures.

General. At the institutional level the potential for impact builds on the platforms of collaboration that the project has supported for coordination of territorial employment pacts, local development funding and inter-municipal cooperation between the three municipalities. The project has strengthened considerably the institutional systems and mechanisms that support further capacity development at local level and promote sustainable and inclusive development.

Environmental aspects. The project has implemented comprehensive capacity building measures related to agricultural best practices and natural resources management. These have included safe use of pesticides; rules and regulations for resource utilization within the national park and training in tourism development focusing especially on rural tourism, traditional and healthy food and eco-tourism. Green jobs measures have targeted women involved in harvesting of non-wood forest products with the goal of increasing the income generation while at the same time focusing on topics such as seasonality, environmental friendly harvesting techniques to protect the flora of the national park. It's apparent that herb and wild berry collectors trained by the project are now applying less harmful practices when conducting their work as a result of the project. However, as these people represent only a small proportion of all potential collectors in the Sharr/Šar national park, it is not possible to draw conclusions with regard to the wider impact this would have on management of natural resources. The project has supported value chain analysis and implementation plan in both municipalities. Detailed study for land utilization, study for an irrigation plan are among the measures proposed which can contribute to sustainable management of natural

resources. As irrigation is an issue already now, the impact of the planned increase in the raspberry cultivation area needs to be thoroughly analyzed from environmental point of view as well, as irrigation might require significant landscape interventions that might affect the environment adversely. There is still space for reflecting the environmental aspects more in the LDF application procedures by gathering more detailed information and organizing training to avoid lacking information in the applications.

Social inclusion. In line with the UNDP principles, the project has focused especially on supporting women and vulnerable groups with the first critical steps in order to connect to the value chains or to strengthen employability. Both LDF and TEPs targeted vulnerable groups and for example in the case of LDF, with the strong support from ADA and UNDP, adjustments were made for calls for proposals to be more inclusive, having high quality applications and participation of beneficiaries.

Participation of non-majority community members in the component 2 was 18.2 % in Dragash/Dragaš and 46.7 % in Shtërpçë/Štrpce (direct beneficiaries, either as individuals or in groups). In the component 3 (TEPs), the share was 49.8 % in Dragash/Dragaš and 27.7 % in Shtërpçë/Štrpce. There were two persons with disabilities as direct beneficiaries in Dragash/Dragaš (TEP1, TEP2). Of all direct women beneficiaries of TEP actions, approximately a third part represented non-majority community.

GENDER:

Overall Rating	5: Satisfactory, with minor shortcomings
Observations	<ul style="list-style-type: none"> -Gender in the heart of project design. Multiple strategies to promote gender balance (value chains with potential for women’s employment, gender as a selection criteria for LDF and TEP measures, positive discrimination measures applied to target women. -Satisfactory level in terms of participation of women as direct beneficiaries. Women’s share of the project beneficiaries is 34.3 % (individually or in groups) in the component 2 and 37.4 % in the component 3 (TEPs). -Monitoring and reporting has been gender differentiated. Data collection on income and employment initiated after MTE. -Evidently challenging to change social or cultural norms.

In line with the UNDP principles, the project has focused especially on supporting women and vulnerable groups to connect to the value chains or to strengthen employability. In general the value chains that the project worked with enable women’s employment.

In the component 2 (LDF) women’s share of direct project beneficiaries (individually or in groups) is 13.6 % in Dragash/Dragaš and 44.4 % in Shtërpçë/Štrpce. In the component 3, 36.4 % of the direct beneficiaries in Dragash/Dragaš are women while 38.5 in Shtërpçë/Štrpce.

A significant part of the jobs created by the TEP and LDF actions are jobs within the family. Women have naturally benefitted from the employment opportunities as family members and also as hired employees, especially in the case of raspberries. Independently from the income, the project has empowered women; by helping them to prove that women can do it also, the perception of women has been improved within their communities in a relatively short time period, and also encouraging

some of them to seek for business contacts, marketing their products and seeking help. However, three years is a short time to challenge social and cultural barriers related to gender roles.

EFFICIENCY:

Overall Rating	6: Highly satisfactory, with no shortcomings
Observations	-Very high level of efficiency in implementing big number of small grants (LDF) and managing measures (with high number of beneficiaries under the TEPs). -The presence of the project in the municipalities has contributed to the efficiency. -The collaboration platforms are built on shared use of resources and knowledge and, for example, the cooperation with vocational training centres is important in terms of cost-efficiency.

The accumulated experience of UNDP on the TEPs has contributed significantly to the efficiency of the project.

The presence of the project in municipalities has ensured quick access and active cooperation ensuring higher institutional responsiveness. In general it can be said that the level of operational costs has been modest. Mainly local expertise and suppliers have been used throughout the project. Furthermore, delivery of large number of small grants by the LDF, has brought added value in terms of efficiency. The partnership with the Municipal Development Center of Suharekë/Suva Reka as knowledge disseminator in the process has contributed to cost efficiency of the project.

STAKEHOLDER STRATEGIES:

Overall Rating	5: Satisfactory, with minor shortcomings
Observations	-The project has contributed significantly to the collaboration between stakeholders at the local/regional level. -However, vertical linkages with the line ministries at Prishtinë/Priština level, necessary to strengthen the potential at the local level remain limited, which together with high-level donor coordination are crucial also in terms of sustainability.

The cooperation between the stakeholders at the local/regional level is deemed very positively. Municipal employment offices (MLSW/EOs) have been active partners throughout the project, coordinating closely with LAGs and VTCs, for example. The involvement of both local and national partners in TEPs is an opportunity to increase collaboration between the local level stakeholders and local branches of line ministries.

At the same time, the project has built on **synergies** with other UNDP and ADA projects, using the LDF infrastructure, TEP's methodology and value chain analysis.

The scope of the project is wide and, UNDP, in line with its principles, focuses on supporting the most vulnerable groups. Development of partnerships and closer coordination with stakeholders that work on other parts and with other players of the selected value chains is also crucial to promote pro-poor growth and therefore emphasized.

THEORY OF CHANGE, MONITORING AND EVALUATION:

Overall Rating	4: Moderately satisfactory, with moderate shortcomings
Observations	<ul style="list-style-type: none">-The theory of change of the project has been analysed during the evaluation and adjustment proposed. With these adjustments, clearer distinction can be made between different levels of indicators in the log frame hierarchy.-Mid-term evaluation has been conducted as planned with management response-Monitoring of deliverables of the project has been conducted by the project and after the MTE an effort has been made to improve the data collection on employment and income.-Indicators, while necessary to keep the number of them limited, should capture the main elements of the project and more emphasis given to quality aspects (eg types of jobs created).

The theory of change of the project has been analysed during the evaluation and adjustment proposed. The objective of the project has been changed to include income generation and employment, with the specific focus on individuals at the risk of social and economic exclusion. The result 2 was slightly reformulated by specifying that market positioning and productivity is achieved through the funding mechanism and targeted services. In line with these adjustments, clearer distinction can be made between different levels of indicators in the log frame hierarchy. Mid-term evaluations have been conducted as planned and the recommendations reflected in the implementation. Monitoring of deliverables of the project has been conducted by the project and after the MTE an effort has been made to improve the data collection on employment and income. Indicators, while necessary to keep the number of them limited, should reflect the main elements of the project and more emphasis given to quality aspects.

VIII LESSONS LEARNED AND RECOMMENDATIONS

The **lessons learned** are built around the key features of the project that need to be maintained in future phases or similar context:

Presence in the municipalities. Physical presence of the project through focal points in both benefiting municipalities has proven to be a great value added proposition to the project, securing not only effective and direct communication and follow-up with beneficiaries, but also an added quality assurance.

New farmers. The present focus on practical training combining on-site advice, study visits, B2B exchanges, with involvement of local action groups have proven to be most beneficial approach to assisting the new farmers joining the scheme.

Municipal contributions. The current levels of municipal contributions have proven strengthen the local ownership and a clear value for money for benefiting municipalities, which paves the way for exploring opportunities for raising the municipal share, and also the share of farmers aiming at expansion.

Continue monitoring of application procedures and tools related to LDF calls. Based on the feedback of evaluators and performance of the selected applicants, further adjustments should be made in the application form and evaluation grid. Any knowledge gaps of potential beneficiaries leading to incomplete applications should be addressed through training to reduce the number of rejected applications.

Maintain training on environmental issues including training session at the outset of the LDF calls, using extracts from successful and poorer applications as example.

In terms of **recommendations**, the evaluation suggests that the project on oncoming future phases needs to undertake the following measures:

Develop clear exit strategy. The present focus on individual/household level, with gradual withdrawal of support to established local producers and focusing on new entrants only. The support to established producers should now be limited to strengthening of Associations and access to markets whereby municipalities and producers contribute with an increased own share at 50%.

Conduct a specific **evaluation of farmers associations** in terms of functioning/organization and economic potential.

Clustering of TEP actions in the future under 2-3 entities would make monitoring easier. Furthermore, monitoring could become easier also by placing the training for end-beneficiaries under the components 2 and 3 while including only the training for the institutions under the component 1.

The project needs to explore ways to deepen further the cooperation with MLSW and MAFRD and other **central level institutions** at Prishtinë/Priština level, namely with Kosovo Chamber of

Commerce, MCYS, and CYAC as well as with MESP/AEP. At the **local/regional level**, the project needs to strengthen further the network with locally based tourist vendors, events, fairs and festivals, tourism associations, ARDA East, LYACs, etc., all important for promotion and marketing of Sharri region products.

For monitoring purposes, consider adding an age group for young people up to 24 years. For monitoring, be specific when defining concepts such as decent job/formalization/job creation. In connection with collaboration with MLSW, further strengthen the collaboration to improve to statistics related to employment at the local level, for the purposes of targeting the measures and monitoring.

Enhance donor coordination, to strengthen the linkages to wider development initiatives in the territory as a framework for TEPs and to further develop coordination on other segments of the selected value chains.

Further analyse and develop possibilities of collaboration with other vocational training centres.

Marketing and commercialization measures. For further expansion purposes, the project needs to introduce measures to enhance marketing and commercialization segment (branding, identification of markets, sales agents with social entrepreneur background, product licensing and certification, including through tourism) with minimum co-financing municipality/expanding farmers minimum 50%. As well as introduce inter-municipal cooperation initiatives aimed at commercialization, quality assurance and branding of Sharri products; cross- municipal enterprises; sponsoring events and festivals (as facilitator) for example DokuFest and NgameFest in Prizren, and similar.

Neighbour to neighbour know-how, LDF and TEP Action 1, where applicable: Introduce measures to enhance neighbour to neighbour exchange (knowledge, experience, share of new seedling, etc.) focusing on women and also interethnic collaboration were possible, primarily targeting those neighbours who have not been able to join the scheme. Successful grant beneficiary should be expected to assist non-successful neighbour as a good principle, on a voluntary basis and possibly a rewarding mechanism developed for such assistance. This would contribute to much needed economic collaboration behaviour at the community level, leading to stronger communities of producers and stronger market position.

Mid-calls. Consider organizing mid-calls or sub-calls within the same call with modified criteria, targeting specific neighbour to neighbour assistance activities (e.g. women to women and inter-ethnic neighbour to neighbour assistance activities). This could help to challenge cultural and social gender norms and values.

Individual purchases instead of group purchases. For cost-efficiency purposes, group purchases have been promoted were possible. However, the feedback from the beneficiary's side regarding the purchases shows that in some cases the beneficiaries would like to be more closely involved in the selection and acquisition process of agricultural and breeding inputs in order to guarantee that the products are meeting exactly their expectations. In case of group purchase involve representation of farmers to ensure greater compatibility of acquired inputs.

100% grants. Introduce a reserved budget line for 100 % grants for valid cases fulfilling the criteria (to be applied in certain cases), making it clear and transparent at the outset of the call.

Open door policy. Introduce a mechanism to facilitate those who cannot articulate the complaint in writing (applications), whereby the complaint can be filled orally. Probably hosted at the municipal project office. On the basis of the feedback received, the municipal project support office could prepare a list of Frequently Asked Questions (FAQ), and submit it to LDF to support information sessions that could possibly be organized after each call.

Translated contracts. Contracts (LDF) with farmers need to be translated in the three languages.

Abolish additional points given for own-contributions above 10%, in order to ensure that farmers in less financially favourable position are not discriminated.

Reduce support for expansion of business/farms, which is to be slowly handed over to municipalities to coordinate on their own (the next level), and focus on new and small farmers joining the scheme.