

Management Response to Evaluation of EBRD-SECO ITCP Early-Stage Assessment

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1. Summary

Management acknowledges the receipt of the comprehensive evaluation report of the EBRD-SECO Early-Stage Assessment. Management appreciates the thorough analysis and valuable insights provided by the contracted evaluation team A2F Consulting. The findings and recommendations will be taken into consideration in the future strategies and operational improvements in the SEMED region and significantly inform the Gender & Economic Inclusion team's ongoing partnership with SECO. This management response addresses the key points highlighted in the evaluation, detailing the planned actions and commitments to enhancing program efficacy.

Management supports the overall positive evaluation of the programme, particularly in the relevance and effectiveness of its interventions. Moreover, the positive impact achievement on addressing the skills gap and initiating ongoing policy dialogue for skills development in the region particularly demonstrated the success of the ITCP thus far.

Management also acknowledges some of the issues and limitation of the programme, particularly in the logframe and on ensuring the sustainability of the impact. Management intends to take into consideration the suggestion to include project-specific gender and inclusion targets where possible. Management also seeks to continue to build sustainability into the design of the programme and encourage client commitment for long-term sustainability.

2. Key Findings, Recommendations and Management Response

Finding 1 - Assessment of the logframe: The evaluation found that the logframe effectively captured the high-level objectives of the programme with relevant, measurable, and achievable targets. However, the evaluation also found that while the logframe provided targets at the programme level, a centralized detailed results framework is missing to capture project specific targets with a gender and social inclusion lens.

Recommendation: The programme could benefit from a more coherent Monitoring & Evaluation (M&E) system that is communicated across all parties involved to ensure the collection of high-quality data and efficient monitoring.

Management Response: Management is pleased with this overall positive assessment of the logframe. We

also acknowledge the limitation of the programme-level indicators in capturing project-specific targets. This partially stems from the nature of working with private sector clients as pipeline and client/country demand shift constantly. In addition to this, the project team is also required to answer to constantly evolving requirements from donors. Management recognises the need for a centralized and dynamic results framework with specific targets measuring gender and social inclusion, such as number or proportion of women and vulnerable groups trained and employed or recruited, that is consistently updated to reflect the pipeline, which would enhance the monitoring and assessment of the programme. Moving forward, we will continue to ensure that our the logframe captures the most relevant objectives of the programme while adopting to the shifting pipeline.

Management also acknowledges the need for a comprehensive monitoring and evaluation system which could be improved with the abovementioned enhancement of project-specific logframes. In addition to that, introduction of additional monitoring processes at the project level, such as competency tests pre- and post-training programmes, tracer surveys on training graduates for short, medium, and long-term impact, and follow up on signed partnerships and activities could enhance the monitoring of programme effectiveness. However, the introduction of such new processes is contingent on increased staffing and resources which can be challenging in the current environment. Management would also like to point to the improvement in the EBRD-wide monitoring and reporting systems over the past years, such as the enhanced Monarch system, which the EBRD-SECO ITCP could benefit from.

Finding 2 - Program relevance and coherence: The report found that The ITCP was relevant as it was designed to be demand-driven to address the specific needs and gaps of the clients and include assessments and diagnostics at the country and client levels. Moreover, the programme was deemed to have been in line with the EBRD's strategic priorities on economic inclusion and access to skills and employment, which is a highly relevant issue in the SEMED region.

Recommendation: Having properly staffed offices with local experts in the programme area to actively engage and foster close coordination with SECO local offices can enhance the relevance of the programme and support implementation and monitoring.

Management Response: Management welcomes the overall positive evaluation of the programme's relevance and coherence. Management also acknowledges the importance of having staff and local experts on the ground in order to enhance programme relevance and implementation. The Gender & Economic Inclusion team currently have staff members stationed in Egypt and Jordan, and recently welcomed a staff based in Morocco and covering the Moroccan and Tunisian portfolio. They are instrumental in forming close relationships with local stakeholders and SECO offices and ensuring that projects are relevant to the context of each country and donor priorities. Management will continue this approach and encourage closer engagements with SECO local offices going forward. As an example, management is pleased to report that a meeting took place recently between two G&EI staff and SECO representatives in Tunisia, paving way for close coordination.

Finding 3 - Programme efficiency: The report found that the multi-country framework contributed to the programme's efficiency by providing flexibility in the allocation of funding and projects across the region. It also identified issues such as delays in project delivery due to the ITCP projects being linked to EBRD investments. Moreover, the evaluation found that policy-related engagements in Egypt and Jordan faced challenges due to the slow and complicated legal process within the countries and their political and sectoral environment, especially within the technical and vocational education and training (TVET) sector. Overall, despite facing global-scale challenges such as COVID-19, the projects achieved their objectives due to competent consultants and motivated clients.

Recommendation:

- Client buy-ins and commitment through reoccurring visibility events, dissemination of the results with a wide audience, and stakeholder engagements are crucial to ensure that the project is implemented efficiently.
- There should be better strategic foresight in the selection of projects to attach inclusion components to ensure the disbursement timeline falls within the timeline of the programme.

Management Response: Management agrees on the importance of visibility events and dissemination of project results. The G&EI team have held a number of visibility events such as the recent closing ceremony for Hyatt Cairo and El Sewedy Technical Academy, which has been effective in securing client commitment and building an accountability system.

Regarding the evaluation's suggestion to have better strategic foresight in the selection of projects, there are limitations to this stemming from the ITCP's operation model which ties projects to EBRD investments. As mentioned in the evaluation, this sometimes results in project delays when the underlying EBRD investment is delayed. The G&EI works closely with the EBRD banking teams to regularly evaluate the progress of underlying investment in order to minimise project delays and prevent under-utilisation of funds. Moreover, management regularly updates the pipeline to SECO via the bi-annual programme report and steering meetings.

Finding 4 - Programme effectiveness: The evaluation found the programme was mostly effective, achieving most of the high-level objectives stated in the logframe. In some instances, they even surpassed targets for policy dialogues, entities trained for economic inclusion, and stakeholder engagement.

Recommendation: Programme approach should be tailored to the type of clients, such that with large public company, customized strategies are adopted like streamlining communication processes with designated liaisons and aligning operational procedures with the client's specific requirement.

Management Response: The G&EI team on the ground brings in a wealth of experience and knowledge in working with both the public and private sector. The team recognises the particular challenges of working with public sector entities such as dealing with bureaucratic procedures and administrative complexities and thus continue to pay close attention to regulatory compliance, transparency, and accountability.

Finding 5 - Impact: The evaluation found that the programme contributed to high level impact that would not have happened without the programme's financial and technical support. The report also identified unintended consequences of the achievement, namely brain drain, which is a concern in the SEMED region.

Recommendation: A legally-binding agreement requiring participants to remain in their home country for employment could help to mitigate the risk of brain drain.

Management Response: Management is pleased with the finding that the ITCP projects contributed to high level impact. Regarding the issue of brain drain, management acknowledges that this issue persists in the SEMED region and that where possible, the programme should encourage participants to remain in the country upon completion. However, setting in place an agreement which requires participants to remain in their home country requires significant commitment from clients and may risk harming participant appetite. Management believes a balanced approach is needed in order to encourage and incentivise retainment of programme participants while avoiding over-enforcement.

Finding 6 - Sustainability: The evaluation highlighted that sustainability is built into the design of the programme through its demand-driven approach, activities tied to EBRD investments, long-standing relationship with clients, and the cost sharing design of the projects. The long-term impact and sustainability of the programme, however, depends on the level of client commitment and continued engagement between the private and public sector, relevant stakeholders, and development partners.

Recommendation: Future technical inclusion interventions should leverage ITCP's success factors such as direct engagement with private employers and local education providers in training development and cultivating strong relationships with clients and partners.

Management Response: Sustainability is a critical aspect of the ITCP. To enhance the long-term impact of the programme, management continues to develop projects to be integrated into the client's strategic plans and foster continued discussions between the private and public sector, relevant stakeholders, and development partners in addressing skills mismatch. Management also echoes the recommendation to leverage ITCP's success factors in future operation for enhanced sustainability. The programme's commitment to engaging with local education and training providers ensured the sustainability of the

market-relevant training by not relying on programme funds to operate, demonstrated in the MAF Almaza collaboration with EFE Egypt, NEPCO's partnership with Al Hussein HTU, and STEG's three university alliances. These successful models will be replicated where applicable in future operations.

3. Conclusion

Management is pleased with the evaluation and assessment of the EBRD-SECO ITCP. The insights gained from this evaluation are invaluable and will guide the G&EI team in making informed decisions to enhance programme effectiveness and sustainability. Management remains committed to continuous improvement of programme offerings and seeks to implement the suggested recommendations where possible. Management looks forward to ongoing collaboration with SECO to achieve our shared goals and create lasting positive impacts in the SEMED region.