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Mid-Term Evaluation of the project “LEAD4Shirak” - Armenia EVALUATION REPORT



12/05/2023

Report prepared for the
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ABBREVIATIONS

AB	Advisory Board
ADA	The Austrian Development Agency
ADA CO	Austrian Development Agency Coordination Office
ADC	Austrian Development Cooperation
CD	Capacity Development
CLLD	Community Led Local Development
CSO	Civil Society Organizations
DoA	Description of Actions
EGSIM	Environment, Gender, Social Impact Management
ELARD	European LAG Association of Rural Development
ENRD	European Network for Rural Development
EQ	Evaluation Question
EU	European Union
EUD	Delegation of the European Union to Armenia
FAO	Food and Agriculture Organization of the United Nations
GoA	Government of Armenia
GTC	Gyumri Technology Center
ICMPD	Centre for Migration Policy Development
IMPACT	Increasing Migrants' Potential to Act for Development of Armenia
IP	Implementation plan
ITT	Indicator Tracking Table
LA	Local Authorities
LAG	Local Action Group
LDS	Local Development Strategy
LEAD	Action Document for Local Empowerment of Actors for Development
LEADER	Links between the rural economy and development actions
MTAI	Ministry of Territorial Administration and Infrastructure
NEAR	Directorate General Neighbourhood and Enlargement Negotiation
NGO	Non-governmental organization
OC	Outcomes
PA	Partnership Agreement
RA	Republic of Armenia
SSC	Strategic Steering Committee
UNDP	United Nations Development Programme

1 Executive Summary

The overall objective of the Lead4Shirak Project is to promote inclusive and sustainable growth and improved livelihoods of rural population in Shirak marz through support to community driven local development initiatives and partnerships. The Project is part of the EU-Lead Programme. The field activities started in January 2021, with a delay of ca. 3 months from the official starting date of October 2020. The Project duration is 48 months. The Project is funded by the European Union and co-funded and implemented by the Austrian Development Agency for a total Project value of ca. 4,5 Million Euro. During the first 24 months of implementation, the Project has piloted the implementation of the EU LEADER/CLLD methodology based on lessons learned from international and regional experience (Georgia), aligning efforts with other relevant projects active in Shirak. Project activities have achieved a wide range of mobilised local endogenous resources and have enhanced the capacities of a group of local actors for the establishment of 3 Local Action Groups (LAG) and the definition of community needs-driven strategies. In so doing, the Project has built the supporting infrastructure to sustain local-grown initiatives in the target territories.

As stated in the Terms of Reference (ToR), *The purpose of the mid-term evaluation (MTE) is to assess the implementation progress of the Project in terms of achieved results against set targets as defined in the DoAs and the logical framework and to provide an account on the use of Project resources. The main objective of the MTE is:*

- *to examine relevance, effectiveness and (prospects for) sustainability of the Project as well as preliminary impacts.*
- *to review and if necessary to propose an adaptation of the Theory of Change as basis of the Project intervention logic.*
- *to develop a set of actionable recommendations for the remaining Project implementation period which are built on the lessons learnt with a focus on the sustainability of LEADER and LAGs in Armenia.*

The present Mid-term Evaluation (MTE) has started on 19/01/2023 with the signature of the Service Contract for Consultant Service between the Austrian Development Agency (ADA) and Mr. Stefano Mussi, the independent international consultant selected to carry out the assignment. The activities of the MTE team started on 23/02/2023 with the on-line kick-off meeting between the evaluation team and the Evaluation Steering Group (ESG). The total duration of the assignment is 100 calendar days (including the extended time awarded on 21st March) with a total consultants' input of 32 working days. The implementation of the MTE has coincided with the beginning of the third year i.e., the beginning of the second half of the implementation of the Project.

The MTE has assessed the causality between Project interventions, the obtained results, and the observed changes according to the method known as "Theory of Change (ToC)". In parallel, the MTE has provided an assessment of the use and deployment of project resources and project implementation modalities and has produced a set of conclusions and recommendations for the second period of implementation of the Project and for possible follow-up actions. The geographical scope of the MTE has covered Yerevan and the Shirak region, including the locations of the three established Local Action Groups. The 10 Standards and Principles for Good Evaluation, which are included in the document Evaluation Policy developed in 2019 by the Austrian Development Co-operation and other relevant Austrian Ministries and actors (ADC Plus) as well as the gender-sensitive and human rights-based approach have always been at the forefront of the implementation of the present evaluation exercise. Care was posed ensure data quality and validity of findings. In so doing, several measures were taken, including the adoption of interview guidelines and observation tools and thorough cross-checking and triangulation of the information using alternative primary and secondary sources. In order to enhance the "usability" of the results of the MTE, the evaluation team has carefully analysed the information needs of the primary users and the other key stakeholders of the MTE and has adjusted the approach

accordingly. Similarly, an analysis of the socio-economic context in which the Project operates has allowed to frame and better target the results of the evaluation.

The methodological approach adopted by the MTE considers the fact that the CLLD/Leader methodology is about both: performance (impacts/outcomes) and processes. It also takes into account the fact that this methodology is implemented for the first time in the region and in the country. The actual evaluation activities have started with the analysis of the evaluability of the seven Evaluation Questions presented in the Terms of Reference (ToR) followed by the construction of the related Evaluation Matrix (EM). Methods of data collection and analysis and source of information (observation), how to process them (analysis), and how to formulate the answers (judgment) to each of the evaluation questions have been defined and included in the EM. Although during the analysis few of the JC presented in the EM have been deleted or incorporated in others since they were judged redundant, the breakdown the Evaluation Questions (EQ) into a rather high number of Judgement Criteria has allowed to analyse the Project from different angles.

The list of people to be met and interviewed during the field mission was prepared and finalised with the support of the Project team who was also helpful for the organisation of the meetings in the Shirak Region. Also, a set of guidelines for the implementation of interviews and focus group meetings were prepared before the field mission in Yerevan and Gyumri that took place in the week of 20-24 February. During this period, the experts conducted semi-structured online and offline interviews and organised focus group meetings with relevant stakeholders who were selected using purposive sampling and convenience sampling. In total interviews were conducted one-on-one and in group with 63 interviewees including Project team members, LAG members and stakeholders and other key informants.

The MTE team relied on both secondary and primary data to formulate the preliminary findings, which were finalised by making use of project documents and other external sources (such as Government strategies) as well as through the intense dialogue with the Evaluation Steering Group and the Project team. This intense exchange of information started during the Inception Phase and continued during the whole duration of the MTE activities.

After the termination of the Data Analysis Phase, the MTE team has produced a first set of preliminary findings and presented them to the ESG on-line on 10th March. The slides presented at that meeting are annexed to the present report together with the list of requests for clarification and the related answers. During the two subsequent weeks the MTE team has finalised the findings and produced conclusions and recommendations that are summarised hereafter. Conclusions and recommendations are presented in the relevant chapters related to the findings that the MTE has drawn for each of the judgement criteria that we have used to answer the seven EQs. The coding system would help to trace the correlation between findings, conclusions and recommendations.

The main findings of the evaluation are reported here below:

- As far as relevance is concerned, we have assessed that the Project design and formulation complement the National Programmes and Strategies in particular the Armenian Regional Development Strategy (ARDS) for 2016-2025, implemented by the Ministry of Territorial Administration and Infrastructure (MTAI). Also evidence have emerged about the likelihood of the Project objectives to contribute to the enhancement of an inclusive economic and social development in the targeted LAG areas. The Project objectives are specifically aligned with the ARDS objectives on the sustainable use of resources, improvement of territorial development policy in the planning and implementation of development processes through a more active participation of regional and local players. However, the Project has introduced a completely new methodology to territorial development and, while there is a generalised positive attitude to this new approach, there is no evidence of a long-term formal commitment of the Government to support the LAG creation, functioning and development process. In addition, Armenian authorities at central level,

although regularly participate in the SSC meetings, did not show a pro-active attitude on the definition of the future policies to ensure sustainability of the CLLD/LEADER in Armenia.

- The Assessment of the actual vs. planned achievements, at specific objectives level, shows no major deviations from the plan (as per DoA) for most of the M&E indicators with a few exceptions. The actual figures of the indicators related to the level of participation of the local stakeholders to Project's events largely exceed the target level. The project activities (inputs) have led to the achievement of most of the outputs planned for the mid-term except for the activities related to the achievement of the approval by the national authorities of the Regulatory framework for CLLD/Leader, which have been temporarily frozen.
- The awareness and information campaign as well as the capacity building and training activities implemented by the Project have demonstrated to be very effective in raising the interest and enhancing the capacity of the local actors. As a result, LAGs participants have acquired an excellent level of understanding of their role in the LDS elaboration as well as LAG's management and decision-making structures. Similarly, this has allowed the mobilisation of a critical mass of local endogenous resources in terms of technical knowledge and expertise that has effectively contributed to define the LDSs as development pathway consistent with their needs, expectations, and plans and to strengthen the ownership of the objectives set in it. The MTE team has also verified that most local actors have understood the importance of addressing environmental and social cross-cutting issues while thinking about the future of their communities and territories. All the above are important positive Project results in terms of pilot approaches and methodologies that would be useful to quantify in terms of M&E indicators and to summarise in form of replicable best practices.

Based on the above findings, the main conclusions are:

- The lack of an effective policy dialogue between the Project, as one of the stakeholders of the EU-Lead Programme, and the Armenian authorities may have a strong negative effect on the prospected project impact and, even more, on the sustainability.
- There is a need to introduce in the Logical Framework and in the related M&E system an additional set of indicators that would allow to better "capture" the impact and the outcome of the Project, not only in terms of sharp macro-economic indicators but also in terms of process and pilot significance. Among other, we have underlined the importance of recognise the enhanced level of Environmental and Social Governance (ESG) in the LAG territories as a key indicator of the Project impact.
- There is also the need to carefully monitor the balanced participation in the LAG decision making bodies and in the "LAG life" in general of public, private, civil society sector and academia with none of the 4 categories prevailing and none of them losing/withdrawing interest.

The MTE recommendations are summarised here below:

- The Project, together with the sister Project in Lori and Tavush regions and with the ADA and EU Delegation, shall intensify the policy dialogue and seek the commitment and a more pro-active role of the Armenian authorities, in particular policymakers at national level, to develop a strategy for the further implementation of the CLLD/Leader approach to implement territorial development policies.
- The Evaluation team suggest introducing in the Project Logical Framework and in the related M&E system an additional set of indicators that would allow to better "capture" the impact and the outcome of the Project, in particular in terms of process and pilot significance as well as added value of the CLLD/Leader approach
- Specific attention should be posed by the Project to ensure the balanced participation in the LAG of public, private, civil society sector and academia. In particular, the Project should make sure that the business sector will not lose interest and withdraw support and, in parallel, the CSOs will not prevail.
- For the second half of the Project, it is worth considering enhancing networking activities in the Shirak region and in other regions of Armenia and abroad to further improve and spread the collective understanding of the CLLD/Leader principles.

- Project achievements, also in terms of methodologies and approaches adopted, should be summarized in the form of lessons learned and presented as “good practices” as soon as they emerge and not at the end of the project. Also, what did not work shall be identified and the reasons for failure shall be analysed.
- In order to improve the knowledge of the content of the LDS and further enhance the ownership by the LAG members, the Project shall plan activities to support the LAG members to carry out a simplified self-evaluation of their LDS as soon as the results of the funded projects will start to emerge.
- The extension of the Project duration, subject to the availability of funds, is recommended in order to have sufficient time to observe and analyse the changes and their reason as well as to prepare the ground for possible follow-up actions.

As a general remark, it must be pointed out that, during the whole assessment, the MTE has taken in due consideration the basic principles underlying ADA's Guidelines for Programme and Project Evaluations as well as the human rights-based approach and the commitment to cross-cutting issues. In particular, the MTE has assessed how and to which extent the cross-cutting issues related the environment, climate change and the involvement of the women, elder and people belonging to vulnerable groups have been addressed in the implementation of the Project activities, including the organisation of events as well as the design of the grant scheme. At this end, as baseline, the evaluation made use of the information produced in the EGSIM appraisals (environmental, social, and gender) produced by the ADA Evaluation Unit.