



International Organization for Migration (IOM)
The UN Migration Agency

Evaluation Report

Final internal independent evaluation of the project
**“Integration and Stabilization Support through Livelihoods for IDPs and the
Conflict-Affected Population in Ukraine”**

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List of acronyms

CSSF	United Kingdom's Conflict, Stability and Security Fund
DFID	United Kingdom's Department for International Development
EU	European Union
GCA	Government controlled area
IDP	Internally Displaced Person
IOM	International Organization for Migration
NMS	National Monitoring System
NGCA	Non-government controlled area
NGO	Non-Governmental Organization
UN	United Nations
UNDSS	United Nations Department for Safety and Security

Executive summary

This report presents the results of a final internal evaluation of the project “Integration and Stabilization Support through Livelihoods for IDPs and the Conflict-Affected Population in Ukraine,” implemented by the International Organization for Migration (IOM) with funding from the United Kingdom’s Department for International Development (DFID) from December 2016 to March 2018. The project was originally planned to end in November 2017, but a no-cost extension was granted during the evaluation planning.

The project was designed to mitigate negative impacts of the ongoing conflict in eastern Ukraine on the well-being of conflict-affected populations by providing livelihoods support to IDPs and host community members through grants for self-employment, micro-enterprise (business development), or vocational courses. These opportunities for economic empowerment aimed to help direct beneficiaries meet their basic needs, support achievement of business and wider community development goals, and contribute to the integration of internally displaced persons (IDPs) and the stabilization of host communities.

Overall, the long-term **Objective** was to contribute to economic recovery of IDPs and to support the integration of IDPs and stabilize host communities in 24 regions of Ukraine. To that end, the expected **Outcome** is that targeted IDPs and members of host communities are engaged in income-generating activities that cover their basic needs and benefit the community, to be achieved through three outputs:

- **Output 1:** IDPs and members of host communities benefit from equipment/tools and vocational professional training sessions in support of income-generating measures available
- **Output 2:** IDPs and members of host communities benefit from micro-enterprise support for business development and income-generation
- **Output 3:** IDPs and members of host communities benefit from information and best practices shared through a Business Exchange Platform and business improvement sessions

The evaluation was carried out in October 2018 by an internal independent evaluator from the IOM Regional Office in Vienna. The main evaluation purpose was to assess effectiveness, with a secondary purpose of assessing relevance of the strategy to local needs of beneficiaries, stabilization priorities and IOM strategic positioning. Efficiency, impact, sustainability and cross-cutting issues (gender, conflict sensitivity and human rights) were also assessed. The methodology included desk review, semi-structured interviews, focus groups, and direct observation of beneficiary businesses. The project covers all 24 regions (oblasts) of Ukraine. For the evaluation, a sample of five cities was chosen to represent eastern, central and western regions (Kyiv, Donetsk, Luhansk, Zhytomyr, and Lutsk).

Conclusions:

Relevance. The project appears to be highly relevant to assessed socio-economic challenges and to needs of the target group based. The following conclusions were drawn based on the findings:

1. *Responsiveness to socio-economic challenges and needs* – The strategic focus on livelihoods is highly relevant based on data available for the evaluation, including needs of the sample of beneficiaries, non-governmental organizations (NGOs) and local employment centres. Economic challenges emerged as a key concern among the stakeholders, particularly limited access to funding but also a need for training to gain new skills, facilitation of networking, and support in overcoming taxation, legal and other barriers. A few differences were noted in comparing the data gathered in each region, such as particular challenges accessing loans in eastern cities near the contact line, and the greater need for support to agricultural projects in some areas.
2. *Added value of the project and future expected needs* – Based on stakeholder perceptions and opinions, the project provided a clear added value that filled a gap in terms of needs, particularly related to limited access to funding for businesses, and there is expected to be an ongoing need for livelihoods support in the foreseeable future. Various elements were identified that could potentially be further assessed or addressed in future projects.

3. *Assessment of needs in design and implementation* – The project shows excellent and extensive assessment of needs during project design including use of data from national monitoring, project monitoring, and national statistics, as well as during implementation including through ongoing consultation, monitoring, and beneficiary feedback.
4. *Internal logic of project design* – The chosen activities and outputs are consistent with intended outcome and objective. There is a clear and consistent theory of change behind the project strategy that is also consistent with the perceptions of stakeholders and IOM project staff. At the same time, some aspects of the theory of change could be reviewed and potentially revised in future projects to ensure alignment with needs.

Effectiveness. The project appears to be effective based on available data, though there are various areas for potential improvement. The following conclusions were drawn based on the findings:

5. *Achievement of outputs* – According to information on reported indicators, nearly all of the established targets were achieved or on track as of the time of the evaluation visit. Some challenges were noted in relation to meeting the target proportion of IDPs and women benefitting from business development grants.
6. *Stakeholder satisfaction with activities and outputs* – Overall, the beneficiaries and NGO partners were satisfied with the quality of activities and outputs delivered under the project. The more recurrent areas of least satisfaction are related to the procurement process and the Business Exchange Platform.
7. *Achievement of outcomes* – Based on the information available, it appears that the project is on track to contribute to the intended outcome of improved income generation and thereby promote additional jobs and services for the community, improve cooperation and connections between IDPs and host community members, and facilitate integration of IDPs.
8. *Challenges to effectiveness and mitigation measures* – The Evaluator identified several challenges that were repeated in conversations with beneficiaries and stakeholders, including the difficult operating environment and tight implementation timeline. IOM reported active measures to respond or mitigate to each challenge or risk.
9. *Lessons learned from implementation* – Based on experiences in the implementation of this project, stakeholders identified a number of suggestions for improving future projects, including exploring the inclusion of business fairs, better supporting identification of suppliers, allowing previous beneficiaries to apply for another grant, or introducing a microloan options for previous and additional beneficiaries.

Efficiency. The project appears to have been highly efficient in its implementation, making adept use of human and financial resources. The following conclusions were drawn based on the findings:

10. *Resource utilization and monitoring practices* – This project benefits from an excellent Mission-wide communication and reporting system in IOM Ukraine that includes monthly reports by project managers to IOM management on activities, results, budget and challenges encountered along with identified follow-up actions. At a project level, a strong monitoring plan is in place to build capacity and monitor NGO partners, ensure quality control of beneficiary selection and procurement processes, and monitor beneficiary needs and progress made.
11. *Challenges to efficiency* – The main identified challenges to efficiency centred around the short implementation timeline, and a reportedly insufficient budget for NGO activities.

Impact. In terms of impact prospects, it is likely that the project will have some contribution to long-term impacts. Specifically, the following conclusion was drawn based on findings:

12. *Contribution to long-term change* – The evaluation was not able to fully assess impact given the data available. However, it overall appears that the project is on track to contribute to economic and social impacts, based on the theory of change which appears to hold true and given the stakeholder perceptions.

Sustainability. It is likely that the project benefits will be sustainable for the beneficiaries. Specifically, the following conclusion was drawn based on findings:

13. *Sustainability prospects* – It is likely that projects supported by the project will be sustainable defined as remaining operational after the end of the project, pending more extensive monitoring of all beneficiaries. The key challenges to sustainability is access to funds needed not only to grow but to sustain businesses.

Cross-cutting issues. Finally, the project gives thoughtful attention to issues of protection, gender, human rights and vulnerable group. The following conclusion was drawn based on findings:

14. The project considered protection, gender and human rights in its design and implementation, and also considered particularly vulnerable groups, and has responded well to identified considerations in these cross-cutting areas of concern.

Recommendations:

Based on the findings and conclusions, the following recommendations are provided for consideration by IOM and donors in the implementation of a next phase and in future projects:

Recommendations for IOM:

1. Include additional grant and/or loan options (e.g. a revolving fund mechanism), to better bridge the transition from self-employment to business development, to provide additional support to previous beneficiaries, and to extend support to additional beneficiaries.
2. Revise eligibility criteria to include applicants up to 65 years of age, and allow previous beneficiaries to apply for additional grants.
3. Consider establishing lists of pre-approved suppliers and/or taking additional measures (whether by IOM or NGOs) to help beneficiaries locate qualified suppliers.
4. Consider adding support for business fairs, and review the relevance and effectiveness of the business development platform.
5. Increase to the extent possible the frequency of monitoring of outcome-level indicators, including introduction of methods to gather information on impact and sustainability of each business.

Recommendations for donors:

6. Consider extension of implementation deadlines to ensure that all activities can be carried out (e.g. procurement) and monitored (e.g. frequent monitoring, participatory approaches) as planned, and to decrease burden on implementing partners and beneficiaries.

1. Introduction

This final evaluation of the project “Integration and Stabilization Support through Livelihoods for IDPs and the Conflict-Affected Population in Ukraine” was commissioned by IOM’s Country Office in Ukraine. This was an independent internal evaluation conducted by Sarah Harris, Regional Monitoring and Evaluation Officer for IOM’s Regional Office in Vienna, as a final evaluation scheduled to occur shortly before implementation of the project was to end in November 2017, though during the evaluation planning the project received a no-cost extension through March 2018.

2. Context and purpose of the evaluation

2.1 Evaluation context

In line with IOM’s global strategy, the IOM Mission in Ukraine aims at advancing understanding of the opportunities and challenges of migration in the Ukrainian context. Since 2015, due to the complex economic situation in the country resulting from the ongoing conflict in eastern Ukraine, the focus of the IOM Mission in Ukraine has shifted towards internal migration and the needs of IDPs and conflict-affected communities. As of June 2017, the conflict had since March 2014 forced more than 1.5 million people to flee their homes, according to the Ministry of Social Policy.

Starting in 2016, to mitigate negative impacts on the wellbeing of conflict-affected populations, IOM has been implementing this project “Integration and Stabilization Support through Livelihoods for IDPs and the Conflict-Affected Population in Ukraine” funded by United Kingdom Department for International Development (DFID). The project strategy is focused on livelihoods support to economically empower IDPs and host community members by supporting them through self-employment, micro-enterprises (business development), and vocational courses. By providing opportunities for economic empowerment to support achievement of business and wider community development goals, the project aims to contribute to decreased isolation and marginalisation of those most affected by conflict.

Overall, the long-term **Objective** is to contribute to economic recovery of IDPs and to support the integration of IDPs and stabilize host communities in 24 regions of Ukraine. To that end, the expected **Outcome** is that targeted IDPs and members of host communities are engaged in income-generating activities that cover their basic needs and benefit the community, to be achieved through three outputs:

- **Output 1:** IDPs and members of host communities benefit from equipment/tools and vocational professional training sessions in support of income-generating measures available
- **Output 2:** IDPs and members of host communities benefit from micro-enterprise support for business development and income-generation
- **Output 3:** IDPs and members of host communities benefit from information and best practices shared through a Business Exchange Platform and business improvement sessions

The project aims to provide integration and stabilisation support to a total of 3,178 IDPs and host community members, out of whom:

- Up to 250 individuals will be supported with business development grants;
- Up to 930 individuals will be supported with self-employment grants; and
- Up to 150 individuals will be supported with vocational trainings.

2.2 Evaluation purpose

The main purpose is to evaluate the implementation of the project, the overall performance of key stakeholders and achievement of results. The secondary purpose is to assess how the project strategy, which is focused on livelihoods support, aligns with local needs of beneficiaries, stabilization priorities and strategic positioning of IOM Ukraine.

Evaluation findings will be used by IOM and the donor to assess the project's relevance and accountability to intended beneficiaries, effectiveness and value for money, impact and sustainability prospects, and will be used by IOM to improve future interventions.

The evaluation TOR called for a focus on beneficiaries' feedback on livelihoods intervention provided within the project implementation cycle, and established that recommendations should focus on ways to improve design and implementation of future activities and identification of other complementary or additional priority areas for IOM interventions.

2.3 Evaluation scope

The project is implemented in all 24 regions (oblasts) of Ukraine. For this evaluation, a sample of cities was chosen to include locations throughout Ukraine in eastern, central and western regions.

2.4 Evaluation criteria

The following evaluation criteria were assessed, with various questions posed for each criterion as outlined in detail in the Evaluation Matrix (Annex 2):

- *Relevance*: extent to which the project objective or outcomes remain valid and pertinent either as originally planned or as subsequently modified
- *Effectiveness*: extent to which a project achieves its objectives or produces its desired results
- *Efficiency*: how well the resources (funds, expertise, and time) are used to undertake activities, and how well these resources are converted into outputs
- *Impact*: positive and negative, primary and secondary long-term effects produced by a project, directly or indirectly, intentionally or unintentionally
- *Sustainability*: the durability of the project's results, or the continuation of the project's benefits once external support ceases
- *Cross-cutting issues*: Extent to which issues of gender, conflict sensitivity and human rights were considered in the design and implementation of the project

3. Evaluation framework and methodology

The methodology focused on desk review, interviews, and focus groups. Evaluation field visits were conducted to five cities (Kyiv, Donetsk, Luhansk, Zhytomyr, and Lutsk) chosen to provide diverse sample by including Ukraine's eastern, central and western regions. In each city, the Evaluator met with the local NGO implementing partner and had a focus group discussion with beneficiaries. In two of the cities in the western region (Zhytomyr, Lutsk) the Evaluator also met with local government stakeholders.

3.1 Data sources and collection

Based on the proposed methodology and aspects to address according to the evaluation criteria, the Evaluator refined the approach through evaluation sub-questions and planned related data collection as outlined in the Evaluation Matrix in Annex 2. The approach relied on the below qualitative methods:

- Focus groups with beneficiaries in five cities (Kyiv, Donetsk, Luhansk, Zhytomyr, and Lutsk).
- Direct observation of project sites (beneficiary businesses).
- Semi-structured interviews with IOM staff, NGO implementing partners, and government partners. A list of persons interviewed is included in Annex 3.
- Document review of project documents and reports. A list of documents is included in Annex 4.

Guides for interviews and focus groups were developed based on the evaluation questions (Annex 7.3).

3.2 Sampling

The project covers all 24 regions (oblasts) of Ukraine. Five cities were selected to include representation of sites in the east, west, and centre of Ukraine considering the available time, budget and logistics.

Focus groups: The Evaluator requested that each focus group include 5-7 persons to ensure good quality discussions, since there would be only one facilitator (the Evaluator) and no notetaking support. In the end, focus groups consisted of between 8 and 11 people in each (9 persons on average). The Evaluator requested that participants be selected by project staff using the beneficiary database and to balance (as close to 50/50 as possible) of male/female and IDP/host community. A balance was achieved in terms of gender (average of 4.6 women and 4.6 men in each group), and the proportion of IDP/host community nearly matched the 70/30 target of beneficiaries set by the project (72% IDPs and 28% host community members). However, in practice the participants were selected by NGOs directly, not by IOM project staff using the beneficiary database. This fact was identified midway through the field visits. The final two NGOs on the agenda were then asked how they selected beneficiaries, and they noted that they chose beneficiaries who would be particularly open and agreeable to discussion, were located in the urban centre, and were available to participate. This is assumed to be representative of all NGOs, although the Evaluator was not able to pose the question directly to the first three NGOs.

3.3 Data analysis

The data analysis relied on qualitative analysis of documents and written notes from interviews, focus group discussions and direct observation. A deductive qualitative analysis approach was used with a coding scheme based on the evaluation matrix. The collected data was triangulated through cross analysis of interview and focus groups notes, project database, findings from documentation review and observation of project activities and sites. The Evaluator strived to ensure that assessments are objective and balanced, affirmations accurate and verifiable, and recommendations realistic, and to follow IOM Data Protection Principles, UNEG norms and standards, and relevant ethical guidelines. The evaluation was also carried out in accordance with IOM guidance on evaluations in the IOM Project Handbook (2017).

3.4 Limitations and mitigation strategies

Given the need for translation and the lack of additional facilitators for the focus groups, there was a large burden on the translator to promote fluidity of discussions while at the same time conveying the information to the Evaluator as fully and accurately as possible. This tension was identified after the first focus group, during which in a couple of instances the group was engaged in lengthy conversation and it did not appear that the full information was being conveyed by the translator. The Evaluator discussed the issue with the translator after the first focus group, and it was decided that the translator would inform the group at the start that he may interrupt the conversation from time to time when it became too much to remember and then translate. It was agreed between the translator and the Evaluator that the translator could paraphrase the responses to balance the need to promote discussion but also convey the fullest information possible, though to try and convey literal interpretations whenever possible.

Monitoring data was not available for all of the project indicators at the time of the evaluation. This was partly due to the fact that a no-cost extension was granted during evaluation planning, which changed the project end date and therefore the timing for end-of-project measurements. This limited findings and conclusions that the Evaluator could draw about effectiveness at outcome level and likelihood of impacts. While qualitative data from interviews and focus groups with a sample of beneficiaries and NGOs provided a rich source of data for identifying challenges to effectiveness and factors related to impact, data was more limited related to the effectiveness and impact of the project as a whole. However, this limitation relates to this evaluation, not to the project itself; overall, the project monitoring practices were observed to be strong, as described in findings related to Conclusion 3, including use of data from national monitoring, project monitoring, and national statistics, as well as ongoing consultation, monitoring, and beneficiary feedback. It should also be noted however that a fuller assessment of effectiveness and impact is planned by the IOM project team, including a final impact assessment to feed into final donor reporting.

4. Findings

4.1 Relevance

4.1.1. Responsiveness to socio-economic challenges and needs

Conclusion 1: The strategic focus on livelihoods is highly relevant based on the data available for the evaluation, including needs of the sample of beneficiaries, non-governmental organizations (NGOs) and local employment centres. Economic challenges emerged as a key concern among the stakeholders, particularly limited access to funding but also a need for training to gain new skills, facilitation of networking, and support in overcoming taxation, legal and other barriers. A few differences were noted in comparing the data gathered in each region, such as particular challenges accessing loans in eastern cities near the contact line, and the greater need for support to agricultural projects in some areas.

The project uses a livelihoods approach to respond to socio-economic challenges and needs emerging in the context of conflict in eastern regions of Ukraine. In comparing the project document, quarterly reports and data from interviews and focus groups, economic challenges appear to be the most significant for the target groups, followed by social challenges that are often closely linked to economic issues. Finally, a few relevant governance and security challenges were observed.

Economic challenges

- Ukraine faces ongoing **economic instability** as the conflict in the East continues to destabilize the country and produce casualties despite a ceasefire agreement. In addition, the protracted nature of the conflict has paralyzed economic activity and severely reduced coping capacities on both sides of the 457-mile contact line. Impacts cited by focus groups include currency rate changes and the challenge of long-term planning. Local authorities also explained that the conflict continues to divert funds that could otherwise support economic development. The conflict has impacted international trade, as markets to Russia closed, inflation increases, and investment has decreased in areas near the contact line. At the local level, IDPs have had to adjust to new markets and IDPs and community members alike adjust to increased competition and limited access to loans.
- The displaced population remains high (nearly 1.5 million as of Jan 2018, according to the Ministry of Social Policy). Most of the displacement took place within the country increasing the challenges for the government to provide necessary support to the affected population.
- Focus groups participants reported no major issue with accessing other social services (e.g. schools, healthcare), though a few noted the high cost of some medical treatments. The most important economic needs cited by focus group participants are related to **housing** and **employment**. This is confirmed also by beneficiary monitoring and National Monitoring System (NMS) data gathered by IOM. For instance, the latest NMS of Dec 2017¹ found that in terms of access to social services, respondents were least satisfied with accessibility of employment opportunities (69% satisfied) despite a reported increase in the share of long-term employment among those surveyed (50% in Dec 2017 compared to only 35% in Mar 2016). This is explained in part by a high share of IDP households still reporting having ‘enough funds to cover only their food needs’ (33%) and continued reliance on government support (the second most frequently mentioned source of income by the IDPs surveyed).
- Concerns related to employment and housing involved various related factors that emerged from conversations with beneficiaries, NGOs and employment centres:
 - *Access to employment* relates both to low wages (both compared to previous wages in the east, and relative to local cost of living), and access to income-generating opportunities. While

“Left without homes, without properties, we have only our hands.” -Focus group participant

¹ National Monitoring System Report of Internally Displaced Persons, December 2017

NGOs and focus group participants reported increases in income generation among beneficiaries, they also cited that many others in their communities are in need of income generation support and could therefore benefit from expanding or scaling up this project.

- *Access to housing* relates to lost homes, savings, and (for some) owed wages, and continuing high rent prices. For instance, several focus group participants reported repeatedly moving between apartments within the same city. Access to housing is made more difficult by the low wages and limited income-generating opportunities.
- Overall, **access to funds** for further business development is a key concern. Among those who expressed interest in expanding their business, access to funding (whether grants, loans or savings) was the main hurdle cited by the focus group participants. Lack of funds (48%) and lack of materials (11%), along with issues with clients (16%), were also the challenges most frequently cited in monitoring data gathered by the project. More people in their communities are ready and willing to apply for first-time grants, and also current and previous beneficiaries require access to additional funds to maintain, stabilize, or grow their businesses. Many self-employment beneficiaries also reported they cannot rely solely on income from their business initiative, and growing it into a primary source of income would require larger grants, or an additional grant to help transition from self-employment to registering as an entrepreneur. There was also a noted need for increasing the grant amount for business development so they could purchase more expensive equipment.
- Related to access to funds, **loss of savings and property** (buildings, equipment, materials) was mentioned in all of the focus groups. Without such assets, focus group participants reported struggling to not only start up but also to maintain their businesses, including due to vulnerability to shocks or something going wrong. For instance, one beneficiary reported struggling to repair a delivery truck that had broken down. One NGO stated that local community members may face similar situations, but generally have an easier time establishing their businesses compared to IDPs.
- In addition, **knowledge and skills** for business development was also identified as a need by focus group participants and in the project monitoring data. This includes training to improve skills, support for networking and interaction among beneficiaries and larger business communities, and support in navigating various barriers such as taxation and legal issues:
 - *Training to gain new skills.* The project provided an initial two-day training, and additional business improvement trainings for those selected for a grant. Though most came with a clear idea for their business, in line with the intended target audience identified in the project theory of change, some would have liked more guidance in initial planning of their business ideas before it was developed and presented, and differentiated training according to existing knowledge. Specific content of additional trainings was chosen based on project monitoring, which identified areas for further support (marketing and advertising, internet sales, accounting, taxation, legal issues) and focus group participants for this evaluation echoed many of the same needs. For instance, several beneficiaries wanted more specific details on the legal and logistical steps involved in setting up a business. Some wanted support to obtain a certification to sell products in the European Union (EU), while others emphasized a need to learn from good practices within Ukraine. In three of the focus groups, a participant spoke for the group, stating that all beneficiaries would like more specialized training in their areas of expertise.
 - *Networking and interaction.* Monitoring of the previous DFID-funded project indicated that beneficiaries lacked sufficient communication with one another, as a barrier to economic development; they formed groups in their trainings but needed communication at a regional or even national level. IOM also observed that many beneficiaries formed joint business ventures (e.g. a combined coffee shop and bakery), and thought that an improved opportunity for networking would facilitate more of such joint initiatives. Based on this, IOM came up with the concept of a Business Exchange Platform. According to a beneficiary survey

by IOM in August 2017, over 90% were interested in the idea. Focus groups also noted that the idea was good, and that interaction can be very beneficial, but that they were unsure if the precise platform offered responded to their needs. Doubts emerged in two broad categories:

(1) *Why a platform at all?* Someone from all of the stakeholder groups interviewed (IOM, NGO and beneficiaries) mentioned the need to hold business fairs, as meeting in person is also needed. Still, when asked, each stated that it would be ideal to have both a platform and fairs. Also, one NGO stated that network building is needed but they are not sure the IOM platform is the right solution; they reported they are exploring proposals for other ways to support networks that draw in local business owners or use existing networks.

“That idea [of the Business Exchange Platform] is good, but we need to check how it will be implemented.”
- Focus group participant

(2) *Why this platform?* Beneficiaries are uncertain whether to use this or other existing platforms; not clear why this one is needed, what is the added value; e.g. it charges for services and rate is average but other platforms more established, so may need stimulus to use this one e.g. discounts. However, IOM staff noted that the platform is free of charge, which indicates to the Evaluator that there may be some confusion among participants about the nature of the platform.

- *Navigating barriers, such as taxation and legal issues.* Focus group participants described the importance of support and facilitation by NGOs, especially in navigating barriers to business development. One NGO themselves found it to be so difficult (need to explain rights, how to access benefits, information on the process) that they avoided implementing a business development component in their region, noting that NGOs doing it have largely joined efforts.

Region-specific observations

Some differences were noted in comparing the data gathered in each region:

- Promoting investment and access loans was repeatedly emphasized by participants in all regions. Particular emphasis was placed on access to loans by participants in the *eastern cities* given the consideration that areas near the conflict line are highly risk in terms of investment.
- Impacts of the closure of markets to Russian were highlighted in *eastern cities* (Sieverdonek, Kramatorsk), while participants in all five cities emphasized challenges adjusting to the local labour market, both IDPs moving to a new location as well as host communities impacted by economic shifts. For instance, in many cases increased competition within sectors, and in other cases diminished workforce (such as the ceramics industry in Kramatorsk, as people moved away).
- Low wages compared to the cost of living was emphasized, especially in *central and western cities* (Kyiv, Zhytomir, Lutsk). In *eastern cities* (Severdonek, Kramatorsk), participants noted that increased prices have been driving down real income and purchasing power, including for local rents and for importing foreign goods considering inflation.
- Participants emphasized that *Lutsk* is in a mostly agricultural region. Also, while the *eastern regions* have historically been more industrial, this has been impacted in some areas by the conflict. For instance, most large industrial complexes stopped operating in the government-controlled area (GCA) of Severodonetsk since the conflict broke out, and now it is mostly agricultural and small businesses. Loans are now harder to come by, and the development aid that is available offers conditions that are complicated or don't work for small business or agriculture – for example, some are only available in the winter.

Social challenges

Secondary to economic challenges and needs, various social concerns were raised, including issues of IDP integration and social cohesion. There are also noted close connections between economic and social issues. For instance, IDP respondents to the NMS identify housing, regular income and employment as the main positive conditions for integration in their local communities. The project's theory of change identifies that social tensions are related to a lack of dialogue and interaction among IDP and host communities, hostile reception by some members of host communities, political differences related to the conflict, and perceptions that military mobilization are unfairly divided. Focus group participants didn't feel that social tensions were a major concern. Some cited a few cases of hostilities between IDPs and host communities, but emphasized that these were isolated cases. Several participants explained that they avoid political discussions and remain neutral to avoid conflicts with their neighbours. Overall, social tensions appear to be an issue, but the extent and significance is not clear.

"Economic challenges are the main thing, and then comes politics."

-Focus group participant

"Local men here lost their lives defending the country, and then IDPs came here, and people thought they should have stayed to defend their region. This impacted the perception of IDPs here in the communities."

Therefore, it is important that this project includes both IDP and host community, as a factor for integration, and improves the reputation of the project as a whole."

-Focus group participant

Security challenges

No respondent reported feeling unsafe in the government controlled areas (GCA) where they now live, though some reported periodically visiting the NGCA where conflict is ongoing, citing a need to visit family or check on property. Safety therefore remains a concern for IDPs who visit those areas, given also that returnees to NGCA cited safety as their main concern. Only 31% of surveyed returnees to the NGCA reported that they felt safe in comparison to 86% of IDPs in GCA based on combined data. During implementation, IOM reported a low likelihood of the security situation impacting the project and a low likelihood of further displacement. Data from this evaluation confirm this: none of the IDPs in the focus groups had moved during 2017; most last moved in 2014 (60%), 8 in 2015 (24%), and 5 in 2016 (15%).

Governance challenges

Finally, various issues categorized under governance were observed. At the start of the project, as noted in the project document, there was a strain on local budgets, public services, and social infrastructure, and bureaucracy and corruption was limiting access to social payments and services. Project quarterly reports indicate that discussions with local authorities were held during implementation, including advocacy for the rights of IDPs and for supporting entrepreneurs, in order to address identified needs in this area. The third quarterly report cited that monitoring in three regions revealed a lack of effective advocacy for issues of concern to IDPs at the local level, and a need to further improve cooperation between local authorities, NGOs and businesses and strengthen contributions to improving livelihoods. It was also noted in the report that local NGOs lack capacity to effectively advocate for IDP rights. However, governance needs were rarely cited by the respondents for this evaluation. In some regions, NGOs stated that local authorities have not understood the needs of IDP populations, but that this has improved. Local authorities themselves noted improvements in assistance to IDPs since 2014, when local budgets were more strained and when processes and procedures were less clear. Also, there are some reports that taxation and legal issues continue to limit access to social payments and services, though local authorities state that these such cases are few. None of the IDPs in the focus groups perceived access to social services to be a major concern.

4.1.2. Added value of the project and future expected needs

Conclusion 2: Based on stakeholder perceptions and opinions, the project provided a clear added value that filled a gap in terms of needs, particularly related to limited access to funding for businesses, and there is expected to be an ongoing need for livelihoods support in the foreseeable future. Various elements were identified that could potentially be further assessed or addressed in future projects.

In assessing added value, the Evaluator considered mainly perceptions of interviewed stakeholders, based on which the project appears to complement well other projects and support, and provides a value added. The main elements that emerged related again to limited access to funding for business initiatives in Ukraine, not only grants but also access to loans.

Those living in the eastern city of Severodonetsk noted that except for IOM, there are no programs that support small agricultural businesses. Though some other programs are available, one respondent stated that the terms don't fit agricultural needs – either it isn't eligible for support, the time period is too short, the geographical focus is limited to areas around the contact line, or timing is not right (e.g. offered in winter). As another example, in the western city of Zhytomir, the local employment centre offers one-time funding to local residents to start a business, but the funds are small and must be complemented by personal savings or by assistance from NGOs and projects such as this one.

“This is a valuable and important project. It provides practical, concrete support needed to help beneficiaries earn income.”

“Tens of thousands of potential entrepreneurs could benefit from a project such as this; as government is limited, IOM support is much appreciated”

- Focus group participants

One NGO respondent noted that the project was helpful and very relevant, as the monitoring has confirmed, and stated that the project provided a necessary boost or nudge, since the beneficiaries would not otherwise have been able to save or access the needed funds.

IOM felt that one added value of this project is the Business Exchange Platform, which is not limited to project beneficiaries, but is also open to others such as the beneficiaries of projects implemented by other international organizations. It provides a catalogue of entrepreneurs where they can find each other based on type of business and region of operation. However, beneficiaries in the focus groups for this evaluation had mixed reactions, and most were not sure about the extent to which the platform adds value compared to other existing platforms and other alternative approaches to networking; however, it should be noted that the platform had only been recently launched and the concept and benefits of the platform may not have yet been clear to the participants.

IOM staff report that this project complements three other ongoing community stabilization projects implemented by IOM Ukraine, and that they strive to always promote synergy among projects. The view of stakeholders interviewed align with this.

Is there still a need for such projects in future?

According to IOM staff and the surveyed stakeholders, there is expected to be an ongoing need for livelihoods support given the challenging social and economic situation that continues in Ukraine, according to analysis of the situation by IOM staff and by the beneficiaries, NGOs and local authorities interviewed for this evaluation. At the same time, various elements were identified that could potentially be further assessed or addressed in future projects.

Based on experience and assessed needs, already in the first quarterly report IOM identified various ideas for future projects to build on current livelihoods initiatives and enhance recovery: (1) Providing microloans to previous grant beneficiaries based on the results shown. (2) Scaling up grants for successful beneficiaries. (3) Creating a platform for exchange of experiences and best practices in a network of previously started microenterprises. (4) Use of the community development platform for business projects linking social cohesion activities with employment creation. (5) Involvement of local business community for the trainings and selection of businesses that receive grants. In terms of ongoing or future

projects, IOM staff also noted plans for carrying out a broader impact assessment of this project, which could include further assess needs.

In addition, the following observations emerged from discussions during the evaluation:

- *Additional grants or loans for previous beneficiaries.* The project could consider additional grants for previous beneficiaries in the three established categories (self-employment, business development, vocational courses) as well as potentially another grant option to support transition from self-employment to registered business activities or adding a loan option, as opposed to grants.
- *Additional funds for self-employment and/or revise requirements for business development.* Accounting for biased responses inherent in asking questions about need for additional funding, the respondents argued that additional funding would be beneficial – and especially if challenges to the business development participation cannot be overcome, as a way to adapt to structural challenges and barriers in the operating environment, which could be assessed and tailored per NGO/region.
- *Additional funds for business development.* The size of the business development grant could also be expanded according to respondents, as often beneficiaries need equipment that costs more than the grant limit, or need to also purchase materials.
- *Strengthen and deepen case management components.* The project included attention to ongoing case management of beneficiaries and funds for ongoing business improvement sessions, but some felt that more one-to-one mentoring by NGOs or peer support networks could be beneficial. At the same time, in doing so, due attention should be given to assessing the capacities of individual NGOs and being aware of any expectations and potential burden on NGOs including ensuring sufficient funds are provided to the NGOs.
- *Other categories of vulnerable populations not covered by the project strategy.* Per its theory of change, the project targets those with business ideas that are ready to engage in business development, but lack access to needed funds. However, others may be in similar need of support, but require a modified approach. For example, one respondent noted that some military families who have lost family members are struggling to support children, but do not have the time and resources needed to initiate business development planning. Barriers to their participation could be explored and assessment done of whether and how they could be overcome, to allow inclusion in future projects. This also appears to be a key group in terms of promoting social cohesion.
- *Joint businesses.* It was suggested to allow joint businesses among beneficiaries, including family members, rather than just individual proposals. It was suggested that pooling resources would spur development.

4.1.4. Assessment of needs in design and implementation

Conclusion 3: The project shows excellent and extensive assessment of needs during project design including use of data from national monitoring, project monitoring, and national statistics, as well as during implementation including through ongoing consultation, monitoring, and beneficiary feedback.

Assessment of needs in project design:

- Assessment of needs in project design was based on information gathered by IOM under a previous DFID-funded project during 2015-2016, including the needs reported by beneficiaries, as well as on official government statistics and assessments carried out by IOM through a National Monitoring System (NMS) in Ukraine. The **NMS** draws from IOM's Displacement Tracking Matrix (DTM) approach to support the Government of Ukraine in collecting and analysing information on the socio-economic characteristics of IDPs and IDP households, as well as the challenges they face, broken down according to region to assess the local needs. IOM is also involved in general coordination meetings with the United Nations Department for Safety and Security (UNDSS) and receives information through the Humanitarian Country Team, and also receives secondary data and reports from other agencies. The

data from these sources informed the design of the project and also served to inform the project team during implementation, including the selection of regions and the number of trainings to provide in each region. The project document also cites **statistics** from the Ministry of Social Policy and the State Employment Service to illustrate the livelihood-related needs: of working-age IDPs that expressed a need for employment, 83% had not applied to the State Employment Service and would therefore require livelihoods support.

- Based on **monitoring results** of a previous DFID-funded project, and analysis of the national context, a few adjustments were made in the current project: (1) Revised eligibility criteria to extend the age for vulnerable women ages 55-60 (left without pensions due to national reforms), (2) Simplified procurement procedure from three tender options to just one, vetted by IOM using comparative market analysis, and (3) Reduction of business plan preparation period from three weeks to one week, as data indicated this would result in higher quality plans.
- IOM also developed the ‘Business Exchange Platform’ concept to address the need for beneficiaries to network and cooperate with other entrepreneurs, authorities and within their communities. This was intended to promote creation of a network among businesspeople for business development, reciprocal support, and overall lobbying of medium and small business interests both locally and nationally. It was intended to help sustain those interactions after the end of the project, and then ideally in the mid-term become a self-administrating resource and also over the longer-term contribute to positive relations and cooperation between IDPs and host communities. IOM also assessed the need for the Business Exchange Platform based on experience and insight from implementing the previous DFID-funded project including feedback from beneficiaries, based on which it was included in the project design.

Assessment of needs in project implementation:

- IOM carried out various **consultations** with stakeholders during implementation. For example, the first quarterly report states that local authorities were engaged and supportive of the project, and that NGOs and IOM discussed the project in local communities and received “positive feedback on the criticality of such interventions for the conflict-affected populations, especially IDPs.” Also, in addition to the assessment of needs in initial design of the Business Exchange Platform, the concept was shared with stakeholders during implementation through a beneficiary survey (Aug 2017) and presentations to NGO partners, beneficiaries and others (Sept-Oct 2017). NGOs also directly consulted and engaged with local authorities during implementation. In one case, the mayor of the city attended a training and presented a list of identified sectors for business development.
- Needs assessment was also built into **project monitoring**. For example, potential NGO implementing partners included in their initial applications an assessment of the regional economic activity and the NGO capacity. One NGO partner also reported assessing needs through an initial focus group of potential beneficiaries, based on which they proposed to focus on self-employment in part given the low number of entrepreneurs (in addition to identified barriers to business development). Monthly monitoring reports by NGOs also identify beneficiary needs related to enhancing skills and expanding business activities. The beneficiary selection process similarly integrated an assessment of needs, using an eligibility criteria established by IOM based on identified vulnerable groups, and also using a two-stage selection process. IOM also carried out periodic monitoring of samples of beneficiaries in February 2017, June 2017, July 2017 and September 2017 that included the level of satisfaction with assistance received as well as needs for further knowledge and skills. As of 30 September 2017, IOM staff reported that they had visited a minimum of 10% of the assisted beneficiaries to ensure they received assistance, evaluate quality, check that it addressed needs, and assess situation, needs and vulnerability.
- IOM staff noted that **beneficiary feedback** was promoted through NGO partners, the IOM Ukraine Facebook page, and direct lines of communication to IOM staff through email and phone. At the start of the project, a safe and confidential feedback procedure was established for receiving, managing and responding to any feedback or complaints. IOM staff reported that all requests, suggestions, and

complaints were gathered and shared with the project team for analysis and follow-up. At the Mission level, IOM Ukraine also maintains a dedicated hotline (the IOM Ukraine Transparency Mechanism) that is used to create a channel for IOM beneficiaries, partners and subcontractors to submit questions, concerns and complaints. This serves as a key information source for ongoing improvement of IOM's programmes and services. The transparency hotline can be contacted via mail, phone, and email. Additionally, all beneficiaries under this project were also informed about an IOM-supported hotline operated by the NGO partner Donbas SOS, which provides a mechanism for communication with conflict-affected communities. Some NGOs also took initiative to gather feedback through additional channels; for instance, one NGO created a closed group in Facebook to share news and collect feedback from those who received grants.

- IOM staff report **using monitoring information** to improve programming, for example in planning topics and locations for business improvement trainings.

4.1.5. Internal logic of project design

Conclusion 4: The chosen activities and outputs are consistent with intended outcome and objective. There is a clear and consistent theory of change behind the project strategy that is also consistent with the perceptions of stakeholders and IOM project staff. At the same time, some aspects of the theory of change could be reviewed and potentially revised in future projects to ensure alignment with needs.

The project document lays out a clear and explicit theory of change, and its various elements appear to be largely echoed in the explanations provided by project staff and the perceptions of stakeholders. The following section describes that theory of change, and makes a few related observations (*in italics*):

- Based on identified challenges and needs, the project strategy was to focus on scarce resources, limited dialogue and lack of income-generating opportunities as key barriers impacting not only the socio-economic well-being of IDPs but were also generating community tensions between IDPs and locals. The drivers of change that the project leverages are economic empowerment of the most vulnerable IDPs and host community members, and interaction and networking among IDPs and host communities. *This aligns well with available data and stakeholder perceptions.*
- In relation to economic empowerment, the project targets individuals who are already willing and motivated to improve livelihood activities but need access to capital for needed inputs (courses, equipment, etc.) to find work, start income-generating activities, or grow their business. Some may also require support in refining and strengthening their plans. The project assumes that when an individual applies for support, they already know what they want to do, and what support is needed. Separate, targeted training sessions are therefore provided for each track (vocational training, self-employment, business development) that include market assessment information and development of a strong business plan. *While many beneficiaries reported that they had a clear idea at the time of initial application, a few others noted that they would have liked a bit more support in developing their business ideas and drafting a plan.*
- Additionally:
 - In the case of business development grants, those are designed with a longer-term return on investment in mind. This track therefore additionally targets individuals who are ready to engage in business and have a set of pre-existing professional skills, but require some additional support to grow their business. The project requires that they have a business license for at least one year, a factor identified in the project design to ensure a high level of success in implementation due to a long-term commitment and substantial investment needed to achieve business development goals. This is also intended to prevent direct support to the informal economy and to illegally operating businesses. *While the logic is good, challenges were observed during the evaluation relating to the difficult operating environment in Ukraine, including an increased tax burden on entrepreneurs following*

recent reforms, based on which the requirements could be reassessed. However, the requirement may still be necessary to prevent support to the informal economy.

- In the case of self-employment and vocational courses, the project encourages the selection of 'mobile' self-employment activities considering the internal displacement dynamics. If self-employment and vocational skills are mobile, then the beneficiaries can continue to benefit from them should they choose to move again to a new city or return to their original city.
- If willing and motivated individuals are provided with (a) guidance in developing strong business plans based on market assessments and (b) access to needed inputs, then they will be able to put their plans into action resulting in finding work, income-generation, or growing their business. Specifically:
 - If vocational training courses are successful and market conditions remain amenable, then beneficiaries will be more likely to find work. The project assumes that local employers will relish the chance to hire individuals with fresh training, whether IDP or host community members.
 - If self-employment plans are successful, then beneficiaries will enjoy an immediate source of income generation to support themselves and their families, and will provide new services for their communities.
 - If business development plans are successful, then they will also enjoy an improved source of income generation and will also likely provide more services and jobs to their communities. The marketing of services will be facilitated by the planned Business Exchange Platform developed under this project.
- Taken together, the expected outcomes of economic empowerment include immediate benefit to beneficiaries and their families, as well as new jobs and services for the communities. This will contribute to the long-term integration of IDPs, the benefits of which will be shared by family members as well as other community members. *There appears to be a clear link between the project activities and intended economic benefits for both beneficiaries and communities.*
- It is also expected that by bringing together beneficiaries of previous projects with beneficiaries of this current project in the initial training sessions and ongoing trainings, new and sustainable links will be established between those beneficiaries and with other economically active individuals, groups and organizations that can work to change the business landscape and establish economic cooperation between IDPs and host communities. *While the project activities appear to logically promote increased interactions, it was not clear from the data the extent to which activities included attention to bringing in others from the community. In this respect, the linkage here could be further explored and clarified.*
- Additionally, if the activities bring together IDPs and host community members, then interaction and cooperation will increase and isolation and marginalization of those most affected by conflict will decrease. Linking support to host communities to acceptance of and collaboration with IDPs provides positive messaging that can act as a preventative measure in circumscribing social tensions and promoting mutually beneficial development.
- It is also intended that such cooperation between IDPs and host community members will be fostered through the Business Exchange Platform developed under the project. It is intended that the platform will stimulate communications among business people for the creation of networks (including via social media) and offer support for start-ups and business groups.
- Overall, the assumption is that this approach will serve as an instrument for maximizing positive by-product of the crisis in Ukraine (influx of IDPs who can bring business acumen, new ideas, workforce to strengthen the local economy) and minimizing through dialogue negative by-

products (stereotypes, stigmatization and discrimination borne of ignorance and hearsay that plague some conflict-affected locales). Taken together, these changes are intended to contribute to improved confidence, social cohesion and reconciliation between communities. *A logical link is made between livelihoods activities and longer-term economic and social changes.*

4.2 Effectiveness

Qualitative data from interviews and focus groups with a sample of beneficiaries and NGOs provided a rich source of data for identifying challenges to effectiveness. However, as explained in the limitations section, monitoring data was not available for all project indicators at the time of the evaluation, limiting conclusions that could be drawn about effectiveness of the project as a whole in terms of achievement of results, particularly at outcome level. However, it should be noted that a fuller assessment of effectiveness is planned by IOM project team, including an impact assessment to feed into final reporting to the donor.

4.2.1. Achievement of outputs

Conclusion 5: According to information on reported indicators, nearly all of the established targets were achieved or on track as of the time of the evaluation visit. Some challenges were noted in relation to meeting the target proportion of IDPs and women benefitting from business development grants.

Output 1: IDPs and members of host communities benefit from equipment/tools and vocational professional training sessions in support of income-generating measures available

As of the end of quarter three, all established targets were already achieved or on track:

	Output indicators	Q1	Q2	Q3	Target
1	# of self-employment training beneficiaries	1,744	1,744	2,005	1,600
2	% of self-employment training beneficiaries from host community	36.6%	33%	32.6%	30%
3	# of vocational training beneficiaries	170	196	234	200
4	% of vocational training beneficiaries from host community	38.8%	42%	35%	30%
5	# of self-employment training sessions	64	64	64	64
6	# of vocational training sessions	7	8	9	8
7	# of self-employment grant beneficiaries	997	1,023	1,179	930
8	% of self-employment grant beneficiaries who are women	57.2%	57%	58%	55%
9	# of vocational training grant beneficiaries	101	129	150	150
10	% vocational training grant beneficiaries who are women	77%	81%	81%	55%

Additionally, respondents reported that trainings were of high-quality and sufficient length. The two-day length was appreciated; some noted that one day would have been too short to digest the information, while others commented that they appreciated that the training did not go longer. Another noted that most participants were already involved in some type of business activity, so didn't need extensive explanations.

"It was condensed and convenient. It didn't take two weeks but just two days."

"Sufficient, accessible and efficient."

- Focus group participants

Two themes also emerged from discussions related to learning and confidence-building:

- **Learning.** Several beneficiaries noted that the training helped to build their knowledge and skills related to business development. One beneficiary noted she had no economic training in the past, and the two-day training helped her learn not only how to write a business plan, but in general how to set future goals and monitor business progress. Still, a few said they would have liked more differentiated training with groups divided according to previous experience.

- **Confidence building.** Several beneficiaries noted that their confidence improved after the training, as it encouraged and inspired them that it was possible to achieve a successful business. One noted that the first day of training was overwhelming with a lot of new information; if the training was only one day, she may have given up, but the second day of training helped to process the information. Another noted that she had heard about the previous round of grants provided by IOM, but was intimidated by the need to complete a training and write a business plan, and didn't apply that time. It would have been helpful for her to have heard a personal perspective and experience of others to encourage her before.

"The training was very positive, and had a welcoming atmosphere, very homelike."

- Focus group participant

Output 2: IDPs and members of host communities benefit from micro-enterprise support for business development and income-generation

As of the end of quarter three, most targets for which data was available were achieved or on track:

	Output indicators	Q1	Q2	Q3	Target
11	# of business development training beneficiaries	467	515	515	500
12	% of business development beneficiaries from host community	43.5%	42%	42%	30%
13	# of business development training sessions	18	20	20	20
14	# of business development grant beneficiaries	212	243	250	250
15	% of business development grant beneficiaries who are women	45.2%	48%	48%	55%

However, the proportion of host community members was high and the proportion of women was low compared to target percentages. Regarding the low number of women applying for business development grants, IOM reported making efforts to address this, but still predicted that the target would not be met by the end of the project.

These indicators show that progress was made in terms of providing support to the targeted number of IDPs and members of host communities. The data from the sample of beneficiaries in the focus group discussions furthermore indicates that the trainings were of high quality (as discussed under Output 1).

Additional related indicators for which data was not available, but which could potentially be included into the planned final impact assessment and/or in the final reporting to the donor: Percentage of recipients of micro-enterprise grants who confirm that the support is relevant.

Output 3: IDPs and members of host communities benefit from information and best practices shared through a Business Exchange Platform and business improvement sessions

At the end of quarter three, targets appear to be already on track, based on the monitoring data that was reported in the quarterly donor reports:

	Output indicators	Q1	Q2	Q3	Target
16	% of beneficiaries who report a need for additional training or information for improvement of their business activities	78%	45%	Not available	60%

Some information related to business information sessions was available from quarterly reports and directly from IOM staff related to business improvement sessions. As of Q3, IOM reported that additional training was provided to 1,706 beneficiaries. The average number of trainings per region was between 8-9 trainings.

Additional related indicators for which data was not available, but which could potentially be included into the planned final impact assessment and/or in the final reporting to the donor: No. of business improvement sessions/consultations conducted in the framework of Business Exchange Platform; No. of persons (% men and women) provided with business improvement information; % of recipients of business improvement information who confirm that the support contributed to business sustainability / expansion.

4.2.2 Stakeholder satisfaction with activities and outputs

Conclusion 6: Overall, the beneficiaries and NGO partners were satisfied with the quality of activities and outputs delivered under the project. The more recurrent areas of least satisfaction are related to the procurement process and the Business Exchange Platform.

The evaluation assessed the satisfaction of project beneficiaries among the selected sample:

- *Satisfaction with selection process:* There was some confusion over whether they could apply for an additional grant, and whether and why those whose business plans were rejected were not able to apply again for another grant in the future. It was cited that the information provided about possibility for additional grants is not very clear.
- *Satisfaction with training:* Most expressed a high level of satisfaction with the initial two-day training and the experience of presenting their business plans. One noted that the approach and trainers provided by IOM were by far the best compared to two other programs he participated in. Several noted that they lacked a background in business, and that it was helpful to put how to put together a business plan. A couple beneficiaries said they would have liked more support in identifying and developing their business idea.

“In the other programs, it was just an exercise, but with IOM it was practical and goal-oriented. When we presented the business plans we got really good questions from trainers and other participants.”

- Beneficiary
- *Satisfaction with procurement:* The focus group participants reported that they were pleased with the quality of equipment, the efficiency of the process, and the support received from the NGOs. One participant noted that the procedures of this project were simple, compared with overly complicated processes of other programs they have experienced, and provides enough time to achieve results. However, challenges related to finding eligible suppliers were brought up in all of the focus groups, with the repeated suggestion to provide pre-approved supplier lists.
- *Satisfaction with Business Exchange Platform:* The Business Exchange Platform was newly launched at the time of the evaluation visit, and not all planned presentations to explain the platform had been completed. Of those participating in presentations as of Q3 (780 total), only 30% were beneficiaries (around 234 beneficiaries). Though further assessment will be needed to determine effectiveness of the platform, some initial reactions were gathered from project beneficiaries. The perception based on focus group participant responses is that the idea to promote networking is good, but there were mixed feelings about the chosen solution. Most expressed some degree of doubt about the usefulness of this specific platform. Even among those who supported the idea, it was emphasized that further assessment is needed regarding whether this proposed platform is the best solution. It was stated that platforms exist, and the added value of this platform is not clear to them. Those that have signed up and explored the platform found that the majority of services are paid. One NGO said this is a common complaint and while the rates are similar to other platforms, the others are already established. There is therefore a perceived lack of incentive to use this specific platform.
- *Satisfaction with business improvement sessions:* Some beneficiaries in focus groups and also NGOs were apparently not aware of the business improvement sessions. One beneficiary noted that ‘business meetings’ could be held in addition to the two-day training, and one NGO said that it would be good to add additional training for beneficiaries in future. However, various respondents did refer to meetings organized by NGO to address certain issues such as taxation. It could be that the business improvement sessions were not available or known to all, or that they were not perceived by all as ‘training’. It was therefore difficult to assess the effectiveness of the sessions. To date, there had been no apparent monitoring or follow-up after the sessions for specific participants, aside from the cross-the-board monitoring of all project beneficiaries. An indicator to track this was included in the project document, and data on this could therefore inform a later fuller assessment as part of the final impact assessment and/or the final reporting to the donor.

4.2.3. Achievement of outcomes

Conclusion 7: Based on the information available, it appears that the project is on track to contribute to the intended outcome of improved income generation and thereby promote additional jobs and services for the community, improve cooperation and connections between IDPs and host community members, and facilitate integration of IDPs.

Outcome: IDPs and members of host communities supported under the project are engaged in income-generating activities that cover their basic needs and benefit the community.

Income generation

The Evaluator assessed aspects raised during the focus groups and interviews, which indicate that the intended outcome is being achieved among the sample of beneficiaries and regions included in this evaluation. Overall, a large majority of the focus group participants reported now generating enough income to cover basic needs and many cited specific examples of benefits to their communities, including providing more jobs and services.

The NGOs felt that the project was very successful. One noted a few unsuccessful cases, including a beneficiary whose equipment was stolen, and another who joined the military. One NGO estimates that 80% of beneficiaries who received equipment increased their income generation. That NGO states that business development support has the highest success rate; those that receive a grant are committed, use the equipment from day one, and create jobs for others. The NGO therefore suggested to focus more on this component given the demand and perceived success rate; they said the self-employment support is also good, but the size of the grant is too small, so it remains as a source of additional income but beneficiaries are unable to grow their enterprise.

“When I go back to East to visit, the only I can speak about with pride is this IOM project. I received a grant, and it is helping me, and this is the only positive thing I could say about my situation here.”
-Focus group participant

However, it is important to keep in mind that the sample size for this evaluation was small, and results were mixed among some of the focus group participants. For example:

- One beneficiary reported that the grant enabled him to buy high-quality metal working equipment. Before, the equipment he had would often breakdown, but now he isn't spending money replacing equipment and this is increasing his income. As a result, he decided to register as an entrepreneur.
- One beneficiary noted that his income is now sufficient enough to invest in the more modern equipment that he needs.
- Another, however, is unable to obtain the rest of the equipment needed to adapt to shifting market demands (renovating ovens for a new ceramic product), as rising prices make it hard to save money.

Additional related indicators for which data was not available, but which could potentially be included into the planned final impact assessment and/or in the final reporting to the donor: Percentage of IDPs and host community members with an active business or active in self-employment at the end of the project; Percentage of IDPs and host community members who underwent vocational training who are employed in the related field at the end of the project; Ratio of income generated by IDPs to average income in community at the end of the project; Percentage of those IDPs who moved (displacement or return) after receiving self-employment, business development, or vocational training who report using acquired skills.

Additional jobs and services

Limited data was available on this, though a few examples were raised in interviews and focus groups:

- One beneficiary employs several people from Eastern Ukraine, including a man with cerebral palsy.
- Another reported currently employing 10 people, with a few vacancies open.

- One reported she was able provide new services since receiving massage equipment.

Additional related indicators for which data was not available, but which could potentially be included into the planned final impact assessment and/or in final reporting: Percentage of businesses/enterprises that provide new services in host communities; Number of jobs created by businesses supported by the project.

Cooperation and connections between IDPs and with host community members

Based only on the interviews and focus groups, many focus group participants stated that interacting with others under the project had helped them to identify common professional areas and other areas where they could support each other. Some provided examples of joint business ventures. For instance, one beneficiary opened a combined car repair and car wash together with other IDPs. Others said that they actively referring clients, or buy directly products and services from other beneficiaries. Various other themes emerged:

- Getting to know others, forming personal connections. Many noted a tendency to stick together more with IDPs, but that through the project they have improved not only their connection to IDPs but also to others in the community.
- Cooperation societies. For example, one group of beneficiaries in agricultural joined forced to form an association where they can share equipment among them, thereby increasing their incomes and allowing them to purchase more equipment and work more land.
- Getting new ideas for initiatives (beneficiaries got ideas among themselves, and also sharing their ideas and success stories with others). One employment centre highlighted the value of success stories in promoting entrepreneurship, citing it as a highly successful approach given the limited funds for supporting all individuals.

Some of the cooperation and networking efforts involve or are supported by local authorities. For example, one NGO referred to efforts to work with local authorities to form a ceramics business association to jointly promote and market their products. In another case, the local mayor came to a training and offered to provide favourable lease agreements for businesses responding to a list of needs that he identified.

Further assessment of this aspect could be addressed as part of the final impact assessment and/or in the final reporting to the donor, including outcome-level indicators for which data was not available at the time of the evaluation: Percentage of beneficiaries involved into business networks/groups created in the framework of Business Exchange Platform; Percentage of beneficiaries of the CSSF 2015-2016 project involved in business support/exchange activities.

Integration of IDPs

In terms of integration, this could be observed in various ways in the responses from the focus group participants. The more common areas raised in discussions with beneficiaries include feelings of acceptance and stability:

- Acceptance. One beneficiary in Kyiv had problems at first finding housing or employment, and was offered jobs at lower wages than others; however, this has improved over time as people come to see them as ‘good specialists’ who do good work. Others agreed, and explained that this relates to a need to establish a reputation in a new place, to adjust to different local mentalities, and a “widespread attitude [in Kyiv] of rejecting strangers, those that are not local.” At the same time, one beneficiary had a very positive reception in Kyiv; one month after arriving he needed a surgery but couldn’t pay for it, since his previous employer refused to pay him owed wages, and local residents from Kyiv came together to donate money for him. One NGO noted improved cooperation between IDPs and host community members compared to the start of the project, after they interacted and got to know each other.

- **Stability.** Beneficiaries in Kyiv reported an improved situation and more stability, no longer moving often from one residence to another. One spoke for the group, stating that they now have a plan and a goal in life, that not all of them may go back as they have found a place 'to live and to grow'.

Further assessment of this aspect could be addressed as part of the final impact assessment and/or in the final reporting to the donor, including a final outcome-level indicator for which data was not available at the time of the evaluation: Percentage of beneficiaries who report improved integration in their host community at the end of the project.

Other longer-term intended results are identified in the project document, such as improved positive relations between IDPs and host communities and contribution towards reconciliation, confidence building and social cohesion. These are addressed later under the Impact section.

4.2.3. Challenges to effectiveness and mitigation measures

Conclusion 8: The Evaluator identified several challenges that were repeated in conversations with beneficiaries and stakeholders, including the difficult operating environment and tight implementation timeline. IOM reported active measures to respond or mitigate to each challenge or risk.

The Evaluator identified several challenges that were repeated in conversations with beneficiaries and stakeholders. In all of these cases, IOM reported active measures to respond or mitigate.

- **Operating environment.** The project was carried out in a difficult economic environment and amidst a host of other issues related to social and political instability fuelled by the conflict in Ukraine. This means that even highly skilled and motivated beneficiaries have struggled to succeed. IOM strives to have clear and transparent selection procedures and to help beneficiaries find alternatives and adapt when things are not working out, as evidenced by the project's intended focus on ongoing counselling and support. This appears to relate also to the lower number of business development grants for IDPs than originally hoped for, which respondents linked to general economic conditions as well as changes to regulations that have increased the cost of maintaining a business licence. In future, this is likely to remain a challenge given expectations that economic difficulties will continue.
- **Implementation timeline.** IOM has successfully implemented the project on time and on budget, despite the challenge of spending 1 million pounds in less than four months. While IOM was able to respond to this demand from the donor, IOM staff noted that it had some impacts on the level of attention to other aspects. For example, the tight implementation deadline was cited as a reason for not being able to carry out some of the participatory M&E approaches that were mentioned in the project document. From the perspective of NGOs, all NGOs expressed some degree of frustration with the terms of cooperation, centred around demands placed on them to work quickly and within a limited budget. The NGOs that stated they had coped best with perceived time and resource limitations had one or both of the following characteristics: previous experience working with IOM or other international aid organizations, and strong connections and in-kind support from other local actors that greatly facilitated the project activities.
- **Eligibility criteria.** It was suggested to allow previous beneficiaries to apply again, assessed based on their success and growth potential. Also, the eligibility criteria for business development restricted applications to those with a registered business for at least one year. This constrained the number of businesses that could be supported, especially in light of recent legislative changes that impacted small businesses, resulting in many entrepreneurs de-registering their businesses. According to IOM staff and NGOs interviewed, this made it difficult to meet the target number of business development grants. Also, business development grants were not provided as an option in all regions. IOM determined which of the three grant options would be made available. In one case, the NGO agreed with now offering business development grants in their region, citing the known difficulties is administering such types of grants. In another case, however, an NGO did not agree with a similar decision, citing that they would prefer in future to offer all three grant options.

IOM reported that reducing eligibility criteria for business development grants will lower the overall level of success in implementation. However, additional efforts may be needed for instance in terms of outreach strategy to better reach the target audience. IOM staff noted, for instance, that future outreach could include business associations and chambers of commerce. IOM staff also suggested that efforts could be made to make business development grants more attractive to beneficiaries, for instance through promoting more visibility and success stories. This idea appears good in light of data from focus group participants, who repeatedly emphasized that many people they know are now interested to apply for grants after hearing about the success of the project beneficiaries.

- *Vulnerability criteria.* Many respondents make suggestions for revising the vulnerability criteria, especially considering that less IDP movements are expected in future. For example, one NGO felt that more community members could be included, provided they commit to employing IDPs. Another suggested that military families should be better included. Another suggested to increase the upper age limit to 65 years.
- *Access to trainings.* While no one raised an issue with the quality of the trainings, some found it difficult to travel to the training location from the cities and towns where they live. Still, it was noted that the cost of hotel and meals was covered, which was helpful for those living in other cities. It was also suggested to consider expansion of coverage to other cities in the region beyond the regional capital.
- *Selection process.* Some NGOs cited aspects of the selection process as a challenge. For instance, one noted that the short time provided to gather applications from potential beneficiaries lowered the quality of individual assessments by the NGOs, and suggested to allow time for a more rigorous pre-selection, and also to provide space in each application for NGO comments. A couple of the beneficiaries also cited challenges: one was put on a waiting list, and when notified of his selection had only two days to find a supplier, and said that it would be better to provide at least one week.
- *Procurement.* Two major challenges that beneficiaries cited were finding suppliers that qualified within the short time available, with delays experienced both on the side of suppliers and IOM. The delayed processing by IOM which combined with the rapid currency rate changes often meant that they couldn't procure all of the planned equipment. In one case, a beneficiary stated procurement took three months which was much longer than expected, resulting in losing a lease on office space. Some also cited that it was especially hard when they had to buy many small pieces of equipment. Finally, some respondents were frustrated that they had to get paperwork and equipment in the same location where they received a training, and this was a struggle for some living in the eastern cities when they had to pass through roadblocks. Still, the beneficiaries reported that the process was well explained and that NGOs helped them to navigate the process. One noted that the procedures of this project were simple compared with the overly complicated processes of other programs, and provides enough time to achieve results.

"The procurement process is tried and tested. Procurement was fast, and there was no major issue. We had excellent communication with IOM. IOM meets us halfway and we are able to find a solution."

- NGO respondent

Additionally, some has trouble finding equipment locally and/or for a reasonable price. This was identified as a risk in the project document, with planned mitigation including IOM/NGO partners working with trusted vendors and actively searching for suitable and reasonable equipment and items. The mitigation plans are well formulated. However, repeated suggestions from the focus group participants to provide lists of trusted vendors indicate that the mitigation plans may not have been fully implemented in practice.

A final point (identified by IOM from monitoring, and reported during the third quarter) is that the equipment procured often requires service centre supervision for installation and tuning, which may be expensive and can cause delays in starting businesses.

4.2.4. Lessons learned from implementation

Conclusion 9: Based on experiences in the implementation of this project, stakeholders identified a number of suggestions for improving future projects, including exploring the inclusion of business fairs, better supporting identification of suppliers, allowing previous beneficiaries to apply for another grant, or introducing a microloan options for previous and additional beneficiaries.

IOM, NGO partners, and beneficiaries identified a number of suggestions for improving livelihood support programming in the future. This included:

- *Business fairs.* Regarding the new Business Exchange Platform developed under this project, though not all had heard of the platform or had a chance to use it yet, most had an opinion on whether it was in general a good idea. The consensus was that the chance to network with other businesspeople is generally always needed, with the exception of a few beneficiaries who felt that it was not applicable to their situation. However, while many had positive reactions and were interested to explore and try out the platform, many others felt that other similar platforms already existed and questioned the need for this one, the added value it would bring, and whether it was duplication or fragmentation of efforts. Also, many beneficiaries expressed strong interest in face-to-face meetings through business, which could provide a nice complement to online platforms. IOM noted that they are exploring inclusion of business fairs in future projects.
- *Support identification of suppliers.* The challenge of locating eligible suppliers was brought up in all of the focus groups; several suggestions were made to establish lists of pre-approved suppliers. The project document identified that this was a risk, and cited plans for IOM and NGO partners to ‘work with trusted vendors and search dutifully for suitable and reasonable equipment’. However, it seems that more efforts in this area could be useful in future.
- *Support to a revolving fund mechanism.* IOM staff also noted that they were considering a revolving fund mechanism in future projects, if a feasibility study shows that it could work, with the idea to transition towards something more sustainable. IOM reported they are already seeing a number of beneficiaries that could benefit from more funding. This was echoed by the beneficiaries through the focus group discussions, both the readiness of many beneficiaries to receive more funding in order to continue growing their business as well as their interest in supporting alternate funding modalities. One beneficiary offered an idea that previous recipients of funding could be encouraged to invest into a revolving fund to support additional beneficiaries in their communities.
- *Clarify and review the restriction on reapplying for grants.* Many beneficiaries commented that it was unfair that those whose business plans were rejected could not apply again in future. IOM staff clarified that it is generally the case that those whose business plan is rejected cannot apply again, although some are placed on a waiting list.
- *Improved beneficiary monitoring.* In future, IOM plans to refine its monitoring methods to also gather information on the impact and sustainability of each business to determine the extent to which they are contributing to overall socio-economic development goals. This will provide information to inform IOM decisions about whether to increase grant amounts or further tailor assistance according to both the needs and the assessed results.

4.3 Efficiency

4.3.1. Resource utilization and monitoring practices

Conclusion 10: This project benefits from an excellent Mission-wide communication and reporting system in IOM Ukraine that includes monthly reports by project managers to IOM management on activities, results, budget and challenges encountered along with identified follow-up actions. At a project level, a strong monitoring plan is in place to build capacity and monitor NGO partners, ensure quality control of beneficiary selection and procurement processes, and monitor beneficiary needs and progress made.

Project management. A project action plan was created at the start that details activities, M&E, budget, contact details of all partners, procurement plan and other relevant project details to guide the project staff in implementation and monitoring. The project management structure also reportedly benefitted from a strong foundation established during the previous DFID-funded project, including good communication structure, and clear legal and procurement processes.

NGOs support various activities related to implementation including promotion of the project using their networks including through local employment centres, selection of participants, logistics and facilitation of training arrangements, supervision of business planes, primary collection of invoices for procurement procedures and delivery of equipment. The monitoring of beneficiaries and follow up ad hoc consultations are also part of NGO responsibilities.

Finally, a sub-contracted NGO/business association in close coordination with the IOM project team was contracted to establish the Business Exchange Platform. Tailored business development session and consultations will provide beneficiaries with the essential knowledge and skills for expanding their business initiatives.

IOM's Regional Office in Vienna provides oversight and technical assistance to the project, and IOM Headquarters in Geneva also maintain a technical team of specialists to engage, as required.

The IOM project team reported meets daily to follow-up on tasks and address emerging issues, and to ensure open flow of updates and information among the project team. Any issues that emerge in the project are raised during regular IOM-wide staff meetings organized weekly, or directly on an ad hoc basis with senior management, procurement, and administration units as needed. IOM Ukraine also recently instituted a mission-wide monthly reporting procedure, for which each project manager prepared a progress report including assessment of progress compared to established timelines, budgets and expected outputs (deliverables). The Mission's senior management reviews reports and follows up to address any identified issues. IOM staff reports that this has improved their ability to identify and promptly address any deficiencies in implementation. This highly effective internal communication and reporting system enables also a timely quarterly reporting to the donor on progress.

Project monitoring. The project team uses a combination of monitoring approaches to track qualitative and quantifies progress. Results of monitoring are cross-checked and triangulated by IOM M&E staff review of data, NGO monitoring reports, and project team monitoring visits including interviews with IDPs and community members. The following monitoring approaches are used:

- *Monthly monitoring of activities, results, budget and challenges.* As part of Mission-wide monthly reporting explained above, the project team reports to IOM management on progress of activities including start date, duration and percentage completed. Progress in achieving output-level results are also assessed together with expenditures, challenges and significant developments, to identify concrete follow-up actions for the next month and planned M&E activities.
- *Indicators.* IOM tracks and reports monthly on output indicators, as well as quarterly on outcome indicators, including a disaggregation of data by sex and by displacement status. M&E staff are responsible for carrying out and facilitating data review, and for measuring outcome-level results.

- *Daily meetings and clear division of tasks.* The project team meets daily to discuss progress and emerging issues, and coordinated among the team to ensure efficient and effective follow-up action. The project team includes two livelihoods specialists that divide up responsibility by region. Each provides oversight and management of implementing partners in their regions.
- *Procurement.* IOM Ukraine follows organization-wide procurement practices and procedures, according to which the NGO implementing partners were selected. Effective use of procurement procedures also resulted in cost-savings that enabled an increase in the number of grants provided.
- *Oversight and support of NGO implementing partners.* NGO partners filled out an assessment questionnaire that included the NGO's own capacities. IOM then provided NGO partners with a manual and a training on procedures and standard requirements, including procurement and accountability. NGOs submit monthly reports, and IOM regularly communicates through monthly meetings and ad hoc communication to address emerging issues. This is part of capacity building of NGOs to ensure implementation according to standard procedures and regulations.
- *Beneficiary selection.* The beneficiary selection process is carried out according to eligibility criteria as well as vulnerability criteria to prioritize selection of certain groups, which were set by IOM and adjusted throughout implementation based on results of monitoring. IOM also reviews pre-and post-training beneficiary assessments, and reviews the assessment of business plans with two step process (first review by joint committee of IOM/NGO staff, and second review by another IOM staff including justification of adopted decision). IOM maintains a confidential database of beneficiaries to facilitate follow-up, and cross checks data with other available sources to avoid duplication of assistance by different actors to the extent possible, though this is complicated to some extent by national legal regulations on the sharing of personal data.
- *Beneficiary case management and monitoring.* NGOs provide ongoing monitoring and case management of beneficiaries, and submits monthly monitoring reports to IOM. The reports include identification of the needs for maintaining or expanding business activities, and include beneficiaries of this project (2016-2017) as well as beneficiaries of a previous DFID-funded project (2015-2016). A separate questionnaire is used for monitoring those in vocational training courses.
- *Direct observation and monitoring visits.* IOM directly monitors business orientation trainings and carries out periodic direct monitoring was (quarterly) also carried out directly by IOM staff using phone surveys, site visits and questionnaires in Jan-Feb 2017, June 2017, and Sept 2017. The focus was on effectiveness, adequacy and appropriateness of assistance provided, including business progress, need for additional trainings, challenges faced and future plans. As of 30 Sept 2017, IOM staff reported that they had visited over 10% of the assisted beneficiaries. Additionally, monitoring focused on beneficiaries of the previous DFID-funded project for 2015-16 (with some beneficiaries of current project included) was carried out through phone surveys and in-person interviews in July 2017, in three randomly selected regions, to learn about progress and challenges in their agricultural businesses and in the agricultural sector generally.

4.3.2. Cost effectiveness

IOM staff reported that implementation of IOM procurement procedures resulted in securing the best rates good and services procured, resulting in cost savings under this project that enabled them to provide more grants than originally planned for.

IOM had to spend 1 million pounds in less than four months due to the donor requirements and implementation timeline, and this was a huge challenge. IOM adapted to the circumstances through deft management and encouraging the team to pull together to assist in monitoring, rolling out training sessions, and continuous oversight and meetings to ensure overall dedication to the project.

4.3.3. Challenges to efficiency

Conclusion 11: The main identified challenges to efficiency centred around the short implementation timeline, and a reportedly insufficient budget for NGO activities.

- Challenge of implementing the project and spending the budget in a tight timeline necessitated by donor requirements, in which the project had to spend 1 million GBP (roughly one half of the total 1.75 GBP budget) in the first 3.5 months of the project. This was a major challenge highlighted by the project team. Achievement of that spending deadline required an extremely high degree of efficiency on the part of the entire project team, which benefitted from well-functioning systems established during a previous DFID-funded livelihoods project and from strong Mission-wide systems for overseeing project implementation, monitoring, and reporting including dedicated M&E staff and oversight by IOM management.
- The challenges described above also impacted NGOs, several of whom reported challenges in carrying out all planned activities given the available budget. One noted that the budget was not sufficient to cover salaries and travel, and that more funds are needed to support NGOs. NGOs also noted the timelines were too short at times, including the initial rush to find and process applicants.

“In general, this is a much-needed project, but there is a need to pay more attention to the implementers.”

- NGO respondent

4.4 Impact Qualitative data from interviews and focus groups with a sample of beneficiaries and NGOs provided a rich source of data for identifying factors related to impact. However, as explained in the limitations section, monitoring data was not available for all project indicators at the time of the evaluation, limiting conclusions that could be drawn about impact of the project. However, it should be noted that a fuller assessment of impact is planned by the IOM project team, including a final impact assessment to feed into final reporting to the donor.

4.4.1. Contribution to long-term change

Conclusion 12: The evaluation was not able to fully assess impact given the data available. However, it overall appears that the project is on track to contribute to economic and social impacts, based on the theory of change which appears to hold true and given the stakeholder perceptions.

The longer-term intended results identified in the project document include positive relations between IDPs and host communities and contribution towards reconciliation, confidence building and social cohesion. Specifically, the project is designed to contribute to two long-term donor goals: (1) Improve relations between communities in conflict, or potential conflict with each other, and (2) Decrease the isolation and marginalization of those most affected by conflict. The narrative section of the project document states: “By providing opportunities for economic empowerment and facilitating interaction and networking to achieve personal business and wider community goals, the project will contribute to decreasing the isolation and marginalisation of those most affected by conflict, especially IDPs and communities in the Donbas, and improving relations between communities in conflict, or potential conflict with each other.” Additionally, under the section for ‘project outcome’, the narrative states that the ‘objective’ is to support the integration of IDPs and stabilize host communities.

The likelihood of long-term impacts of the project is therefore described below in terms of economic and social impacts:

Economic impacts

Building connections with local businesses and liaison with local authorities by NGOs, intended to happen under this project, was intended to contribute not only to the economic success of IDPs but a wider base of support for the interests of small business people sensible regulation. Beneficiaries in the focus groups stated that others in their communities are now more hopeful and excited about starting businesses after

learning about the success stories of those who received grants. Future projects could explore opportunities to increase support for sharing success stories and promoting networking.

Overall, the project appears highly effective in terms of promoting income generation among its beneficiaries. However, wider or longer term impacts are limited by various factors, including the limited scope of this project compared to the needs and ongoing economic instability, which represent important stumbling blocks. For instance, one NGO said that the budget is too small to have an impact on the local socio-economic conditions, but it is a great help to the beneficiaries and can impact those around them. One beneficiary working in construction asserted that with a much higher investment (tens of thousands of dollars) he would be able to hire 30-50 more people.

Also, while beneficiaries supported by the project are successfully generating income through their self-employment or their businesses, they are unable to grow without additional funds from grants or loans. The economic situation remains challenging, and it is difficult to save money or access loans to make needed investments. Additionally, there is a high vulnerability to shocks such as equipment breaking down, given lack of needed funds to repair or replace. At the same time, some beneficiaries interviewed for this evaluation expressed willingness to invest their own money in helping others start a business, through microloans or a revolving fund.

Social impacts

In terms of social aspects, integration of IDPs was identified by the project as an indicator at the outcome level. The intention was that the personal links established under the project between IDPs and host community members would contribute to increased understanding and defuse possible tensions in the future. As confirmed by latest NMS, the main conditions for successful integration indicated by IDPs are housing, regular income, and employment. Beneficiaries in the focus groups indicated improvements in these areas, and feelings of acceptance and stability in their host communities. It is therefore likely that the project will contribute to some extent to ease social tensions and support community stabilization, though limited by relative size of the project considering the wider IDP population.

Also, according to the project document, “cooperation between IDPs and host community members will be specifically fostered through the Business Exchange Platform.” However, assessment of the role that platform is likely to play was limited by the timing of the evaluation shortly after the launch of the platform, thereby making it hard to assess at this time its likely contribution to long-term impact.

Successful projects not only generate income for the beneficiaries, but have impacts on others in their communities. This includes provision of jobs and services, mentioned already as outcomes, as well as the further inspiration and support that IDPs provide to others – whether indirectly by sharing their success stories, or directly by some IDPs who are now acting as volunteers to mentor and support others in their communities.

In assessing impact, it would be helpful to have more data to understand more geographical impacts specific to each region, and also results in terms of social cohesion. Again, it should be kept in mind that this evaluation was primarily focused on effectiveness, efficiency and relevance, with more limited attention given to impact and sustainability, and at the time of the evaluation an assessment to more fully assess impact was being planned for the end of the project.

4.5 Sustainability

4.5.1. Sustainability prospects

Conclusion 13: It is likely that projects supported by the project will be sustainable defined as remaining operational after the end of the project, pending more extensive monitoring of all beneficiaries. The key challenges to sustainability is access to funds needed not only to grow but to sustain businesses.

The project document explained that the planned approach inherently promoted sustainability. IOM has experience with micro-enterprise and community development initiatives related to victims of trafficking

and preventing irregular migration, in which over 90% of projects are 'sustainable' (i.e. operational one year after their launch without additional assistance): "While realizing that in the current crisis situation, the 'success rate' may be lower, such initiatives possess inherent sustainability." The benefits of such interventions, including new jobs, services, upskilled or trained workers, "should be naturally supported and recognized" within their communities. Though the success rate of all beneficiaries was not yet assessed at the time of evaluation, the available data does indicate a high likelihood that projects supported by the project will be sustainable defined as remaining operational after the end of the project.

Still, some key challenges to sustainability were identified. The largest challenge to sustained project benefits is access to funds. While evidence indicates that beneficiaries are successful in terms of income generation, there appears to be a need for **additional funds** to ensure long-term success, both to maintain operations and respond to unforeseen shocks and contingencies, and to grow their business. Also, though access to funds is a key sustainability challenge, it also relates to larger structural economic issues in Ukraine, including limited access to loans and ongoing economic instability that makes long-term planning difficult, which go beyond the project's scope.

Considering the larger economic stability challenges, the project focuses on a smaller-scale on ways to contribute to sustainability of the supported livelihoods activities, such as improved case management and mentoring, networking facilitation, local operating environment, and exit strategy planning:

- **Beneficiary case management** by NGOs establishing connections with local businesses, and liaison with local authorities was intended also to encourage maintenance of a 'reasonable regulatory environment for doing business (including business registration of IDPs)' and facilitate networking among community members. The degree to which progress was made on this should be further explored, as relevant data was not captured by this evaluation.
- **Improved networking** could also contribute to sustainability. The project document establishes that the Business Exchange Platform is intended to 'strengthen and institutionalize' connections among participants and with other local entrepreneurs, to allow for continuation of the interaction after the project's completion. This was achieved to some extent under the project, evidenced by the various accounts of joint business ventures and referring clients to promote fellow beneficiary. The business platform could contribute, but results related to effectiveness of the platform within the project, along with any effect on sustainability, was yet not clear based on the available data. It was also unclear the feasibility to transfer ownership of the platform to the implementing partner, and the extent to which doing so would contribute to sustainability, as was planned in the project document, given the limited data available on reception and use of the platform by beneficiaries.
- In terms of an **exit strategy**, in the long-term IOM staff are considering investing into a feasibility study for a revolving fund mechanism, including considering the legal framework, to determine if they can transition towards such a fund to encourage greater sustainability. The idea is that the revolving fund would provide loans rather than grants, to respond to identified need of many beneficiaries to receive more funding to stabilize and grow their businesses.

4.6 Cross-Cutting Issues

Conclusion 14: The project considered protection, gender and human rights in its design and implementation, and also considered particularly vulnerable groups, and has responded well to identified considerations in these cross-cutting areas of concern.

4.6.1. Protection, gender and human rights

Human rights.

- The right to return for all IDPs was respected and considered in design and planning of assistance, as reported in the project document. This is apparent in the design of self-employment activities that can be ‘mobile’ so that beneficiaries of self-employment and vocational training will be able to take the skills and/or equipment with them in case they choose to move.

Gender.

- Gender analysis was integrated into the needs assessment portion of the project document, which noted the high female unemployment, gender wage gap and gender and age discrimination in hiring prior to the conflict and the fact that the majority of IDPs were women. This was considered in setting the target number of beneficiaries under the project. In addition to gender disaggregation of data, the project planned to use monitoring data to assess how individuals of both genders are impacted by the livelihoods interventions.
- The project document also states that gender sensitivity is one of the key issues of the project, and that efforts would be made to ensure equal opportunities for women and men through the tailored approach to business consultations and individual business plans. Sex disaggregated monitoring data was used to ensure the target number of women benefitted from the project, and adjustments as needed were made to the selection criteria to give more priority to women as needed.
- The monitoring phone survey carried out in Jan-Feb 2017 included disaggregation by sex, but there was no indication that gender analysis of results was carried out or used to inform programming. Subsequent survey in July 2017 did not apparently include sex disaggregation or gender analysis.
- IOM staff reported that information on the specific needs of women were collected and analysed during project implementation. The project monitoring approach enables collection of individual needs during monthly phone interviews and unstructured in-person interviews with beneficiaries and implementing partners during assessment and monitoring visits. This enables collection of accurate information about the specific needs of women.

Protection and conflict sensitivity.

- According to the project document, a gender and conflict-sensitive approach would be integrated into project activities and contribute to the prevention of violence and promotion of peace by equitably providing income-generating possibilities to both IDPs and host community members, promoting cooperation, and benefitting local communities with new services that respond to needs.
- Indicators were established to track the ratio of IDP to host community beneficiaries, with a goal of at least 30% of beneficiaries from host communities. Monitoring data was used to inform adjustments to selection criteria to ensure assistance to a maximum number of IDPs (as close to 70% as possible).
- Through its emergency and recovery programming, IOM is present in and monitors the conflict dynamics and security situation across Ukraine. IOM gathers information through its participation in the United Nations Department for Safety and Security (UNDSS), through secondary data and from information sharing by other agencies. This enables IOM to assess and adjust programming as needed based on emerging conflict dynamics.
- IOM promotes a Do No Harm approach throughout its programming. For this project, IOM ensures that beneficiary data is kept confidential. IOM staff also noted that the livelihoods survey carried out

in February 2017 included a question about whether beneficiaries felt safe during and after distribution of assets, and that 100% of beneficiaries responded that they felt safe.

- Eight NGO implementing partners under this project also participated under the previous DFID-funded project, during which those eight NGOs participated in a Protection Mainstreaming training organized by IOM in March 2016. They were also provided with information on Minimum Standards for Child Protection in Humanitarian Action. Additionally, four NGOs participating in this project have received capacity building on protection under a separate EU-funded project that included a self-assessment of their ability to apply protection mainstreaming principles in their work. Overall, therefore, roughly half of the NGOs under this project have received protection-related training.
- As noted previously, the IOM Ukraine Transparency Mechanism (accessible via mail, phone and email) offers a channel for all beneficiaries, partners and subcontractors to submit questions, concerns and complaints or to report potential cases of corruption or the abuse of power by staff.
- All beneficiaries were also informed about an IOM-supported hotline operated by the NGO partner Donbas SOS. As noted previously, this provides a mechanism for communication with conflict-affected communities and a way to receive beneficiary feedback and adjust project implementation in line with identified needs. Additionally, IOM staff report that beneficiary inquiries related to domestic violence or gender-based violence are referred to specialized services provided by government and civil society organizations. IOM staff noted that according to hotline reports, a total of 57 cases related to gender-based or domestic violence were referred since March 2016.
- The project was also designed to address protection principles through the use of participatory M&E approaches: “The project will engage the protection mainstreaming principles through participatory tools and methods which will be used in project monitoring to open up greater opportunities for people to express their views, communicate impacts and understand the nature of change. The communities in which the project will be implemented will have a say in how M&E activities are planned and implemented, as well as in decision-making around M&E findings.”

In practice, IOM staff reported that data gathered from beneficiaries during project monitoring visits and analysis of implementing partner reports was used to improve the project. For instance, feedback from beneficiaries on their experience with procurement was used to simplify procedures and feedback from NGO partners on the quality of business plans informed a decision to reduce the period of preparation of reports from three weeks to one week. However, while it is significant that feedback from beneficiaries was used to improve the project, it is not apparent that beneficiaries had a say in how M&E activities were planned and implemented, nor that they had a role in the ‘decision-making around how the findings were used’.

IOM staff reported that the initial idea was to bring together people in the same community involved in livelihoods activities using participatory approaches that would also promote synergy with other projects, but in practice this was not possible due to a rush to complete all trainings and procurement activities in the short time frame available and still meet the established targets. In future, IOM staff reports they will strive to continue to promote participatory practices.

4.6.2. Attention to vulnerable groups

- *Vulnerability criteria.* The project document states that the project will place particular emphasis on vulnerable groups – single parents, families with many children and low income families. It is stated that the tailored approach of business consultations and individual business plans will allow beneficiaries to increase livelihood opportunities in a manner most suitable for their gender, age, ethnicity, religion, health limitations, and other relevant factors.
- *Meaningful access.* IOM promotes the principle of meaningful access by beneficiaries. This includes the assignment of responsibility to NGO partners to apply special measures to facilitate delivery of assets to persons with disabilities. Additionally, after assets are distributed, IOM checks that assets were received and meet the needs of beneficiaries during monthly phone interviews.

5. Conclusions

Relevance. The project appears to be highly relevant to assessed socio-economic challenges and to needs of the target group based. The following conclusions were drawn based on the findings:

1. *Responsiveness to socio-economic challenges and needs* – The strategic focus on livelihoods is highly relevant based on data available for the evaluation, including needs of the sample of beneficiaries, non-governmental organizations (NGOs) and local employment centres. Economic challenges emerged as a key concern among the stakeholders, particularly limited access to funding but also a need for training to gain new skills, facilitation of networking, and support in overcoming taxation, legal and other barriers. A few differences were noted in comparing the data gathered in each region, such as particular challenges accessing loans in eastern cities near the contact line, and the greater need for support to agricultural projects in some areas.
2. *Added value of the project and future expected needs* – Based on stakeholder perceptions and opinions, the project provided a clear added value that filled a gap in terms of needs, particularly related to limited access to funding for businesses, and there is expected to be an ongoing need for livelihoods support in the foreseeable future. Various elements were identified that could potentially be further assessed or addressed in future projects.
3. *Assessment of needs in design and implementation* – The project shows excellent and extensive assessment of needs during project design including use of data from national monitoring, project monitoring, and national statistics, as well as during implementation including through ongoing consultation, monitoring, and beneficiary feedback.
4. *Internal logic of project design* – The chosen activities and outputs are consistent with intended outcome and objective. There is a clear and consistent theory of change behind the project strategy that is also consistent with the perceptions of stakeholders and IOM project staff. At the same time, some aspects of the theory of change could be reviewed and potentially revised in future projects to ensure alignment with needs.

Effectiveness. The project appears to be effective based on available data, though there are various areas for potential improvement. The following conclusions were drawn based on the findings:

5. *Achievement of outputs* – According to information on reported indicators, nearly all of the established targets were achieved or on track as of the time of the evaluation visit. Some challenges were noted in relation to meeting the target proportion of IDPs and women benefitting from business development grants.
6. *Stakeholder satisfaction with activities and outputs* – Overall, the beneficiaries and NGO partners were satisfied with the quality of activities and outputs delivered under the project. The more recurrent areas of least satisfaction are related to the procurement process and the Business Exchange Platform.
7. *Achievement of outcomes* – Based on the information available, it appears that the project is on track to contribute to the intended outcome of improved income generation and thereby promote additional jobs and services for the community, improve cooperation and connections between IDPs and host community members, and facilitate integration of IDPs.
8. *Challenges to effectiveness and mitigation measures* – The Evaluator identified several challenges that were repeated in conversations with beneficiaries and stakeholders, including the difficult operating environment and tight implementation timeline. IOM reported active measures to respond or mitigate to each challenge or risk.
9. *Lessons learned from implementation* – Based on experiences in the implementation of this project, stakeholders identified a number of suggestions for improving future projects, including exploring the inclusion of business fairs, better supporting identification of suppliers, allowing

previous beneficiaries to apply for another grant, or introducing a microloan options for previous and additional beneficiaries.

Efficiency. The project appears to have been highly efficient in its implementation, making adept use of human and financial resources. The following conclusions were drawn based on the findings:

10. *Resource utilization and monitoring practices* – This project benefits from an excellent Mission-wide communication and reporting system in IOM Ukraine that includes monthly reports by project managers to IOM management on activities, results, budget and challenges encountered along with identified follow-up actions. At a project level, a strong monitoring plan is in place to build capacity and monitor NGO partners, ensure quality control of beneficiary selection and procurement processes, and monitor beneficiary needs and progress made.
11. *Challenges to efficiency* – The main identified challenges to efficiency centred around the short implementation timeline, and a reportedly insufficient budget for NGO activities.

Impact. In terms of impact prospects, it is likely that the project will have some contribution to long-term impacts. Specifically, the following conclusion was drawn based on findings:

12. *Contribution to long-term change* – The evaluation was not able to fully assess impact given the data available. However, it overall appears that the project is on track to contribute to economic and social impacts, based on the theory of change which appears to hold true and given the stakeholder perceptions.


Sustainability. It is likely that the project benefits will be sustainable for the beneficiaries. Specifically, the following conclusion was drawn based on findings:

13. *Sustainability prospects* – It is likely that projects supported by the project will be sustainable defined as remaining operational after the end of the project, pending more extensive monitoring of all beneficiaries. The key challenges to sustainability is access to funds needed not only to grow but to sustain businesses.

Cross-cutting issues. Finally, the project gives thoughtful attention to issues of protection, gender, human rights and vulnerable group. The following conclusion was drawn based on findings:

14. The project considered protection, gender and human rights in its design and implementation, and also considered particularly vulnerable groups, and has responded well to identified considerations in these cross-cutting areas of concern.

Overall, the graphic below summarizes what is working well and what is working less well. This served as a springboard for identification of the recommendations in the next section.



What is working well:

Strategy: The livelihoods strategy and approach remains highly relevant to needs and challenges

Theory of change: A clear and full description of the theory of change is provided in the project document, which is consistent with the intended changes as perceived by stakeholders

Needs assessment: Assessment of needs in project design and implementation, including the National Monitoring System (NMS) in Ukraine to collect and analyse data on displaced populations, project monitoring through monthly NGO reports and periodic monitoring surveys and visits, direct consultations and beneficiary feedback.

Initial two-day training: Beneficiaries reported a high level of satisfaction with the length and content of the training, and its relevance to their needs

Procurement: Successful delivery of high-quality equipment according to clear procedures

Business improvement sessions: IOM staff report that the planned number of sessions were held based the needed skills reported by beneficiaries in the project monitoring.

Management: Strong systems in place at project and Mission levels to monitor progress and make timely adjustments to address emerging issues

Monitoring: Monthly reporting on beneficiary progress by NGOs provides timely monitoring data that is used to report on progress and make needed adjustments

NGO partners: IOM provides guidance through manual and training for NGOs and ongoing support to build capacities and ensure effective implementation

What is working less well:

Targeting IDPs and women: Target number of business development grants to IDPs and women was lower than expected

Procurement: While successful, the short timeline for implementation had some impacts on the ability of beneficiaries to find eligible suppliers and complete all steps within the allotted time.

Business development platform: Could prove to work well, but based on initial reactions from the sample of beneficiaries and NGOs, it remains to be assessed whether and how well it meets needs how effective it is in practice, and how it complements existing platforms and alternate approaches.

Business improvement sessions: The beneficiaries in the focus groups suggested to add ongoing training to build skills in future phases, and when asked about 'business improvement sessions' stated they were not aware of these. However, it is unclear what this indicates they were not aware of the sessions provided, did not participate in them, did not perceive them to be training.

Participatory monitoring approaches: Not carried out as planned initially in the project document, due to time and resource constraints that emerged.

6. Recommendations

Based on the findings and conclusions, the following recommendations are provided for consideration by IOM and donors in the implementation of a next phase and in future projects:

Recommendations for IOM staff:

- Include additional grant and/or loan options (e.g. a revolving fund mechanism), to better bridge the transition from self-employment to business development, to provide additional support to previous beneficiaries, and to extend support to additional beneficiaries.
- Consider scaling up the grant amounts for self-employment and business development.
- Consider revising eligibility criteria to include applicants up to 65 years of age, allowing previous beneficiaries to apply for additional grants, and allowing joint business ventures in addition to individual business plan proposals so that groups of applicants can present proposals that pool and synergize resources, including family members who want to jointly apply.
- Consider establishing lists of pre-approved suppliers and/or taking additional measures (whether by IOM or NGOs) to help beneficiaries locate qualified suppliers.
- Consider adding support for business fairs, and review the relevance and effectiveness of the business development platform.
- Expand attention to social cohesion, which was included in the theory of change of this project, but which could be strengthened and further addressed in future projects.
- Increase to the extent possible the frequency of monitoring of outcome-level indicators, including introduction of methods to gather information on impact and sustainability of each business.

Recommendations for donors:

- Consider extension of implementation deadlines to ensure that all activities can be carried out (e.g. procurement) and monitored (e.g. frequent monitoring, participatory approaches) as planned, and to decrease burden on implementing partners and beneficiaries.

Annex 7.1 – Evaluation terms of references (TOR)

Independent Internal Final Evaluation for the project “Integration and Stabilization Support through Livelihoods for IDPs and the Conflict-Affected Population in Ukraine”

Commissioned by: IOM Mission in Ukraine, Kyiv

Evaluation context

In line with IOM’s global strategy, the IOM Mission in Ukraine aims at advancing the understanding of the opportunities and challenges of migration in Ukrainian context. Since 2015, due to the complex economic situation in the country resulting from the ongoing conflict in eastern Ukraine, the focus of the IOM Mission in Ukraine has shifted towards internal migration and the needs of IDPs and conflict-affected communities. The conflict in Ukraine has forced more than 1.585 mln. (Ministry of Social Policy, 27 June 2017) people to flee their homes since March 2014. In order to mitigate the negative impact on the wellbeing of the conflict affected population of Ukraine, IOM has been implementing livelihoods support programmes aimed at economic empowerment of IDPs and host community members through self-employment, support to micro-enterprises (business development), as well as vocational courses. By providing opportunities for economic empowerment to achieve business and wider community development goals, the programme also contributes to decreasing the isolation and marginalisation of those most affected by conflict.

During the period of 2016-2017 IOM Mission in Ukraine has been implementing the project entitled “Integration and Stabilization Support through Livelihoods for IDPs and the Conflict-Affected Population in Ukraine” funded by the United Kingdom’s Department for International Development (DFID). The objective of the project is to contribute to economic recovery of IDPs and to support the integration of IDPs and stabilize host communities in 24 regions of Ukraine. The expected changes include improved livelihoods through income-generating activities of IDPs and host community members, increased provision of new services, creation of new jobs, increased employment, improved public opinion of IDPs, and mitigation of possible community tensions.

The project aims to provide integration and stabilisation support to a total of 3,178 IDPs and host community members, out of whom:

- Up to 250 individuals will be supported with business development grants;
- Up to 930 individuals will be supported with self-employment grants; and
- Up to 150 individuals will be supported with vocational trainings.

Evaluation purpose

The main purpose is to evaluate the implementation of the project, the overall performance of key stakeholders and the achievement of results. The secondary purpose is to assess how the project strategy, which is focused on livelihoods support, aligns with local needs of beneficiaries, stabilization priorities and strategic positioning of IOM Ukraine.

Evaluation findings will be used by IOM project staff and the donor to assess the project’s relevance and accountability to intended beneficiaries, effectiveness and value for money, impact and sustainability prospects, and will be used by IOM senior management to improve future interventions. The evaluation should provide recommendations for implementation of future activities and identify other complementary/additional priority areas for IOM interventions.

Evaluation criteria

The evaluation will assess the project and its implementation in terms of relevance, effectiveness, efficiency, impact, sustainability and consideration of cross-cutting issues (gender, conflict sensitivity and human rights).

Evaluation questions

Relevance:

- How relevant is the objective and overall strategy of the project in terms of social and economic challenges Ukraine faces at the national and local levels?
- Are the project activities and outputs consistent with the intended outcome and objective?
- To what extent were local needs assessed in project design/implementation?
- Does the objective and outcome of the project remain valid and pertinent to the target groups? Why/Why not?
- What, if any, is the added value of the project?
- Are there aspects that the project did not address that should be included in future projects?
- Is there still a need for such projects in future?

Effectiveness:

- Did the project produce the expected outputs and contribute to the expected outcome?
- Were there any challenges to achieving the expected results? If so, what was done to remedy these and by whom (substantive, operational, stakeholder cooperation)?
- Are the target beneficiaries satisfied with the services provided?
- What could be done to enhance effectiveness in future projects?

Efficiency:

- How well have the resources (funds, expertise, and time) been used to implement the activities and how well have the resources been converted into outputs, considering for example division of tasks, procedures, communication and reporting, and monitoring of activities and results?
- Was the project cost-efficient, so that results were achieved at minimal or lowest possible cost?
- What has hampered the efficiency, if anything? How well have challenges to implementation been addressed?

Impact:

- Has the project and its activities contributed to a change in local or oblast-level social and economic situation at the impact level (intended or unintended, negative or positive), or is it likely to do so? Has the project contributed to regional and national capacity building?
- What, if anything, has hampered or could hamper impact?

Sustainability

- Are any project benefits likely to continue after external support ends?
- What have been the challenges in terms of sustainability during project implementation and how have they been addressed?
- What are the lessons learned in terms of sustainability in the context of the project?

Cross-cutting issues:

- Has the project considered issues of protection, gender and human rights in its design and implementation, and if so, how (in relation to staff, implementing partners and beneficiaries)?
- Has the project considered particularly vulnerable groups, and if so how? (this includes for example IDPs, persons with disabilities or serious chronic illnesses, low income families, persons paying out loans, families with children, single parents, households with people aged 70+, and minorities)

The recommendations should focus on ways to improve design and implementation of future activities and identification of other complementary/additional priority areas for IOM interventions.

Methodology

This terms of reference and the IOM Project Handbook (2017), as well as other relevant standards and guidelines on evaluation developed by IOM Ukraine and the Regional Office in Vienna, should be used as guidance for the preparation and conduct of this evaluation.

The evaluation should focus on beneficiaries’ feedback on livelihoods intervention provided within the project implementation cycle.

A framework for interview questions should be developed based on the evaluation questions and adapted to the project interviews/focus group discussions according to the number of respondents or participants of discussion and overall situation.

The collected data can be triangulated through cross analysis of interview reports, project data base, findings from the documentation review and observation of project activity/sites.

The evaluation must follow IOM Data Protection Principles, UNEG norms and standards for evaluation and relevant ethical guidelines. The evaluation will be carried out in accordance with IOM guidance on evaluations in the IOM Project Handbook (2017).

Evaluation deliverables

The Evaluator will be responsible for delivering the following:

- An **inception report** (or evaluation matrix) prepared and reviewed with the project manager, based on which the Evaluator will develop guides and protocols for interviews and focus groups.
- A **draft report** will be shared with the project manager for comments/feedback.
- A **final report** will be submitted to the project manager based on comments/feedback received.

The evaluation report shall be structured in line with the IOM Project Handbook (2017). The report shall be written in English and meet good language standards, be grammatically correct, proofread and laid out well, consisting of at least 5,000 words. The report will follow the same presentation logic and include, at a minimum, the information described in the IOM Project Handbook template: executive summary, acronyms, introduction, context and purpose, methodology, findings, conclusions and recommendations. Annexes should include the TOR, inception report or evaluation matrix, list of documents reviewed, list of persons interviewed or consulted and data collection instruments.

Evaluation work plan

Activity	Days	Time	Responsible
Document review and inception report			Evaluator
Review of inception report			Project manager
Teleconference to finalize methodology and logistics			Project manager / Evaluator
Preparation for data collection			Evaluator
Finalizing agenda and logistics			Project manager
Field visit	7		Evaluator
Draft report	14		Evaluator
Comments on draft report	7		Project manager
Final report completed	7		Evaluator

Proposed Agenda of the Field Visit:

Day 1 – Sunday		
	Arrival to Kyiv	
Day 2 – Monday		
09:00 – 11:00	Meeting with IOM Senior Management, Program Coordinator, National Officer	Mr. Manfred Profazi Ms. Alessia Schiavon Ms. Ester Ruiz de Azua Mr. Roman Lyubchenko
11:00 – 12:00	Briefing with the Kyiv office project staff	Mr. Viktor Fursov Ms. Olga Bozhenko
12:00 – 13:00	Lunch	
13:00 – 14:00	Meeting with Kyiv NGO	Evaluator and interpreter Kyiv NGO
14:00 – 16:00	Focus group (10 people)	Evaluator and interpreter Kyiv NGO
16:00 – 18:00	Beneficiaries visits (3 people)	Evaluator and interpreter Kyiv NGO IOM vehicle
Day 3 – Tuesday		
06:00 – 12:00	Travel to Kramatorsk (Donetsk oblast)	Evaluator and interpreter Train
12:00 – 13:00	Lunch	
13:00 – 14:00	Meeting with Donetsk NGO	Evaluator and interpreter Donetsk NGO
14:00 – 16:00	Focus group (10 people)	Evaluator and interpreter Donetsk NGO
16:00 – 18:00	Beneficiaries visits (3 people)	Evaluator and interpreter Donetsk NGO IOM vehicle
Day 4 – Wednesday		
07:00 – 09:00	Travel to Sievierodonetsk (Luhansk oblast)	Evaluator and interpreter IOM vehicle
09:00 – 10:00	Meeting with Luhansk NGO	Evaluator and interpreter Luhansk NGO
10:00 – 12:00	Focus group (10 people)	Evaluator and interpreter Luhansk NGO
12:00 – 13:00	Lunch	
13:00 – 14:30	Beneficiaries visits (3 people)	Evaluator and interpreter Luhansk NGO IOM vehicle
14:30 – 16:30	Travel to Kramatorsk (Donetsk oblast)	Evaluator and interpreter IOM vehicle
16:53 – 22:58	Travel to Kyiv	Evaluator and interpreter Train to Kyiv
Day 5 – Thursday		
07:00 – 09:00	Travel to Zhytomyr	Evaluator and interpreter IOM vehicle
09:00 – 10:00	Meeting with Zhytomyr NGO	Evaluator and interpreter Zhytomyr NGO
10:00 – 12:00	Focus group (10 people)	Evaluator and interpreter Zhytomyr NGO
12:00 – 13:00	Lunch	
13:00 – 15:00	Beneficiaries visits (3 people)	Evaluator and interpreter Zhytomyr NGO IOM vehicle

15:00 – 18:00	Travel to Lutsk	Evaluator and interpreter IOM vehicle
Day 6 – Friday		
09:00 – 10:00	Meeting with Lutsk NGO	Evaluator and interpreter Lutsk NGO
10:00 – 12:00	Focus group (10 people)	Evaluator and interpreter Lutsk NGO
12:00 – 13:00	Lunch	
13:00 – 15:00	Beneficiaries visits (3 people)	Evaluator and interpreter Lutsk NGO IOM vehicle
15:00 – 20:00	Travel to Kyiv	Evaluator and interpreter IOM vehicle
Day 7 – Following Monday		
10:00 – 11:00	De-briefing with the IOM Senior Management <i>Via Skype</i>	Manfred Profazi

Annex 7.2 – Evaluation Matrix

Evaluation matrix

Evaluation criteria	Evaluation questions	Codes	Sub-questions	Indicators / Data	Document review	Interviews/Focus groups			
						IOM	NGO	Govt	Bene
Relevance	To what extent were local needs assessed in project design and implementation?	N1	What are the original needs as reported in the project document and by stakeholders?	Description both as documented and as reported	Project document, Project reports	X	X	X	X
		NA	What methods were used at start and throughout project to assess needs? To what extent and in what ways have needs been considered?	Description both as documented and as reported	Project document	X	X	X	X
		N1-Liv	To what extent did a livelihoods approach align with the originally assessed needs?	IOM and stakeholder perceptions; Comparison of needs to intended results	Project document, Project reports	X	X	X	X
	How relevant is the objective and overall strategy in terms of social and economic challenges Ukraine faces at national and local levels?	N2	What are the current social and economic challenges?	Perceptions and data cited by IOM and stakeholders	Project reports	X	X	X	X
	Does the objective and outcome of the project remain valid and pertinent to the target groups? Why/Why not?	N2-Liv	To what extent does a livelihoods approach remain aligned with needs and current challenges?	IOM and stakeholder perceptions; Comparison of needs to intended results	Project reports	X	X	X	X
	Are activities and outputs consistent with intended outcome and objective?	Th	Is there a logical and coherent theory of change as explained in the project document?	Internal project logic	Project document	X			
	What, if any, is the added value of the project?	PrC	How does the project align/complement other IOM projects? Government efforts?	IOM and stakeholder perceptions	Project document, Project reports	X	X	X	
	Is there still a need for such projects in future?	N3	Is there still a need for livelihoods support for displaced and host communities?	IOM and stakeholder perceptions		X	X	X	X
	Are there other aspects that the project did not address that should be included in future projects?	N2 N3	Are there aspects that are also needed or more needed than livelihoods support?	IOM and stakeholder perceptions		X	X	X	

Effectiveness	Did the project produce the expected outputs and contribute to the expected outcome ?	R-SE R-VT R-BD R-INF R-Ser R-Emp R-Pub R-Int R-Com	<ul style="list-style-type: none"> • <i>Output 1: equipment/tools and vocational professional training sessions available</i> • <i>Output 2: micro-enterprise support for business development and income-generation</i> • <i>Output 3: information and best practices shared through a Business Exchange Platform and business improvement sessions</i> • <i>Outcome: IDPs and members of host communities supported under the project are engaged in income-generating activities that cover basic needs and benefit the community</i> 	IOM and stakeholder perceptions; monitoring data	Project reports	X	X		X
	Are target beneficiaries satisfied with the services provided?	Sat		Beneficiary perceptions	Project reports, Monitoring data				X
	Were there any challenges to achieving expected results? If so, what was done to remedy these and by whom (substantive, operational, stakeholder cooperation)?	Ch ChA	What challenges can be identified? How did the project adapt to challenges?	IOM and stakeholder perceptions	Project reports	X	X		X
	What could be done to enhance effectiveness in future projects ?	ChF	What can be done to better respond to challenges in future?	IOM and stakeholder perceptions; Analysis		X	X		X
Efficiency	How well have resources (funds, expertise, and time) been used to implement activities and how well have resources been converted into outputs, considering division of tasks, procedures, reporting and communication, monitoring of activities results?	Eff Eff-B Eff-E Eff-T PMa PRe PMo	How efficient was the project overall, and specifically in terms of budget, expertise, and time? How efficient was the project in terms of project management, reporting, and monitoring?	IOM perceptions; Descriptions of internal procedures	Project reports	X	X		
	Was the project cost-efficient , so that results were achieved at minimal or lowest possible cost?	C-Eff		IOM perceptions; Description of measures taken	Project reports	X			
	What has hindered efficiency, if anything? How well have challenges to implementation been addressed?	EffCh EffChA	What challenges to efficiency can be identified, and how did the project adapt to those?	IOM and stakeholder perceptions; Description of actions taken	Project reports	X	X		

Impact	Has the project and its activities contributed to a change in local or oblast-level social and economic situation at the impact level (intended or unintended, negative or positive), or is it likely to do so? Has the project contributed to regional and national capacity building?	I-Soc I-Eco I-Cap	What social, economic and capacity impacts will the project likely contribute to?	IOM and stakeholder perceptions	Project reports	X	X	X	X
	What, if anything, has hampered or could hamper impact?	I-Ch	What challenges to impact can be observed?	IOM and stakeholder perceptions	Project reports	X	X	X	X
Sustainability	Are any project benefits likely to continue after external support ends?	Sus		IOM and stakeholder perceptions	Project reports	X	X		X
	What have been the challenges in terms of sustainability during project implementation and how have they been addressed?	Sus-Ch		IOM and stakeholder perceptions; Description of actions taken	Project reports	X	X		
	What are the lessons learned in terms of sustainability in the context of the project?	Sus-L		IOM and stakeholder perceptions; Elements emerging from Sus / Sus-Ch	Project reports	X	X		
Cross-cutting issues	Has the project considered issues of protection, gender and human rights in its design and implementation, and if so, how (in relation to staff, implementing partners and beneficiaries)?	Prot Gen HR		Descriptions and perceptions of IOM and stakeholders	Project document, Project reports	X	X		X
	Has the project considered particularly vulnerable groups , and if so how? (this includes for example IDPs, persons with disabilities or serious chronic illnesses, low income families, persons paying out loans, families with children, single parents, households with people aged 70+, and minorities)	Prot VG		Descriptions and perceptions of IOM and stakeholders	Project document, Project reports	X	X		X

Annex 7.3 – Interview and Focus Group Guides

Focus Group Discussion Guide

Background information

My name is Sarah Harris, I work for IOM in our regional office in Vienna. I am here to evaluate a project that IOM implemented to assist populations affected by the conflict in Ukraine, through vocational courses, self-employment grants and micro-enterprise grants.

I want to hear about your experience and your views. This is a focus group discussion, which means I will ask some questions and then encourage everyone to share their thoughts and experiences. There are no right or wrong answers. I am here to listen to you and learn from you.

All information you provide today is confidential. I will be writing a report based on what I learn, but I won't refer to any individual person. I will be taking notes during our discussion.

Is that clear? Does everyone consent to participate? Please raise your hands.

Those that do not raise their hands should be thanked for their consideration and be released.

Participant information sheet

Next, before we start the discussion, I would also like everyone to please fill out this sheet. It gathers some basic data from each participant:

Age:
Gender: male/female
Current city of residence:
Displaced from a previous home due to the conflict? yes/no
If yes, previous home and date of displacement: City/Date

Please fill in your age and gender, and your current city of residence.

The next question asks whether you have been displaced from your home since the start of the conflict. In other words, have you had to move during the last few years due to the conflict. For every time you have had to move, please list the date, the city you moved from, and the city you moved to.

Let me lay out some **ground rules** before we start.

- I want to encourage an open discussion, and give a chance to everyone to speak.
- It is important that only one person speaks at a time. You may want to jump in when someone is talking, but please wait until they have finished.
- There are no right or wrong answers.
- You do not have to speak in any particular order. When you have something to say, please do so.
- You do not have to agree with the views of other people in the group. I want to hear each person's opinion, so please share.
- Finally, responses will be confidential. So I encourage you to be open and share with me, so I can understand your experience, learn about what is working, and also how IOM assistance can be improved in the future.

Warm up

- First, I'd like everyone to introduce themselves. I will go around in a circle, and ask each person to please tell us your name, how long you have lived here, and what type of work you do.

Guiding questions

General prompts to keep in mind:

- Repeat the question or the answer
- Pause for answers
- Anything else? Why do you feel this way?
- Can you tell me a little bit more about that?

1. Since the conflict in the east of the country started a few years ago, what are the main challenges that you have observed in your families and communities?

Prompts:

“Many of you mentioned . . . Tell me a little bit more about this.”

“No one has mentioned . . . Does . . . not matter?”

(Employment, Education, Housing, Social services, Community relations, Security and safety)

2. For this project, IOM decided to focus on improving economic conditions of those affected by the conflict. Is this support needed?
3. What challenges did you personally face in finding work or starting a business?
4. IOM provided various types of support for income generating activities. This included business development grant, self-employment grants and vocational training. Can you describe the support you received?
5. I am also interested to hear about your opinion on the quality of the assistance. What was your experience with the process itself (application, business plan, procurement)?
6. In addition to the grants and trainings, I understand that the NGO also provided ongoing counselling and support. Can you tell me about your experience?
7. Do you feel that IOM and the NGO listened to your needs and concerns throughout the assistance process? Anything to improve in future?
8. IOM is also working to develop a Business Exchange Platform to exchange best practice and share information. Has anyone heard about this? Can anyone share experience?
9. What has been your experience in terms of interacting with others from the IDP or host community? Have you seen anything improving, or anything getting worse?

Prompts:

- Improved networking?
- Joint ideas or shared interests?
- If so, does it matter? Any impact on success of your income-generating activities?

10. Thinking about your own situation now, compared to the situation a year ago, what changes can you see? Has anything improved? Has anything gotten worse/
11. Looking to the future, do you think it is likely that you will be able to continue your work or continue to run your business? What do you think will be the main challenges?

Thank the participants

Thank you for participating. This has been a very successful discussion. Your opinions will be a valuable asset. We hope you have found the discussion interesting. I would like to remind you that any comments featuring in this report will be anonymous.

Before you leave, please hand in your completed personal details questionnaire

If you want to share any more feedback with IOM, you can send a message on the Facebook page or give a call to the transparency hotline.

Interview Guide

IOM management / project team

- What in your opinion are the current social and economic challenges?
- How does a livelihoods approach respond to those challenges?
- What are your impressions of the overall management of this project and coordination between IOM and the NGO partners. Have there been any noted challenges?
- What do you see as the most successful aspect of this project?
- What do you see as the biggest challenges in terms of stabilization priorities and strategic positioning?

IOM project team

- What do you see as the most successful aspect of this project?
- What is the biggest challenge?

Relevance

- Why was a livelihoods approach chosen to respond to those challenges?
- What methods have been used at the start and throughout the project to assess needs and gather feedback? Have those been effective in checking relevance to needs?
- What data do we have on whether target beneficiaries satisfied with the services provided?

Effectiveness

- Were the expected outputs achieved?
- Did the project contribute to the expected outcome?
- Were there any challenges to achieving the expected results? If so, what was done to remedy these and by whom (substantive, operational, stakeholder cooperation)?
- Any lessons learned for improving effectiveness in future projects?

Efficiency

- What internal coordination and management structures does the project have in place?
- Do you feel those structures were sufficient to promote best use of funds, expertise and time? (e.g. Clearly identified responsibilities for each task? Effective monitoring? Communication and reporting?)
- What procedures does IOM Ukraine follow to ensure that the project is cost-efficient, so that results are achieved at minimal or lowest possible cost?
- What has hampered efficiency, if anything? Were there any unexpected delays in implementation?
- How well have challenges to implementation been addressed?

Impact

- What if any impact can be observed in terms of changes in the overall economic situation?
- In terms of supporting support integration of IDPs and stabilization of host communities?
- In terms of regional and national capacity building?
- What, if anything, has hampered or could hamper such impact?

Sustainability

- Are project benefits likely to continue after external support ends? What is the exit strategy?
- What have been the challenges and lessons learned in terms of sustainability?

Cross-cutting issues

- In what ways, if any, has the project considered protection, gender and human rights in its design and implementation? (e.g. in relation to staff, implementing partners and beneficiaries)? What examples can you provide?
 - Have communities had a say in how M&E is planned, implemented, or decision-making around findings?
 - How has the project assessed how representatives of both genders are uniquely impacted?
 - Does the project consistently collect gender disaggregated data?
 - Has the project achieved gender balance among beneficiaries?

- How does IOM analyze the conflict dynamics and how has it informed the work of this project?
- Has the project considered particularly vulnerable groups, and if so how?
 - Are these categories captured in needs assessments and in the project database?
 - Can you provide examples of concrete measures or action taken based on identified needs?

Introduction for NGOs and employment centers: My name is Sarah Harris, I work for IOM in our regional office in Vienna. I am evaluating a project to assist populations affected by the conflict in Ukraine, through vocational courses, self-employment grants and micro-enterprise grants. I have prepared some questions to guide the discussion, and there will also be time at the end to add anything additional. All information you provide today is confidential. I will be writing a report based on what I learn, but I won't refer to any individual person. I will be taking notes during our discussion.

NGOs

Relevance

- What are the current social and economic challenges in Ukraine and in your region?
- Does a livelihood approach respond well?
- What, if any, is the added value of the project? Is there still a need for such projects in future?

Effectiveness

- Were the expected outputs achieved as planned? (Equipment provided, trainings, etc)
- Do you think that the project helped increase income generation of beneficiaries?
- Have you observed any benefits for the wider community?
- Were there any challenges to achieving the expected results? How were they addressed?

Efficiency

- Have funds and procurements from IOM been timely and efficient in carrying out the activities?
- What has been your experience in the terms of communication and coordination with IOM?

Impact

- Has the project and its activities contributed to a change in local or oblast-level social and economic situation at the impact level (intended or unintended, negative or positive), or is it likely to do so? Has the project contributed to regional and national capacity building?
- What, if anything, has hampered or could hamper impact?

Sustainability

- How likely is it that project benefits likely to continue after external support ends?
- How has the NGO benefitted from IOM support in terms of future sustainability of its work?
- Do you think it is likely that the individuals supported by IOM will be able to continue their work or continue to work or run their business?
- What do you think will be the main challenges in terms of sustainable income-generation?
- What do you see as the most successful aspect of the project?
- What is the biggest challenge?
- Any other lessons learned?

Employment Centers

- What are the current social and economic challenges?
- Does a livelihood approach respond to the current challenges of displaced and host communities?
- Have you observed IOM to be responding to those challenges?
- What, if any, is the added value of the project?
- Is there still a need for such projects in future?
- Are there other aspects that are also needed, or more needed?
- What are the general challenges in terms of sustainability of efforts such as this?

Annex 7.4 – List of documents reviewed

- Project document
- Letter from donor (CSSF letter)
- Quarterly donor reports (Q1, Q2, Q3)
- IOM report, “IOM’s Assistance to Conflict Affected Populations in Ukraine”, Oct 2017.
- IOM Report, “National Monitoring System on the Situation of IDPs”, June 2017.

Annex 7.5 – List of persons interviewed or consulted

Staff of IOM Mission in Ukraine

- Ester Ruiz, Emergency and Stabilization Programme Coordinator
- Olga Bozhenko, Livelihoods Project Specialist, Emergency & Stabilization
- Viktor Fursov, Livelihoods Project Specialist, Emergency & Stabilization
- Alessia Schiavon, Senior Programme Coordinator
- Thomas Weiss, Chief of Mission

Stakeholders in Kyiv

- Eight beneficiaries (focus groups) *
- 3 beneficiaries (visit to home or business)
- 1 NGO representative

Stakeholders in Kramatorsk

- 11 beneficiaries (focus groups) *
- 3 beneficiaries (visit to home or business)
- 1 NGO representative

Stakeholders in Sievierodonetsk

- 8 beneficiaries (focus groups) *
- 2 beneficiaries (visit to home or business)
- 1 NGO representative

Stakeholders in Zhytomyr

- 10 beneficiaries (focus groups) *
- 4 beneficiaries (visit to home or business)
- 5 NGO representatives

Stakeholders in Lutsk

- 9 beneficiaries (focus groups) *
- 3 beneficiaries (visit to home or business)
- 2 NGO representatives

***Focus group participant totals according to location, sex, displacement status, and type of grant:**

	Average	Total	Kyiv	Kramatorsk	Sievierodonetsk	Zhytomyr	Lutsk
Total	9.2	46	8	11	8	10	9
Female	4.6	23	4	5	4	5	5
Male	4.6	23	4	6	4	5	4
IDP	6.6	33	7	7	6	6	7
COM	2.6	13	1	4	2	4	2
Self-employment	6.8	33	8	6	5	6	9
Business development	2.2	11	0	5	3	3	0
Vocational training	0.2	1	0	0	0	1	0