



Evaluation Summaries

Evaluation: Regional Programme – PRES II

Sustainable

Employment

Quick Facts

Country: Bolivia, Peru, Honduras, Nicaragua

Final Evaluation: December 2005

Mode of Evaluation: independent

Technical Area: Small Enterprise Development

Evaluation Management: Americas

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Project Start: March 2004

Project End: April 2006

Project Code: RLA/04/51/NET

Donor: Netherlands (US\$ 1,600,000)

Keywords: basic entrepreneurial education, youth training, local economic development, small enterprise promotion, business development services, employability

Background & Context

Project Background: The project aims to establish conditions for the creation and development of Decent Work in small enterprises, and to integrate informal economy workers into the formal economy. The project also aims to deepen its gender focus, by means of developing gender sensitive tools and disseminating best practices. PRES II, represents the second phase of this ILO project and therefore builds upon the experiences and achievements of the first phase, such as an institutional work focused on Local Economic Development (LED) at municipal levels and a strategy for further Business Development Services (BDS). This second phase of the project has introduced a basic education orientation focusing on entrepreneurship

development, aiming at fostering employability mainly among youth, women heads of households and indigenous and other informal economy workers in vulnerable urban settings. The project has more precisely been working around the five following immediate objectives:

1. Within the decent work framework, young students from basic, regular, technical schools are formed in an entrepreneurial culture, aimed at employability and entrepreneurship.
2. Active young people in the labour market are trained for employment in order to improve their occupational opportunities in small and medium enterprises (SME) and in self-employment.
3. Entrepreneurs from SMEs/Industries should improve their working conditions after acquiring relevant competence based on regional economic vocations and the market demand, through the promotion of business development services and their suppliers
4. Regional governments develop decent working environments in SMEs, through their involvement in local educational policy guidelines and their promotion in the areas.
5. Preparation and implementation of a system to monitor and evaluate the impact of the objectives achieved.

Evaluation Context: The evaluation assesses the effectiveness, efficiency, impact, and sustainability of the project in terms of its rational, design and implementation. The

evaluation makes recommendations and formulates lessons learned for future programmes and projects of similar nature.

The methodology of the evaluation includes a desk review of project related documents, field visits and interviews with beneficiaries and key stakeholders, both within the project and the development and institutional partners.

Main Findings & Conclusions

In general, the evaluation shows that, in terms of activity and process indicators, the objectives were achieved satisfactorily. However, significant differences were observed by objectives and only secondary ones by countries, which depend more on the social/institutional contexts of each country.

The outcome of **Objective 1** exceeded the expected results. The municipal coverage and the agreements reached to support the entrepreneurial culture among young people implied the development of an interrelated strategy in each country to encourage closer relations between sectors and to establish priority areas. Prominent among the goals achieved were incorporating novel experiences for specific youth groups and work with young offenders from juvenile reformatories; signing framework agreements with national entities; and laying the foundation for institutionalization and systematic coverage expansion processes.

As regards **Objective 2**, the evaluation revealed the broad range of different training experiences in each country, depending on the characteristics of member entities, the type of young people incorporated into labour markets and the different methodologies offered. Some of the experiences with the children of micro entrepreneurs or producers in rural areas were outstanding. Also worth mentioning are the business plans contests as a symbolic activity demonstrating the creation of an entrepreneurial culture among school students.

In **Objective 3**, there was a great difference between the number of entrepreneurs trained in each country and a low general coverage. In one case, this is related to the inoperative

nature of the programme subsidizing the demand for entrepreneurial services, with which the project was expecting to boost the market for training services. In other cases, the results did not include year-end figures, even though a number of workshops were expected to finish at the end of the year. On the other hand, the coverage of SMEs in contact with municipal governments was fully achieved in all four countries. Nevertheless, in terms of the previous indicator, it was observed that on average, the majority of entrepreneurs trained, owned businesses outside the scope of action of the agreements with municipal governments. Nevertheless, the goal to train service providers was fully achieved, although certain inefficiencies were evident. On average, for every service provider trained, five businessmen were covered, which proves the great effort made in the formation of facilitators who were either unable to replicate the experience or were incapable of doing so during the course of the project.

The second expected results of **Objectives 2 and 3** (creation of SMEs supported by technical and financial advice) were difficult to achieve. Such goals are the hardest to achieve within the context of projects designed to generate employment in Latin America, because there is already a broad range of micro enterprises with high birth and mortality rates. Besides this, their creation depends on numerous factors, including economic aspects, financial services, technical and socio-entrepreneurial training and the cultural characteristics of the target population. The project achieved no results within the context of this objective. This fact, coupled with the lack of entrepreneurial statistics, led to the conclusion that this purpose should be removed from subsequent objectives and included only within the context of LED strategies and in interventions lasting more than three years. As regards the technical, commercial, and financial assistance systems for micro enterprises, progress was made in terms of commercial activities.

Objective 4 was fully achieved, although in different ways in each country. As regards the preparation of training and technical assistance

plans for officials, a large number of conferences, workshops and forums were held. In Peru, a great impact was achieved, thanks to the previous experience and continuity of the actions of the LED Training Programme. The goal to train public officials was fully achieved in all cases. This Objective appears in some way in the three previous ones, in which the LED approach adds consistency to the Project's activities and is taken up in public policies and practices. This approach and the co-ordinated actions the project implemented through it, give international cooperation agencies a wonderful opportunity for future actions of great importance, given their political acceptability and the practical need for development processes with a social component.

As far as its sustainability is concerned, the Project left significant gaps, which must be considered a priority in the immediate future. In all cases, the conditions for consolidating the sustainability of PRES II were clearly favourable, given the accumulation of agreements strategically entered in each country with the institutions responsible for setting public policies, all of which participated actively in the operation and financing of the activities. Nevertheless, these conditions alone do not guarantee the sustainability of the actions.

Recommendations & Lessons Learned

Recommendations: It is recommended to continue the project activities, in order to achieve sustainability and to further consolidate the project's results, or to be able to expand project actions with nationwide influence and evaluate its impact. In both cases, the project actions should be narrowed down to focus on the formation of an entrepreneurial culture in basic education and LED.

Concerning the formation of an entrepreneurial culture in basic education, it is advisable to focus on providing technical assistance to National Education Ministries for the curricular reform process, which, in turn, should form part of the same process for

adjusting and reviewing other methodologies used by the project. Firm concepts for undertaking such a review, concerning decent work, gender, empowerment etc. must however be guaranteed in this.

Furthermore, the project should guarantee technical assistance, and refresh the training for master trainers for the enabling of national replication, achieving higher levels of efficiency in terms of the number of student trained.

In order to cover the national demand, the project has to develop and produce new educational materials for each country, taking into account the differences between various regions concerning language and type of schools.

Concerning the second suggested activity, LED, the project actions should be co-ordinated in line with this development approach, and with the agreements with executive authorities of municipalities and established regions.

The concepts of the educational materials and methodologies should be reviewed, incorporating the mission mandate approaches to decent work, gender, and multiculturalism. Further, the entire package of methodologies to facilitate LED, referred to as the 'toolbox', should become a permanent activity.

Efforts should be made to redesign the impact, monitoring and evaluation system, enabling it to be transferred to local development entities. In addition, the impact evaluation indicators should also be redesigned to focus more on the creation of decent work and employment instead of the net creation of employment and enterprises.

The project should also reinforce the short-term advisory services for specific studies, based on the dynamics and demands of institutional co-ordination entities for LED purposes.

All local development agents, including local authorities, unions of SME's, associations of informal workers, consultants and NGO's are important to involve in the project as stronger value chains and conglomerate economies can only be achieved if everyone is involved.