

# Executive Summary

## Purpose and Overview:

- The **purpose** of this baseline performance evaluation is to establish a benchmark early in Phase 3 (2019-2022) of IKEA Foundation's energy and livelihood investment from which to evaluate both the results of participation in UNHCR-supported cooperatives, as well as the functionality, and future viability and expansion, of the cooperatives. It is called 'baseline' because the continued investment has shifted focus during this phase on cooperative formalisation and capacity building.
- The Livelihood Project provides business development support to all cooperatives, including energy; included in this study are **40 total cooperatives**. It will rely on the previous phases' investments that have built hard assets in the five camps: Melkadida, Kobe, Bokolmany, Heleweyn, Buramino. The five types of agricultural cooperatives (i.e., farming and livestock-related) include: Milk, Meat-selling, Livestock traders, Community Animal Health Workers (CAHW), and farming/agriculture. The three types of energy-related cooperatives are Solar, Firewood, and the one new Cookstoves, which begins production in 2020.
- This baseline performance evaluation was independently conducted by Technical Assistance to Non-Governmental Organizations (TANGO) International and local partner Green Professional Service, employing a **mixed-methods design**. Refugee survey **quantitative** data collected by the Oxford Refugee Studies Centre (RSC) impact evaluation in November 2019 are used, including 424 members of Farming and Meat-selling cooperatives (186 male/238 female). To create a more complete baseline dataset, TANGO extended the survey to include a census of eight energy cooperatives (Firewood, Solar, Cookstove) comprised of 149 active refugee members (47 male/102 female). TANGO collected primary **qualitative** data comprised of 38 Cooperative Capacity Assessments through semi-structured cooperative leader interviews; and key informant interviews with four implementing partner (IP) staff. The desk review included over 80 project documents and related literature. The key evaluation questions for the evaluation series relate to the relevance and responsiveness of project design and implementation, the effectiveness of the projects, and the factors contributing to results.

## Key Results and Conclusions at Baseline:

- Agricultural:<sup>1</sup> **Meat-selling and Farming cooperatives** are wealthier in terms of owning high value assets (large livestock). Most Meat-selling and Farming members perceive they are better off in terms of financial stability, physical security, and confidence compared to their previous work arrangements, which is not surprising as these cooperatives have existed for longer. Their co-op income appears to be modest, yet actual data for this variable is not available from the Oxford RSC dataset nor from UNHCR's local and global sources of monitoring data. Many Farming and Meat-selling members are accessing formal financial services for credit and savings. These cooperatives report below-camp-average access to household electricity, and very few members report receiving skills trainings since arriving to the camps. Female members of Farming cooperatives are most likely to bring their older children to their farm site, which could pose child protection concerns that UNHCR and partners should follow up.
- **Firewood cooperative** households are more vulnerable overall and report less household income and more consumptive debt, and the members (who are majority female) tend to have less aspirations for the future and more experiences of physical disability or depression as compared to

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<sup>1</sup> Reanalysis of Oxford RSC data; see full Oxford RSC report for further detail regarding their survey analysis and findings.

the other co-op members. Firewood member households are particularly vulnerable to instances of food insecurity. Most Firewood members earned nothing from their co-op work at the time of the baseline and do not feel their co-op income is worth their time, as the Firewood co-ops have stalled production in the past year due to cost and access issues related to their Prosopis supply and broken equipment. Thus, the project has its work cut out for them to address these challenges in the next phase: i.e., ensuring all members are adequately trained, addressing the working status of equipment and availability of tools, assessing Prosopis supply and how to increase demand. The Firewood members have clearly felt the protection benefits of the cooperative, as it provides more safety (for the members and their children) in their work. The evaluation team finds the project has promoted AGD considerations in the member selection to ensure women and vulnerable households had the opportunity to participate, particularly in Firewood cooperatives; however, that approach has an impact on the effectiveness of the cooperative. To include vulnerable refugees in a livelihood project warrants a longer, integrated and tailored investment is needed to bolster basic employment and job-readiness capacities before they can contribute successfully.

- The **Solar cooperative** members are mostly male and more likely to have some education, and their households tend to have fewer elderly or members with vulnerabilities. The Solar cooperatives' work is providing some monthly income for members, yet, it has not yet provided more perceived financial stability compared to the members' previous work, nor is it equivalent to the median of what other working refugees earn. Thus, over two-thirds of Solar members question if the income earned is worth their time. Yet, there are various non-income reported benefits for them. Many Solar members are accessing formal financial services for savings and have a high rate of savings, which they use for productive inputs. Most Solar households have access to household electricity, which has improved their children's education outcomes. The members report more safety and less violence in their communities as a result of their work. The main area for improvement facing the cooperative is strengthening their abilities to source and purchase their own inputs and materials, and to do effective marketing that will increase their business income.
- The **Cookstove cooperative** consists of just 10 members, split with male (6) and female (4) refugee members, but with the small sample size the baseline results should only be interpreted generally. The cooperative has been in the formation and training stage during 2019. The members have high aspirations for their economic future, already perceiving benefits from the cooperative in terms of their confidence and safety. The members also appear to have benefited from the Energy Project with high levels of access to household electricity, which they report improves their children's educational outcomes. As they begin production in the next phase, one of the main challenges to address is creating sufficient demand and market linkages for their product.
- General feelings of **security** and **social cohesion** are reported across cooperative types. However, there is a pattern of energy members (Firewood, Solar, Cookstove) reporting more experiences of violence and less access to health care, which should be explored through project monitoring. Firewood and Cookstove members perceive that members face less SGBV as a result of their membership. The energy cooperative members also report reduced conflict among refugee members and between refugees and hosts who are cooperative members.
- General **achievements/member resilience capacities at baseline** to build on:
  - While debt is largely for food consumption, there are promising levels of savings (formal and informal) reported by members across the cooperatives.
  - Despite some member households facing instances of food insecurity throughout a month's time, most report acceptable levels of food consumption.

- Resilience analysis indicates that the member households that are more food secure tend to have more household assets, savings, social capital with the host community, and human capital by way of physical health. Notably, these variables are all part of **adaptive capacity**, that is, the ability to make proactive and informed choices about one's livelihood strategies even when faced with shocks and stressors; the baseline results show that many of these variables are being strengthened among the participants of this UNHCR project.
- From the **Cooperative Capacity Assessment**, the cooperative leaders report the co-ops are highly developed in their social cohesion and concern for community development. Cooperative capacity is least developed around market and value chain linkages. Further, most cooperatives lack financial management systems, business planning, and strategic planning for sustainability, among other basic administrative procedures. Most cooperative leaders estimate they need 2-3 more years to become self-reliant, citing market linkages, increased savings and access to capital, and more intensive business guidance and training, including for the management committees, as key elements for which they need adequate partner support.
- According to partners, the next phase will build on the mindset shift that was developed among members in the previous phase toward market-based livelihoods and self-reliance. The ability of cooperatives to recruit and retain motivated and productive members is critical for the coming years. IP report that what they need from UNHCR to better support the cooperatives is increased staff numbers and capacity, in particular, capacity which matches the cooperative business-building aims of the next phase. The evaluation team finds that the IP offering technical support in past phases may not be the best fit for the business support needed in Phase 3.

**Recommendations for Phase 3:** (may be adjusted through decisions of Joint Working Group, JWG)

1. **Identify/support the right partner(s) to boost cooperative capacity in business planning and systems, and to ensure the backbone of business data is available;** this may need to include an alternative partner approach that ensures adequate business development expertise and sustainability of services, and also should involve local government cooperative agencies. Who: UNHCR Melkadida (Project Management with Senior Leaders), with JWG support; Timing: begin search by June 2020 and onboard by January 2021.
2. **Assess business viability**, particularly for Firewood and Cookstoves, and provide vulnerable members with the integrated support needed. Viable cooperatives need to **ramp up market and value chain linkages**. Who: UNHCR Melkadida (Energy Project with Senior Leaders), with JWG support; Timing: issues to be addressed June-December 2020.
3. **Sustainability planning tailored by cooperative should be a priority early in this phase**, for both cooperatives and partners. Who: UNHCR Melkadida (Project Management with partners); Timing: ongoing through June 2021.
4. **Enhance monitoring of livelihood project outcomes** through business development partner and through supplemental qualitative monitoring of indirect outcomes and key elements of cooperative capacity building (guided by the indicators of the Cooperative Capacity Assessment). Who: UNHCR Melkadida (Project Management with partners); Timing: develop and begin new monitoring plan by end of June 2021.

**Ongoing consideration:** UNHCR Melkadida's current livelihood strategy extends through 2021; thus, the operation should ensure the strategy revision (and role in livelihoods) is aligned with the new/forthcoming UNHCR global strategy on Livelihoods and Economic Inclusion. This will be followed up in more detail in the mid-term and endline evaluations.