



RISK&AUDIT CONSULTING

USAID/ALBANIA EVALUATION

Period covered by the evaluation (2012-2016)

FINAL REPORT

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EXECUTIVE SUMMARY

Overview. The overall purpose of this Evaluation is to assess the processes and outcomes of the work of US Agency for International Development Albania (USAID/Albania) through three local awardees (Agro Capital (AC), Building Human and Institutional Capacities (BHIC), Supporting Agriculture Vital Sectors (SAVS)). This evaluation is an essential step to identify the major achievements as well challenges encountered while implementing the projects, and ensure that lessons learned are reflected in future work of USAID/Albania with local implementing partners. This evaluation has a specific objective: To provide an independent assessment on what is being achieved, project wise and organizationally, and state relevant management financial and cost efficiency findings. The evaluation assesses the processes and outcomes achieved through the implementation of the three projects: 1) AC valued at 1,499,224\$ (2013-2016) 2) BHIC valued at 2,824,980\$ (2012-2016) 3) SAVS valued at 1,717,099 \$ (2013-2017). Additionally, the evaluation assesses the project's relevance to national priorities and those of the USAID/Albania, as well as the extent to which the USAID projects, as implemented, have provided the best possible modalities for reaching the intended objectives given the results achieved.

Objectives and scope. The overall objective of this evaluation is to provide an independent assessment of the organizational strengthening of the Implementing Partners as a result of working with USAID Albania, and the results of the three projects aimed to better understand the processes behind the implementation of the projects, and help improve them. The scope of this evaluation is to 1) assess organizational strengthening and sustainability of Implementing Partners of USAID Albania, Assist Impact (AI), Albanian Agriculture Competitiveness Lushnja (AAC Lushnja), and Creative Business Solution (CBS) 2) assess, as systematically and objectively as possible, the following four criteria: relevance, effectiveness, efficiency, sustainability; 3) develop a document that will help key stakeholders, including USAID Albania to make reasonable choices regarding the approach towards interventions and the components that should be maintained, modified or added in the upcoming projects. The evaluation took place during the period June-July 2016 and covers the USAID/Albania projects (BHIC, AC, SAVS) from 2012 to the present. The primary audience and users of the evaluation include USAID Albania, national partners and relevant government agencies, who are expected to benefit from the evaluation's findings, conclusions and recommendations.

Description of the projects. **BHIC** was designed to build the capacity of institutions, governmental, non-governmental and public sector, as well as leaders and technical experts who played a key role in development of the country. The objectives of **SAVS** were, first, to strengthen producers' capacities for competitive commercial farming through consolidating production and improving production practices. The second component of strengthening capability for market development included, among others, new links between producers and buyers. The **AgroCapital** project seeks to promote economic growth in agriculture sector in Albania by increasing access to finance. It is achieved through advisory provided to banks and Financial Institutions (FIs), technical assistance provided to Farmer Agriculture Businesses (FABs) and the development of the online platform "information hub" for agriculture.

Evaluation Approach and Methodology. This evaluation addresses all the questions specified in Request for Proposal (RFP) with respect to organizational strengthening and sustainability of Implementing Partners of USAID Albania, as well as it employs four main criteria to assess the projects results relevance, effectiveness, efficiency and sustainability.

The evaluation was conducted by a three-person team (Holtjana Bello, Ebi Spahiu, Ermelinda Gjika) from Risk&Audit Consulting. The evaluation is based on non-random samples of respondents with qualitative data collection methods. All interviews followed informed consent procedures as required by the USAID guidelines for evaluators. The collection of evaluation data was implemented using four main methods: 1) Desk review 2) Site visits to USAID/Implementing Partners targeted areas in two regions (central and south) 3) Semi-structured group and individual interviews with stakeholders 4) Focus group discussions with stakeholders and client/beneficiaries. The analysis is based on a synthesis and triangulation of information obtained from the above-mentioned four evaluation activities. Limitations of the evaluation include its non-representative, qualitative nature due to small, non-random samples and low response rates for certain interview categories. All interviews were done without the presence of USAID and Implementing Partners staff.

Key Findings

Organizational Strengthening of the IPs: Implementing Partners have received trainings on strategic planning, produced administrative and compliance manuals to increase their credibility to donors. The financial reporting and other compliance procedures although bureaucratic, were seen positively and as added value from Implementing Partners. As a result of working with USAID Albania, annual financial audits were mandatory to Implementing Partners. Such scrutiny helped them to improve the way the organizations were controlled. USAID branding provisions has built the image and strongly improved the reputation of local organizations that were seen by stakeholders as the organizations applying highest standards. The type of the contract Fund Obligation Grant (FOG) as in case of the CBS gave more freedom and flexibility to the implementing partner in defining projects activities as well as project' geographical coverage. Less intervention from contracting authority increased focus of CBS on the achievements of outputs and outcomes of the program.

Organizational Hindering of the IPs: Significant amount of time allocated to build the internal control systems, and produce financial reports, and the learning necessary to withstand work endured by staff to comply with USAID rules and regulations hindered the organizational sustainability of all the Implementing Partners. Due to the nature of BHIC project, **AI** was widened in a number of areas that took away focus from developing a profile of their own compromising the sustainability of the AI in the long term. The type of agreement "Cooperative Agreement" between IPs (AAC Lushnja and AI) and USAID Albania allowed for a higher level of intrusion¹ from USAID Albania with the project. USAID has the systems in place to provide endowment opportunities, but in most cases this practice does not get through with implementing partners in Albania due to the past-unfulfilled requirements. Local Implementing Partners deem that this is particularly hindering for their financial independence. If implemented with caution and piloted to trusted partner organizations, this could present an opportunity for both donors and IPs to encourage local ownership and more involvement of IPs' boards in safeguarding endowments, as well as

¹ Intrusion with the project involves both technical and administrative aspects of the project. While administrative intrusion means overwhelming paper work to meet USAID requirements, technical intrusion include, for example, the request asked by USAID Albania to expand the project in the north of Albania.

playing a key role in protecting from fund mismanagement.

Sustainability of the IPs: All three Implementing Partners are the organizations that are mainly dependent to the single donor (USAID/Albania). The Implementing Partners have been given the opportunity to build their reputation apart from USAID by enabling networking and connections with government representatives. But still, funding is the only resort for continuity of the activities. Although the organizations have hired staff to write proposal, the organizations have little experience in fundraising and getting donors support for project ideas. The **CBS** has tackled the sustainability issue by designing and pursuing a vigorous Sustainability Plan. While, capable resources, strong products and systems, and robust internal operational processes form a sound basis for the CBS' institutional sustainability, the financial sustainability is ensured with revenues generated by different sources, including funding from different donors.

Projects Findings:

Relevance: All three projects were found to be of high relevance. Virtually all activities fit well within national priorities and strategies and are consistent with the needs of beneficiaries and implementing partners. There was strong evidence that activities were developed based on sound assessments as well as consultation with clients and beneficiaries. All projects were implemented in a manner that was reflective of USAID Albania strategy and policies.

Effectiveness: Despite challenges in the social, economical and political context in Albania, there is evidence of effectiveness and achievement of objectives for all the projects. USAID Albania/Assist Impact achieved important results for the **BHIC project** through contribution to strengthening capacity of institutions, governmental, non-governmental and private sector, as well as leaders and technical experts who played a key role in Albania's development and its road to European integration. Assist Impact has had a crucial role in supporting the organizations' efforts in conducting feasibility studies and creating an expertise of their own which is now marketable to other beneficiaries, including the cities' municipalities and private sector. The involvement of international expertise and systematic follow up on the methodology utilized for the studies, helped local smaller organizations improve their writing and presentation skills. Additionally, interventions led by Assist Impact opened more space for new approaches to tackling social issues, including women's empowerment and LGBT rights. The **SAVS project** has made contribution toward the fulfillment of the overall USAID Albania objective of economic growth. Based on the stakeholders' interviews and annual reports of IPs, new investments, and improvement of the knowhow of the farmers, introduction and demonstration of the better agriculture practices with concrete results in improving production capacities and increasing sales, changing the mind-set and the work culture of farmers, are all examples of the effective and sustainable results. Replicating successful practices and demonstrations by achieving measurable and realistic results has improved credibility of AAC Lushnja enabling this organization to attract attention of different donors. However, there are challenges in agriculture sector in Albania that goes beyond the farmers and the donors, such as the days off of custom offices during weekend and official holidays, which put in a favorable position the competitors. Additionally, pesticides that enter this country are not well controlled, and farmers do not have access to a lab to test them. **CBS program** has clearly contributed to the USAID

Albania objective of economic growth with exceeding expectations in achieving key performance indicators in support of the program objectives. CBS assisted agribusinesses with loans from banks, Financial Institution for Pre-accession Assistance for Rural Development (IPARD) Like, national scheme and SARED grants. As a result of working with CBS, the total amount of financing was 15 Million USD, revenue of enterprises was increased by 18 Million USD, and 733 new jobs were generated.

Efficiency: Overall, the activities implemented toward the achievement of objectives of all three projects appeared to be reasonable for the amount of resources expended. Most respondents were unable to comment on the question of efficiency, but of those who did, mostly the respondents from USAID Albania and Implementing Partners, felt that USAID Albania has been careful to manage its funds efficiently. Working with local organizations is more efficient than international partners because they are performing more programs and economically. With respect to the best use of the financial resources, to be mentioned is the case of **CBS** that has tried to optimize the cost/benefit ratio through applying the open procurement procedures for each purchase. Vendors with the best combination of technical and financial qualifications were chosen as winners, which justified the economical use of financial resources.

Sustainability: There is evidence of both short- and long-term sustainability of projects' results. With respect to the **AI** project results, some of the programs implemented have succeeded in becoming sustainable such as training with judges on bankruptcy law, and vocational trainings. However, there are organizations like ALEANCA that are overly reliant on donor funding. Because of the cooperation with Assist Impact, ALEANCA has spent a great deal of effort in increasing its operational capacities, but remains lodged when it comes to generating funds to carry its activities. With respect to SAVS project, to be mentioned is the cooperation between **AAC Lushnja** and Agriculture University, ensuring the delivering of the program' results beyond the life of this program through the institutionalizing agreement between both institutions to deliver continual trainings to the agriculture sector. The way this program is developed enabled networking and ensured continuity of the academics to voice their idea to the Ministry of Agriculture on the need and updates for the development strategy and agriculture priorities. Agrocultural success under **CBS** in referring loan customers to banks, and moreover, supporting banks with post-disbursement and loan repayment activities for referred clients, thus far being a strong basis for getting long-term banks and FIs buy-in for financially advisory services is another example of the sustainable results.

General Conclusions²: The amount of work carried to produce financial reports and the trainings necessary to withstand work endured by staff to comply with USAID rules and regulations may dilute effort and detract from objectives. The lack of financial reserves provisions may hinder the financial independence of the local organizations. But, if implemented with caution and piloted to trusted partners, in the long run they may ensure a stronger civil society that will have more political courage to affect social change and stronger advocacy voices. Management and administrative capacities of IP's staff are improved as a result of working with USAID Albania. The policies and procedures, internal control systems have been designed and implemented in a highly competent manner, guided by a coherent strategy.

² General conclusions apply to all three Implementing Partners.

Other IPs conclusions include: Due to changing funding environments in recent years, most civil society organizations derive funds through calls for proposals from international donors, some of which may not cover their areas of expertise, but present funding opportunities, nonetheless. This is the case of **AI**, due to the nature of the BHIC project, and limited funding opportunities AI jumped from one thematic focus to another, without strengthening its profile. Overall, the climate for fundraising opportunities is not optimal for small organizations, which are often found chasing funds in order to ensure their survival. Due to political and economic changes, most large donors have left Albania. While those that still remain are resistant in funding smaller organizations. This trait discourages many smaller local groups from applying because there is an accepted preconceived notion that funding is granted through a pre-selection process to bigger groups. With respect to **AAC Lushnja**, there is need for more feasibility plants studies from the Government to increase the soil productivity and farmers profitability. Thus far, the poor government support in agriculture increased the need of farmers to get support from other sources, for example, donors as it is the case of SAVS project, and private consultancies ensuring continual professional development of farmers and strengthening of agriculture sector. There are almost no advocacy initiatives that help break barriers between the state agencies and agro association, and ensure that farmers have specific requests to state agencies. Distrust is high and coordination is low between farmers and state agencies, whereas production structures are fragmented and many do not share knowledge among themselves. Although **CBS** has built a wide network and good relations with banks, ensuring success of AgroCapital, there is room for application grants to be improved with respect to technical part of proposal.

General Recommendations³ Although reporting mechanism and robust internal systems and processes ensure accountability on the use of funds, more attention needs to be paid on ensuring NGO's remain in touch with the realities and the needs the community they serve. Donors should include in their fund raising training modules alternative fundraising mechanism, for example, crowdsourcing that can also increase communication and engagement with constituents and supporters of the causes NGOs are promoting. Additionally, the future projects supported by USAID Albania should have business sustainability as their primary goal since the advocacy and all activities rely on funding. Encourage the system of providing an endowment from donations by strengthening the role of board members to increase funds scrutiny, and setting clear guidelines on the ways and events when endowment funds can be used. Provided that the core objectives of the project are accomplished, less intrusive procedures⁴ from USAID Albania could be established. For example, the type of agreement FOG could be adapted with other Implementing Partners as it gives more freedom to IPs to implement the project successfully.

³ General recommendations apply to the all three IPs.

⁴ The USAID Albania shall continue to exercise the same financial controls to the IPs, but they shall “interfere to the minimum extent” with the project (technical part), for example, in determining the geographical coverage of the project.

Implementing Partners Recommendations

BHIC/ AI Recommendation 1: USAID Albania has to rethink strategies and approaches with local organizations (IPs) to ensure they stick to their core mission and values, be representatives, and enhance their intellectual properties. For example, USAID should not to support project like BHIC that lack the focus and compromise the sustainability of the IPs in the long term. **Recommendation 2:** USAID Albania should counteract the perception that funding is granted through a pre-selection process to bigger groups through continuing to support more AI type interventions.

SAVS/ AAC Lushnja Recommendation 1: In the future, continue to support the development and modernization of agriculture sector in Albania. Given the wrong perception of farmers that USAID funds are gifts instead of investments, develop effective strategies and work plan along with Implementing Partners to change the mind-set of farmers on their continuous need for trainings and the paid consultancies. Re establish the agriculture professional school and increase vocational training in agriculture sector to prepare the farmers of the future. **Recommendation 2:** Need to focus more on farmer advocacy and coordination between state agencies or a program to help align state agency needs and farmer needs.

AgroCapital/ CBS Recommendation: The services providers, including CBS should put more efforts to combine better the technological knowledge and financial knowledge to facilitate applications

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Disclaimer

This evaluation report was prepared by a team of three Consultants: Dr. Holtjana Bello, Team Leader, Ebi Spahiu, Evaluation Consultant, Ermelinda Gjika, Evaluation Consultant. The content, analysis and recommendations of this report do not necessarily reflect the views of USAID Albania.

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Abbreviations

AAC Lushnja	Albanian Agriculture Competitiveness Lushnja
AC	Agro Capital
AI	Assist Impact
ALEANCA	Alliance Against Discrimination
ASCS (AMSHC)	Agency for Support of Civil Society
AZHBR	Agriculture and Rural Development Agency
BHIC	Building Human Institutional Capacities
BKT	Banka Kombetare Tregtare
CBS	Creative Business Solution
CFFESD	Coalition For Free and Fair Elections and Sustainable Democracy
EU	European Union
FAB	Farmer Agriculture Business
FGD	Focus Group Discussion
FI	Financial Institutions
GDP	Gross Domestic Production
HDI	Human Development Index
IP	Implementing Partners
IPA	Instrument for Pre-accession Assistance (EU assistance programme for candidate)
IPARD	Financial Institution for Pre-accession Assistance for Rural Development
ISBA	Intesa SanPaolo Bank Albania
LORES	Loan Referral System
NGO	Non Governmental Organization
NPL	Non-Performing Loans

PCB	Procredit Bank
PPP	Public Private Partnership
RFP	Request for Proposal
SAVS	Supporting Agriculture Vital Sector
USAID Albania	US Agency for International Development
USD	United States Dollar

1. INTRODUCTION

1.1.Purpose and objectives of the USAID evaluation

The overall purpose of the USAID/Albania evaluation is to assess the processes and outcomes of the work of USAID/Albania through three local awardees AC, BHIC, SAVS. This evaluation is an essential step to identify the major achievements as well challenges encountered while implementing projects and ensure that lessons learned are reflected in future work of USAID/Albania with local implementing partners.

The overall objective of this evaluation is to provide an independent assessment of the results and effectiveness of the three projects aimed to better understand the results and processes behind the implementation of the projects, and help improve them. The evaluation has a specific objective: To provide an independent assessment on what is being achieved, project wise and organizationally, and state relevant management financial and cost efficiency findings.

The evaluation assessed the processes and outcomes achieved through the implementation of the three projects: 1) AC valued at 1,499,224\$ (2013-2016) 2) BHIC valued at 2,824,980\$ (2012-2016) 3) SAVS valued at 1,717,099 \$ (2013-2017). The evaluation assessed the projects relevance to national priorities and those of the USAID/Albania, as well as the extent to which the USAID projects, as implemented, have provided the best possible modalities for reaching the intended objectives given the results achieved.

Scope of the evaluation

The scope of this evaluation is to:

- a) assess the organizational strengthening and sustainability of the IPs as a result of working with USAID Albania.
- b) assess, as systematically and objectively as possible, the following four criteria to measure the project's results: relevance, effectiveness, efficiency, sustainability.
- c) develop a document that will help key stakeholders, including USAID Albania to make reasonable choices regarding the approach towards interventions and the components that should be maintained, modified or added in the upcoming projects.

The primary audience and users of the evaluation include USAID/ Albania, national partners and relevant government agencies, who are expected to benefit from the evaluation's findings, conclusions and recommendations.

Methodology

This Methodology section provides a framework for the structure and implementation of the evaluation in a manner that is consistent with the USAID Evaluation Policy⁵. This report documents the evaluation methods used to address all the questions specified by the RFP within the above mentioned evaluation criteria. The Methodology presents the key evaluation components: document review, questionnaires, and plan for data collection, including selection of project/field sites for visits, and approaches for data analysis.

2. COUNTRY CONTEXT

2.1. Albania Context

Albania is a post-communist nation with a population of 2.894,000 growing at -0.1% annually⁶. It is a country in South Eastern Europe, and bordered by Montenegro, Kosovo, Macedonia and Greece. More than half of the population (55%) resides in urban areas.

Over the last two decades, Albanian's sustained developments have been successful in terms of multi-party democracy and market economy, allowing the country to obtain an upper middle income country status with a Gross Domestic Production (GDP) of 13.37 billion US\$ (2014) and Human Development Index (HDI) of 0.716 (2014) placing it in the category of a country with a high human development.⁷

Albania has made progress in terms of "business environment", moving from 81st place in 2009 to 68th place in 2014 out of 189 ranked economies in the World's Bank "Doing Business", below Montenegro in 36th position, Croatia in 65th position, but above Bosnia and Herzegovina (107th). In the Global Competitiveness Index, Albania ranked in 97th place in 2013 out of 144 surveyed economies in the world, with the Health and Primary Education pillars scoring well (62th position) and Higher Education and Training (ranked 60).⁸ However, there are recent setbacks to be mentioned. The unemployment rate increased from 12.5% in 2008 to 16.9% in 2013, with youth unemployment reaching 26.9% (2013). Moreover, the economic growth rate has declined significantly to 1.4% in 2013 compared to Macedonia (3.1%), and Kosovo 3%⁹.

Agriculture

The Albanian economy heavily relies on the contribution of the agriculture sectors that accounts for the last five years at approximately 20% of the GDP. The contribution in

⁵ <https://www.usaid.gov/evaluation/policy>

⁶ World Bank (2014)

⁷ United Nations Development Programme (2014)

⁸ World Economic Forum (2013)

⁹ World Bank (2014)

economy is more evident where the sector employs some 50% of the workforce. In majority of cases it is an unpaid job of family members¹⁰.

The agriculture sector suffers from a wide range of problems that undermine the productivity of the sector, the quality and the added value chain of products. The sector is widely informal and lacks the reliable data on a number of variables such as the number of farms, animal registration, fertilizers and seeds, products, etc. An issue is the land registration and informal buildings that have supported the fragmentation of farms, the access to financing both in private and public sources, the access to services and to markets and have also questioned the quality of the products. Farmers seem generally not aware or in best cases confused on the government laws and rules for being formal and the associated benefits with that. The responsible regional administrative capacities are limited and often not close to assist the farmer¹¹.

Although, there are some initiatives already in place by the government and donors through subsidizing schemes to support the development of the farmer, more coordinated efforts need to be dedicated to really contribute to the productivity of the sector¹².

Civil Society Role

Despite strong citizen engagement and youth participation in democratic governance processes noted in the last years, crucial to sustain Albania's democratic advancement, civil society mostly remains weak, politicized, fragmented, donor driven and uncoordinated¹³. The 2013 Nations in Transit Report emphasizes that Albania's civil society sector *is weak and struggles to find space for meaningful activity in a highly politicized environment*. Their capacity remains generally rather low and requires further support to be able to fulfill its role as a strategic partner of the government in decision-making. Additionally, Workers' Unions in Albania remain weak due to a presence of a large informal economy and the fact that very few large companies operate in the country¹⁴. In 2014, Freedom House ranked the Albanian civil society among the bottom three in the Balkan Region. However, there are some improvements in youth participation in decision-making public life from 10% in 2007 to 25% in 2012¹⁵. Twelve awareness-raising campaigns were conducted in 2012 against two in 2007. Active support was provided to Albanian youngsters and youth NGOs to participate in regional and international activities¹⁶.

¹⁰ Labour Force Survey, Q-2 2015, INSTAT

¹¹ World Bank, 2014

¹² World Bank, 2014

¹³ The Albanian Ministry of Economic Development, Trade and Entrepreneurship (2013)

¹⁴ The Albanian Ministry of Economic Development, Trade and Entrepreneurship (2013)

¹⁵ Republic of Albania, Council of Ministers (2013)

¹⁶ Republic of Albania, Council of Ministers (2013)

3. EVALUATION METHODOLOGY AND APPROACH

3.1. Evaluation Components and Criteria

This evaluation is designed to review the USAID Albania through three local awardees AC, BHIC; SAVS using the evaluation component: Analysis of the USAID Albania Outcomes and activities by the three Projects (AC, BHIC, SAVS)

There is a clearly defined set of evaluation criteria for the above-mentioned component, which are shown in the Table 1 below.

Table 1 USAID Albania Evaluation Components and Evaluation Criteria

Analysis of USAID Albania Components	
Component 1	Component 2
<i>Analysis of IPs from Organizational Strengthening & Sustainability Perspective</i>	<i>Analysis of Projects' Results</i>
1- Which USAID Albania processes support organizational strengthening of local partners?	Relevance
2- Which USAID Albania processes hinder organizational strengthening of local partners?	Effectiveness
3- Do Implementing Partners believe themselves to be stronger organizationally as a result of working with USAID? Why or Why not?	Efficiency
4- What are the perceived challenges of Implementing Partners for their sustainability?	Sustainability
5- Which of the beneficiaries' activities can be continued without USAID intervention in the future?	

Evaluation Questions: These evaluation questions were central to the conduct of the evaluation. Table 2 presents the evaluation questions.

Table 2 Evaluation questions of the USAID Albania work with local solutions

Evaluation Criteria	Evaluation Questions	
COMPONENT 1: Analysis of Implementing Partners from Organizational Strengthening & Sustainability Perspective		
		Q #
All three IPs	Which USAID Albania processes support organizational strengthening of local partners?	1
	Which USAID Albania processes hinder organizational strengthening of local partners?	2
	Do Implementing Partners believe themselves to be stronger organizationally as a result of working with USAID? Why or Why not?	3
	What are the perceived challenges of Implementing Partners for their sustainability?	4
	Which of the beneficiaries' activities can be continued without USAID intervention in the future?	5
Component 2: Analysis of Projects ' Results		
Relevance		
All three projects	To what extent are the local awardees (projects) consistent with and are tailored to the needs and expectations of the final beneficiaries and partners?	6
	To what extent are the current projects reflective of USAID policies and strategies?	7
Effectiveness		
All three projects	Were the USAID intended outputs and outcomes achieved? If so, to what degree? What were the constraining and facilitating factors and the influence of context on the achievement of results?	8
Efficiency		
All three projects	Were the outputs achieved reasonable for the resources spent? Paraphrase: Could more results have been produced with the same resources?	9
	Could different intervention have solved the problem with a lower cost?	10
Sustainability		

All three projects	Did USAID Albania ensure sustainability of its intervention? Are program results sustainable in short term perspective? Are program sustainable in the long-term perspective?	11
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Focus of the Evaluation: This evaluation covered three projects for the entire life of three projects (2012 to date). Attention was given to the evaluation of the organizational strengthening and sustainability of Implementing Partners as a result of working with USAID Albania, well as the key activities related to the outcomes of the framework for all three projects, in particular whether these key activities were completed satisfactorily or not.

3.2. Methods for data collection and analysis

Overview: The collection of evaluation data was carried out through a variety of techniques that range from direct observation to informal and semi-structured interviews and focus/reference groups, where feasible. The analysis was built on triangulating information obtained from various stakeholders' views as well as with secondary data and documentation reviewed by the team.

The evaluation followed the principles of the USAID norms and standards (in particular with regard to independence, objectiveness, impartiality and inclusiveness) and was guided by the ethics rules.

The evaluation was based on five key activities:

1. Desk review of documents and financial and other pertinent projects data,
2. Site visits to USAID/ Implementing Partners targeted areas,
3. Interviews with stakeholders (including national counterparts, implementing partners/Non-Governmental Organizations (NGOs),
4. Interviews with USAID Albania program, Clients/beneficiaries for all three projects,

Desk Review: The Desk review addressed each of the Objectives of the three projects. The desk review was based on the Evaluation RFP criteria: 1) the analysis of the IPs from organizational strengthening and sustainability perspective 2) the analysis by projects (Relevance, Effectiveness, Efficiency, and Sustainability). The background documents provided to assist the evaluation team included copies of grants or cooperative agreements, amendments and proposals, project annual reports (and periodic reports if necessary), USAID Albania strategic documents, USAID relevant policies, Implementing Partners internal procedures.

Site visit Schedule: Visits were made to implementation agencies at the central and local level, selecting sites chosen on the basis of consultation with stakeholders with attention to achieving a balanced review of projects activities and client/beneficiaries among two main

Albania regions, Central and Southern areas. The site visit schedule and stakeholder listing were consulted with USAID Albania and Implementing Partners.

Stakeholder Interviews with semi-structured questionnaire based on the Evaluation RFP criteria: These interviews were conducted with a consistent set of precautions for informed consent and confidentiality. A purposive selection was made of key informants, with an attempt to achieve a balance according to the region and the Projects (See Table 3). The number of stakeholders interviewed and a balanced distribution of interviewees were consulted with Implementing Partners.

Table 3 Stakeholder Interviews by Entity Level and Projects

Type of stakeholder	Northern	Central	Southern	Total
AC Implementers	-	4	-	4
BHIC Implementers	-	-	-	-
SAVS Implementers	-	1	2	3
CBS staff	-	3	1	4
AI Staff	-	5	-	5
AAC Lushnja staff	-	4	2	6
USAID Albania	-	5	-	5
Total		22	5	27

Client/Beneficiary Interviews and Focus Group Discussions (FGDs): Using a qualitative semi-structured interview questionnaire, interviews were conducted with client/beneficiaries of activities conducted within each of the three projects. Five FGDs were conducted (with from 4 to 8 participants each) with beneficiaries from each of the three projects. These interviews assessed client satisfaction with the services they have received from implementing partners/ NGO’s working with each of the three projects. The interview questionnaire is provided attached.

Table 4 Client/Beneficiary Interviews (FGDs by Region and Project)

Focus area of Client/beneficiary	No of FGDs	Northern	Central	Southern	Total Clients
AC	2	-	-	2	2
BHIC	-	-	9	5	14
SAVS	3	-	2	2	4
Total	5	-	11	9	20

3.3.Selection of the sample of stakeholders

Intensive effort are made to ensure that a wide range of stakeholders were consulted, with a good balance for each of the activities of all three projects at the Regional, District level and below. A stakeholder framework was developed in consultation with USAID Albania in order that a sample of stakeholders, while purposive and non -random, provided an accurate

range of information and perceptions among all of the implementing partners. The selection of implementing partners respondents was guided in part by the relative importance of the implementing partners/ NGO's in size of budget and national coverage.

3.4.Availability assessment, limitations and risks

Limitations and possible biases of the approach: There were several important limitations in the method. First due to limited time and resources it was not feasible to collect representative samples. The samples were purposive and not truly representative of the target populations of stakeholders and client/beneficiaries. The evaluation was inherently qualitative in nature due to the small, non-random sample sizes. Second, due to the short time frame permitted to conduct the evaluation (fieldwork was less than three weeks), the response rate for certain interview categories was lower than desired. There were possible biases in the selection of respondents due to the requirement to select locations on a purposive non-random basis. To avoid the possibility of bias from the presence of USAID Albania and Implementing Partners staff, all interviews were conducted by the evaluation team in private without any USAID Albania and Implementing Partners staff present.

4. FINDINGS: ANSWERS TO THE EVALUATION QUESTIONS

4.1. Building Human and Institutional Capacity (Assist Impact Implementing Partner)

COMPONENT 1 OF THE EVALUATION:

Which USAID Albania processes support organizational strengthening of local partners? Do the implementing partners believe themselves to be stronger organizationally as a result of working with USAID? Why or why not?

Assist Impact staff had already a long-standing experience in managing USAID funds through the World Learning program. The majority of the staff at AI came out of World Learning, which was largely funded by USAID as well. Despite this longstanding experience, however, AI senior stakeholders shared that the culture change of coming out of World Learning was particularly challenging when BHIC was underway. During their time at World Learning, most AI staff claimed that they did not have to do fundraising or proposal writing. This similar working culture was reflective when AI implemented BIHC. The majority of the organization's efforts went into managing programs for local stakeholders, instead of securing funding early enough before the project ended. USAID staff was keen on encouraging AI to focus more on fundraising and allowed AI to utilize some funding from BHIC project to hire an external fundraising expert to support their efforts. One of the interviewees shared: *"It definitely strengthened my ability to write better."* In addition to improving fundraising writing skills, now AI staff can also utilize these skills in searching and approaching donors for AI's funding needs.

Administratively, USAID's assistance was indispensable for the successful completion of several programs. Once BHIC project was underway, AI purchased relevant software that facilitated financial reporting requirements, as well as developed internal administrative and compliance manuals that facilitated their internal communication, but also simplified their understanding of USAID regulations and contracting procedures. For compliance purposes, USAID assigned a compliance officer to assist staff through trainings and writing an internal compliance manual that enabled staff to clear out confusions on legal requirements from USAID and other administrative matters.

Overall, AI believes that the BHIC project and working with USAID has increased their own internal capacities in becoming more sustainable. USAID has continuously encouraged AI staff to become more strategic on approaching donors and presenting new projects to potential funders. Even though AI has sought out new funding opportunities late into the end of BIHC project, AI is now more capable in communicating with donors and present project proposals to a number of funders. Until now, however, these efforts have only secured small funding opportunities that are not financially viable for the spending needs of the organization.

Which USAID Albania processes hinder organizational strengthening of local partners?

A common trend observed throughout the evaluation team's interviews with Assist Impact staff and other sub grantees, is that the amount of work carried to produce financial reports and administrative compliance trainings have occupied large amounts of time that could have otherwise been spent with programmatic work. The local solutions framework was initially designed for USAID to have closer relations with the realities and the needs of local NGOs, but ongoing bureaucratic obligations continue to challenge its aspect.

AI experienced difficulties with liquidation of advances reporting which had to be initially conducted every 3 months, obliging AI to foresee their spending and activities in advance. Although this scheme was anticipated to benefit AI's administrative and strategic planning, AI's financial staff deemed this format as unfit for the monthly needs of the organizations. USAID and AI ended up renegotiating the initial contract so AI would receive funds on a monthly basis.

Contract provided by USAID have not included financial reserves, or as otherwise known endowments of local organizations. The Cooperative Agreement with USAID Albania has not foreseen the AI to keep remaining funds as an endowment. As a large donor, USAID has the systems in place to provide endowment opportunities, but in most cases this practice does not get through with implementing partners. The past-unfulfilled requirements hindered the implementation of this practice between USAID and AI. Local Implementing Partners deem that this is particularly hindering for their financial independence when the remaining funds at the end of a project have to be returned to the donor, instead of allowing the organization create a financial endowment necessary to ensure sustainability. But, if implemented with caution and piloted to trusted partner organizations, this could present an opportunity for both donors and local NGOs to encourage local ownership and more involvement of NGOs' boards in safeguarding endowments, as well as playing a key role in protecting from fund mismanagement.

The achieved outcomes and outputs derived through BHIC programs remain challenging in assessing Assist Impact's own organizational capacity. Different from AAC Lushnja or CBS, Assist Impact due to the nature of BHIC project, expanded its work on a number of areas that took away focus from developing a profile of their own. This is a perception largely shared by AI staff who continue to struggle on the future identity of the organization. Although capacity building initiatives were at the core of Assist Impact's profile, there is a general sentiment that working in this many thematic areas has taken away focus from developing a concrete profile for the organization.

The practice of BHIC covering a range of thematic areas with different organizations made it harder to a certain degree for AI to build their own focus, and to identify its strengths and areas where the organization has achieved the most results. To AI staff interviewed for the purpose of this evaluation, this level of flexibility to answer to local sub grantees, as well as donor needs, helped them mediate challenges and relationships between two different stakeholders. However, now that BHIC has come to an end, AI staff believes that AI is often

perceived as an “American organization” and a “donor organization” among other larger donors operating in Albania, which, according to AI respondents, is hindering the organization’s chances to receive funding from other funding sources. But on the other hand, local sub grantees interviewed for the purpose of this evaluation did not share the same sentiment over AI’s perception. BHIC has carried numerous programs addressing local organizations’ needs and has provided funds to many smaller NGO initiatives. The majority of respondents do not seem to perceive AI’s role as that of a donor organization. Instead they perceive AI as an intermediate between USAID and their activities.

What are the perceived challenges of Implementing Partners for their sustainability? 5. Which of the beneficiaries’ activities can be continued without USAID intervention in the future?

The Assist Impact’s main priorities projected through BHIC were to focus on project management and initiating new programs by increasing capacity building of beneficiaries. This approach hindered the organization from thinking through a business-oriented lens, which is highly recommended to NGOs that need to ensure sustainability in a continuous changing funding climate. But this is still not deemed enough considering the opportunities that were missed by AI in developing its own sustainability. Through the BHIC project, AI had strong financial support that allowed enough time and resources for the organization’s staff to look for other donors and funding resources. Interviews conducted with USAID staff conclude that this was due to AI’s negligence and late realization to fundraise their future activities.

The current climate does not often ensure for every organization to survive in the market. Based on the stakeholders’ interviews and desk research, although AI has tailored its profile, particularly in conducting and analyzing surveys, lack of organizational profiling is a common trait among many Albanian civil society groups. Larger organizations, such as AI, seem to suffer in this regard due to continuous chase after funding opportunities. Limited funding opportunities often push organizations to jump from one thematic area to another, without strengthening a particular profile. According to interviews conducted with USAID representatives, this is harmful to many local organizations and does not reinforce the organizations’ intellectual capacity of individuals and groups of professionals that are profiled in certain areas. Due to changing funding environments in recent years, most civil society organizations derive funds through calls for proposals from international donors, some of which may not cover their areas of expertise, but present funding opportunities, nonetheless.

The continuous interdependence between donors and local organizations has added challenges to NGOs’ need to protect their identity and mission in their respective fields. In order to survive, organizations are keen to respond to donors’ needs, a strategy which is now resulting in less intellectual capacity and safeguarding of organizational identity. This particular issue was also highlighted by the AMSHC whose role as a state agency is to strengthen local organizations and their funding opportunities. However, interviews with representatives from the agency emphasize that donors are largely result-oriented in their programmatic thinking. Interviewees from the agency indicated that more qualitative-based

programming should be supported by donors, to produce studies that paint a more detailed picture on the situation at the local level.

USAID representatives believe that strong individual efforts need to be made to meet market needs, be those of the donors, but also other key local actors that benefit from services. One of the respondents, stated, “They need outreach, communication to increase visibility. The way they talk about themselves”. AI has developed a credible reputation among beneficiaries interviewed, but AI’s fundraising efforts have yet to produce a sustainable future for AI’s work; indicating that AI may not enjoy the same regard among donor circles as it does with beneficiaries.

Even though Assist Impact leaders were encouraged numerous times to find alternative funding opportunities and plan ahead for end of funding stream, these suggestions were not considered early enough by AI’s staff. Despite some of the programs’ successes, grants management and small grants assistance programs cannot continue without funding and donors. Because AI efforts were dedicated to implement the BHIC project, they started to search for funding only a year before the BHIC project was due to end. This has not given enough time for the organization to plan for its sustainability, and conduct the break even financial analysis¹⁷ to know the staff salaries and administrative costs. The networks built over the years have helped Assist Impact in gathering smaller funds from other donors, such as Soros Foundation; but comparatively to the organization’s needs, it cannot cover the costs necessary to continue its work. The organization has hired staff to carry fundraising, but has generated little success in having a strong impact among other donors. AI’s staff blames this failure to the perceived notion that AI is largely an “American organization”, while others disagree and point to the poor quality of the proposals, and inefficient management as a core issue.

COMPONENT 2 OF THE EVALUATION:

RELEVANCE

To what extent are the USAID Albania current projects consistent with and are tailored to the needs and expectations of the final beneficiaries and partners? To what extent are the current projects supported by USAID Albania reflective of USAID policies and strategies?

Over the course of 25 years, since the fall of the Communist regime, civil society organizations and other non-governmental entities have played an integral role in advancing Albania’s economic development and push for political reforms necessary to move closer to European Union (EU) integration. As a new democracy aspiring to join the European family, Albania has attracted a number of international donors that continue to support Albanian civil society organizations in a number of areas, including human rights, rule of law and economic growth, among others. USAID has championed these efforts by supporting projects and programs that fall under its main development pillars, but also initiating additional mechanisms that respond more effectively to local needs and capacities

¹⁷ Break- even analysis determines the revenue the business needs to generate to cover the cost of doing business, thus the profit is 0.

to manage donor requirements. Even though USAID saw higher opportunities in working in the field of agriculture, reflective of its economic growth scope and the local population working in agriculture, building capacity for civil society organizations was one of the primary points that arose when local representatives were asked on their needs. The Building Human and Institutional Capacity project under Assist Impact was a reflection of these efforts that aimed at addressing local needs through USAID's local solutions frameworks. As a result, Assist Impact was created out of World Learning, a previous USAID-funded project. Under the BHIC project, Assist Impact aimed at building capacity of institutions, governmental, non-governmental and private sector, as part of the organization's core mission of pushing for Albania's European integration by strengthening democratic institutions and inclusive economic growth. .

Projects on economic growth have historically occupied USAID's program priorities, particularly those in the field of agriculture which reflect growing economic opportunities for agriculture in Albania and a high percentage of the population working in this field. However, capacity building for civil society organizations was also one of the primary points that arose when local representatives were asked on their needs. As with other large donors, USAID's grants and contracts are often overwhelming for smaller organizations whose staff and organizational capacity cannot absorb and manage the requirements these grants consist of. Despite these challenges, USAID maintains its broader strategy to work with local organizations and create higher chances of sustainability for civil society to improve their status in the country and receive funding from other donors. The BHIC project's inception was a reflection of this strategy which was enabled through the Cooperative Agreement contract format that falls under local solutions framework.

Assist Impact inherited the legacy of World Learning that operated and implemented various USAID-funded projects on improving capacity building between 1993 – 2011 in Albania. World Learning was one of the few organizations in the country which held high operational standards, but which also understood the needs of local organizations and their funding opportunities from larger donors. Assist Impact's new contract with USAID aimed at addressing USAID's need for more flexibility in interacting with local organizations, as well as expand USAID's operations with smaller organizations. Based on the interviews with stakeholders from Assist Impact, through Assist Impact, USAID was able to fund and support programs that were not necessarily under its main scope of work, but similarly come into service of partners. This support involved funnelling of smaller funds to smaller organizations as a way to assist and finance programs USAID was not viable to support in the past, but which needed immediate attention from larger donors, such as training of judges on bankruptcy issues, women's empowerment, LGBT rights, public-private initiatives, trainings on employment opportunities, among others.

EFFECTIVENESS

Were the USAID Albania intended outputs and outcomes achieved? What were the constraining and facilitating factors and the influence of context on the achievement of results?

BHIC project in Albania was built under USAID's local solutions framework that aimed at

strengthening capacity of institutions, governmental, non-governmental and private sector, as well as leaders and technical experts who play a key role in Albania's development and its road to European integration. The project's overarching mission of "*European integration through strengthened democratic institutions and inclusive economic growth*, Assist Impact focuses on building capacity to address the two stated Development Objectives of 1) *strengthened rule of law and improved governance* and 2) *conditions created for broad-based, sustainable and inclusive economic growth*." Under this mission, Assist Impact provided technical assistance and strategic guidance to strengthen local organizations' positions in advancing their cause, provided trainings for potential leaders and experts, as well as "institutional assessments of key private organizations/public institutions, targeted technical assistance and focused grants." This has resulted in the implementation of about 114 programs over the course of 44 months on issues related to human rights, rule of law, women's empowerment, encouraging public-private partnerships, among others. Some of the programs included training of judges on bankruptcy cases, increasing women's voices in the media, LGBT rights, technical trainings to generate employment of former inmates and other vulnerable groups, among other issues that needed to be addressed through donors and local organizations.

The BHIC framework allowed smaller organizations increase their institutional capacity and learn to respond to donor strategic and bureaucratic requirements, including the EU and USAID. This aspect of capacity building was particularly important for smaller organizations who often have to compete for funds with larger and more established NGOs, but who also have to break the perception that larger NGOs are often preferred to receive funds from bigger donors. According to interviews conducted by the research team, many organizations expressed that they did not have the systems in place to be able to apply and be considered for USAID grants in the past, including internal organizational assessment and financial management mechanisms that increase the organizations' credibility in the eyes of donors.

For many organizations interviewed for the purpose of this evaluation, BHIC project was seen as a helpful funding source for smaller initiatives that had already jumpstarted their activities, but were seen with little viability from larger donors due to their weak organizational capacities. In addition to funneling USAID funding opportunities, otherwise inaccessible to local organizations, Assist Impact played a crucial role in supporting these organizations in increasing their internal controls and management mechanisms. This support ranged from trainings on proposal writing for state agencies, such as The Agency for Support of Civil Society (AMSHC) that support civil society activities, to compliance advisories for local organizations and sub-grantees in strengthening their relationship with donors.

BHIC was highly effective in addressing internal organizational needs, improving the knowledge of local staff on financial reporting formats and addressing compliance matters for sub-grantees¹⁸. In addition to helping organizations increase capacity in program

¹⁸ This was particularly visible for grassroots organizations, such as Alliance Against Discrimination, LGBT (Aleanca) based in Tirana, which was largely a grassroots movement, but whose staff had little knowledge on reporting mechanisms, financial management and compliance systems. Assist Impact provided trainings for the organization's staff, held continuous meetings with them and invited an international expert in helping staff

management, planning of activities and risk assessments, interventions led by Assist Impact opened more space for new approaches to tackling social issues, including women's empowerment¹⁹.

Assist Impact's input has had positive impact in helping local organizations manage donor requirements and other strategic and administrative needs. As a result of AI's technical assistance, local organizations have received trainings on strategic planning, produced administrative and compliance manuals, and received grant proposal writing courses to increase their credibility to donors. This trend is seen throughout Assist Impact's beneficiaries, but also among stronger beneficiaries who had already consolidated their position among other NGOs. CO-PLAN, for instance, is the case of a consolidated organization, which was involved with AI through the Public Private Partnership (PPP) framework on improving street lighting for the Fier municipality. According to interviews conducted with CO-PLAN, *“even though the primary objective of the program was not aimed at strengthening CO-PLAN's internal capacities, this program increased CO-PLAN's understanding of PPP schemes and provided communication opportunities with international experts and knowledge sharing.”* As a result, CO-PLAN was then able to provide its own comments on the Public-Private-Partnership legal framework that encompasses similar initiatives.

A similar experience is seen with other organizations interviewed for the purpose of this evaluation. RDA Korce, as well as RDA Fier, for instance, are other examples in which Assist Impact has had a crucial role in supporting the organizations' efforts in conducting feasibility studies and creating an expertise of their own which is now marketable to other beneficiaries, including the cities' municipalities and private sector²⁰. The involvement of

improve their reporting and financial management systems. As a result, Aleanca developed administrative manuals on recruiting processes and internal operations that helped orient their work. Although this focus took away time from the organization's grassroots work, Aleanca was able to jumpstart an even larger initiative that directly responded to the community's needs for specific shelter services for youth, STREHA, which received funding from Assist Impact. At the moment, STREHA operates as a separate entity from Aleanca, but it was due to Assist Impact's assistance that STREHA was able to comply with required standards of operating a shelter service for LGBT youth.

¹⁹ Women's Network on Decision-Making is an example of an organization, which chose media outlets in increasing women's voices and credibility on a number of areas. The organization led a number of parallel trainings for media representatives, as well as women experts in different fields, in strengthening exposure of women in addressing mattering issues in the media, but also journalists on ways to understand and report on issues on women. Even though many of participant journalists had already significant experience in reporting on women's issues, these trainings were able to offer a gender-based perspective on how these issues are portrayed. At the end of the program, the Women's Network published a manual for journalists titled, *Where are women in the media*, as well as a web platform that highlight the profiles and areas of expertise of women trainees so they can be found and contacted by journalists. The program was effective in generating over 12 media events for women and girls to promote their experience and have their voices being heard. Through Assist Impact's support, the Women's Network was able to extend its reach in Vlora, a new region they had not worked in the past by establishing staff presence and training programs.

²⁰ Both interviewed organizations expressed their comfort in working and addressing their needs to Assist Impact, but they continue to see themselves as inadequate to receive and manage large funds from bigger donors, including USAID/EU funds. The organizations' internal capacities are not yet consolidated to withstand the management needs large donations often require, including in the number of management staff and the level of qualification needed for grants managers to comply with donors' rules and regulations. At the moment, RDA Korce has 2 staff responsible for grant writing and fundraising, whereas RDA Fier has only one. Despite the staff's assumed qualifications and certifications, additional trainings need to be conducted on

international expertise and systematic follow up on the methodology utilized for the studies, helped RDA in both cities improve their writing and presentation skills of the main findings.

Challenges

Overall, USAID believes that AI has achieved desired results through the BHIC project, but only few of the proposed activities can be called successful. Successes were achieved particularly on projects including the LGBT community, election monitoring, women's issues and professional education. Although none of the programs has failed, the pilot PPPs in 6 municipalities dragged due to a number of reasons, such as the inconvenient timing of implementation during an election season and adoption of territorial reform, but also due to poor management skills AI displayed on a number of occasions. The overwhelming bureaucratic and reporting requirements were often pointed out during interviews with AI staff on the reasons behind dragged programs. But according to USAID respondents, AI failed to take advantage of the facilitating factors the organization had due to the large funding allocated to the BHIC project and the timing of project implementation.

USAID's platform via Assist Impact provided a shield for smaller organizations to increase their funding chances. Should USAID make a concerted effort to counter this perception, funding opportunities granted by USAID would need to adapt to local capacities that are still inadequate to withstand compliance and financial requirements from USAID. To AI's credit, many other BHIC beneficiaries have been able to develop internal organizational structures to raise them up to the standards required from larger donors. Some interviewed beneficiaries have now been able to find other sources of funding, as well as receive support from UN agencies operating in Albania. However, very few of the beneficiaries interviewed were optimistic on funding sources available to them and expressed that there is continuous need for other initiatives, similar to AI, to continue their interventions.

When looking at yearly reports, training programs for NGOs, leadership assistance and employment opportunities have exceeded expectations and metric requirements. There is a general agreement among interviewees that programs that were implemented by Assist Impact were implemented well. But considering the difficulty of measuring the results that come out of capacity building programs, more follow up initiatives should have been prioritized by Assist Impact's coordinators towards sub-grantees. Training sessions are often delivered during short periods of time, which can ensure effective implementation, but to make sure that such interventions have had the intended effect, the follow up activities had to be conducted.

Overall, the climate for fundraising opportunities is not optimal for small organizations, which are often found chasing funds in order to ensure their survival. Some of the organizations interviewed for the purpose of this evaluation had succeeded in increasing their organizational capacities, making them more visible to larger donors, but they also find

writing grant proposals and fundraising schemes available for small and middle-sized organizations. For RDA Fier, donor funding represents an average of 20% of their overall turnover, whereas the rest is received through client services. Even though this may create a level of financial independence from donors, writing proposals and fulfilling all the necessary requirements remains a challenge to their internal capacity.

themselves competing with much larger organizations, that also have bigger capacities, such as the National Democratic Institute or even United Nation Women who are donor organizations themselves. Due to political and economic changes, most large donors have left Albania. While those that still remain are resistant in funding smaller organizations. This trait discourages many smaller local groups from applying because there is an accepted preconceived notion that funding is granted through a pre-selection process to bigger groups.

EFFICIENCY

Were the outputs achieved reasonable for the resources spent? Could more results have been produced with the same resources? Were the resources spent as economically as possible? Could different interventions have solved the same problem at a lower cost?

USAID staff interviewed for this evaluation believe that the resources spent on activities were adequate, but considering the large fund of about 2,8 million USD, “a lot more could have been done differently,” would AI have utilized a more strategic approach to utilizing funding resources and the time appropriated through the project. Administrative spending made up about 10-15% of overall costs, but prolonged implementation of programs was particularly problematic when it came to ensuring efficiency. When looking at annual reports submitted by AI on the implementation of BHIC project, narrative reporting and the design of programs seems to overly focus numeric or quantitative achievements, instead of qualitative improvements. However, most programs’ outcomes, proved to be important capacity building lessons for a number of institutions which are now being used at ministerial levels. But lack of efficient management ensured that only few programs were able to pilot, whereas others were failed due to missing funds and prolonged timeline of implementation.

SUSTAINABILITY

Did USAID Albania ensure sustainability of its intervention? Are programme results sustainable in short perspectives (<=5 years)?

Some of the programs implemented have succeeded in becoming sustainable²¹, some others are overly reliant on donor funding. For instance, Aleanca is a case of an organization that has spent a great deal of effort in increasing its operational capacities, but remains lodged when it comes to generating funds to carry its activities. Even though STREHA has already campaigned twice to gather donations from LGBT supporters through Gala events, Aleanca’s internal needs remain locked with funding opportunities. Comparatively, however, CFFESD and Women’s Network on Decision-Making have been able to attract more funds, making them more sustainable. This is partly due to their longer experience working in civil society, but also the not-so-particular nature of their area of work.

²¹ It includes trainings that were conducted with judges on bankruptcy laws, or vocational trainings that resulted in over 450 people being employed that involved former female prison inmates. Other organizations and initiatives, such as Women’s Network on Decision-Making or Coalition for Free and Fair Elections and Sustainable Democracy (CFFESD) similarly benefited from Assist Impact’s small grants program support in becoming more credible to larger donors, therefore more sustainable by receiving funds from other donors.

It is a common understanding that sustainability can only be achieved if financially sustainable to cover salaries and administrative spending. At the moment, NGOs are locked in the funding climate dependent of donors and calls for proposals, which make them increasingly competitive with each other, while less collaborative on projects. Lack of thematic focus has greatly damaged their core missions and side tracked elements of their identity. Based on the stakeholder's interviews, efforts to ensure financial survival has pushed the NGO's to struggle for the funds shifting from their mission and core values with poor effects in driving social change. Large donors, including USAID, have to rethink strategies and approaches on ensure that organizations stick to their core mission and values. It is a common practice in many civil society groups based in the US and the West to receive funds from donors out of crowdsourcing or keep remaining funds from large donations as endowment for future programmatic work. Both fundraising strategies require strong organizational commitment to their missions and the values they are delivering to constituents as a source of inspiration to the causes they are representing. Adoption of such strategies may ensure a stronger civil society that will have more political courage to affect social change and stronger advocacy voices in the long run.

4.2.Strengthening Agriculture Vital Subsector (AAC Lushnja Implementing Partner)

COMPONENT 1 OF THE EVALUATION:

Which USAID Albania processes support organizational strengthening of local Implementing partners? Do the Implementing Partners believe themselves to be stronger organizationally as a result of working with USAID Albania. Why or Why not?

Based on stakeholders' interviews and desk research, the skills, capabilities and professionalism of key staff of AAC Lushnja are increased as a result of working with USAID Albania. Such cooperation enhanced networking with different partners such as farmers, Ministry of Agriculture, Centres of Transferring Technologies, created strong trust and improved the organization credibility.

As a result of working with USAID Albania, AAC Lushnja has acquired the right balance of staff skills as a way that facilitates the delivery of the organization program and meet the future needs. Therefore, the level of knowledge and capabilities of AAC Lushnja staff that satisfied such requirements were interpersonal skills such as communication skills, flexibility, coping with challenges, and technical skills involving writing proposal, preparing strategic plan, monitoring skills. Continuous development of key staff with agriculture background is seen by the organization as a way to strengthen skill set, capabilities, and productivity of the in-house human resources. Trainings, and on-the-job learning enabled by USAID Albania were techniques that formed part of the wide spectrum that developed the organization's staff of AAC Lushnja at work.

As a result of support from USAID Albania, an internal communication and administrative automated system to store data, indicators and performance results of AAC Lushnja has been established. Moreover, the organization has built internal systems and designed the processes "who is doing what", and prepared the internal policies and procedures such as Travel Policy, Procurement Policy, Performance Evaluation Manual, Personnel Manual, Finance Manual proving the strengthening of procedural system.

As a result of working with USAID Albania, annual financial audits are mandatory to AAC Lushnja. Such scrutiny helped them to improve the way the organization is controlled. Financial reporting is improved with time. While Reporting Forms used by the organization were simplified enabling AAC Lushnja to accomplish with ease reporting requirements, compliance processes were more challenging due to lack of previous experience. A dedicated Monitoring and Evaluation Specialist was assigned by AAC Lushnje to demonstrate the serious commitment of AAC Lushnja toward this practice and to enhance monitoring and evaluation effectiveness.

Moreover, based on the senior stakeholders' interviews from AAC Lushnja and USAID Albania co-branding and co-marking all communication materials with USAID and AAC Lushnja logos has built the image and strongly improved the reputation of AAC Lushnja.

Such an organization was seen by farmers, agriculture processors and traders, rural communities, other public and private institutions involved in agriculture sector, as an organization applying highest standards because of working with USAID Albania.

Which USAID Albania processes hinder organizational strengthening of local Implementing partners?

AAC Lushnja reported the budget to USAID Albania as per USAID requirements. All changes in the budget such as transferring of funds from different cost line items to others, changes of key personnel, changes in scope and objectives required prior approval of USAID Albania. While, in the beginning this process took intensive efforts from local organizations to copy with, now AAC Lushnja feels comfortable with such reporting requirements. Additionally, requirements to comply with procurement policies of USAID Albania, including the obligation to maintain a system for contract administration and retain all procurement records, although bureaucratic, were seen positively and as added value from AAC Lushnja. However, given the management and administrative experience gained from AAC Lushnje as a result of working with USAID Albania, it is the opinion of the senior stakeholders from AAC Lushnja that the use of less intrusive administrative instruments should be adopted. For example, different type of agreement such as FOG²² could be used instead of Cooperative Agreement, which indeed gives the IPs more freedom to implement the project successfully.

Simplified and flexible versions of reporting formats had some disadvantages as well. Different contracting officers have different priorities and work style when managing. Therefore, different requests for use of Travelling Forms from different contracting officers made the process of expenditures approval bureaucratic, and time burden.

USAID Albania through its agriculture program has been practical and helped farmers to make concrete investment. Replicating successful practices and demonstrations by achieving measurable and realistic results has improved credibility of AAC Lushnja enabling this organization to attract attention of different donors. But, farmers have increasingly perceived such demonstrations of model greenhouses as a gift, instead of an investment. They often expect financial support from USAID to buy seeds and implement new technology. Private consultations between farmers and agriculture specialists lack in Albania because farmers are little mobilized. Therefore, there is a need to educate farmers on the necessity for continual training and paid consultancy since the donors could not be the only resort for the financial support and new technology. However, this is associated with another challenge: lack of qualified experts in the future, because youth are distanced from the needs of the market. Such vulnerability increases the need for vocational trainings in agriculture and re-establishment of agriculture professional schools in region of Lushnja.

²² FOG has been elaborated in the next section of CBS.

What are the perceived challenges of Implementing Partners for their sustainability? Which of the beneficiaries' activities can be continued without USAID intervention in the future?

With respect to sustainability of AAC Lushnja as an organization, to be emphasized is that it has mainly a single donor (USAID Albania) and the staff connects the success of this program, the credibility of AAC Lushnja and the existence of the organization with this donor. AAC Lushnja has been given the opportunity to build their reputation apart from USAID by enabling networking and connections with government representatives and co-signing letters to transfer that relation to them. But still, funding is the only resort for continuity of the activities because AAC Lushnja has not succeeded in developing alternate sources of funding, obtaining support from the ministry of Agriculture, or through innovative subscription approach with dues paid to help sustain agriculture activities.

Although the organization has hired a staff to write proposal, the organization itself has little experience in fund raising and getting donors support for project ideas. Moreover, the respondent from AAC Lushnja raised the concern that priorities of donors in Albania are justice, social issues while agriculture has taken little attention. Those that have agriculture pillar in their program ask co-financing by 30% (i.e SIDA) that makes it difficult for AAC Lushnja to absorb the rest of the funds due to the limited financial resources. When asked if USAID Albania had ensured sustainability for program is supported, AAC Lushnja respondents pointed out that USAID has not raised false expectations, and has always made it clear that they cannot fund services.

COMPONENT 2 OF THE EVALUATION:

RELEVANCE

To what extent are the USAID Albania current projects consistent with and is tailored to the needs and expectations of the final beneficiaries and partners? To what extent are the current projects supported by USAID Albania reflective of USAID policies and strategies?

Agriculture is one of the key sectors of development in Albania. Despite economic drawbacks in other areas, agriculture has managed to increase competition, as well as production, thus draw in the attention of development donors in recent years, including USAID. AAC Lushnje is a mere reflection of USAID support in this sector for Albanian farmers where the main focus is on developing and strengthening farmers' capacities in high production areas, such as Berat, Divjake, Fier, Sarande, among others. AACL is focused on four main areas of production, including open field and green houses vegetables, oil, citrus, medical and aromatic plants. The program of AAC Lushnje falls under the economic growth pillar of USAID Albania and whose programs have been proposed by the founders of the organization following meetings with important stakeholders, such as farmers, consolidators, producer organizations. Private consultancies lack in agriculture sector and the link between farmers and agriculture specialists is weak. Moreover, the farmers do not feel that government structures in agriculture domain are functioning, therefore the contribution of USAID Albania through AAC Lushnja program has helped farmers to

address their needs and satisfy their expectations through both improving capacities of crop production to meet market demand, and linking producers to buyers.

AAC Lushnja program is completely reflective to USAID Albania strategy and policy. The strategy of USAID is to work with local organizations. Indeed, it means higher chance of sustainability, for staff to stay in the country and receive other funding, including other EU funds. Based on the stakeholders 'interviews and desk research (annual reports of SAVS), through USAID's support in agriculture, exports were increased, whereas market agriculture supply and number of cooperatives were similarly consolidated. While financing in other sectors of the economy, such as energy, has decreased, there has been positive movement in the amount of lending in agriculture sector, "In 2012, financing and lending were only at 2%. By 2015, it jumped to 4%. Despite the slow shift, USAID Albania's support for agricultural program implemented via AAC Lushnja, was a push for this hike" stated one of the respondents.

EFFECTIVENESS

Were the USAID Albania intended outputs and outcomes achieved? What were the constraining and facilitating factors and the influence of context on the achievement of results?

Based on stakeholder interviews, focus group discussions with farmers, agro processors, agro associations, consolidators, government representatives, site visits to farmers, as well as desk review and analysis of secondary data, the AAC Lushnja program is clearly contributing to the overall USAID Albania objective of economic growth, especially on 1) increasing capacities building of producers and associations through training delivered to farmers and assistance provided to introduce innovative technologies aimed to increase productivity and improve the quality of production; and 2) strengthening capabilities for market development through establishing new and improved market linkages targeting the export market. There is evidence of progress in all two components of AAC Lushnja program.

1) Examples of strengthening producers' capacities include assistance for capacity building of farmers, collectors, agriculture associations on improving practices to meet quality, volume timeliness and food safety requirements of final markets support. Increasing of productivity is achieved through introduction of new production technologies and demonstrations, which was particularly highlighted through USAID's programs in this field. These included comparative studies of production based on formulas to feed plantation processes conducted in District of Lushnja, as well as open field days where farmers and agro specialists looked at cultivation of tomatoes in greenhouses and other vegetables. Seminars on using entomofagues, or as otherwise known by local farmers 'bumbees' that mainly eliminate pests, and other cultivation systems were organized with the presence of high level specialists which helped farmers and agro specialists share information and learn from the quality they have. Additionally, in the area of Gorican, the farmers were supported to attend international fair in Berlin on Horticulture aimed at improving plantation protection, watering systems, and developing greenhouses. This level of exposure has

impacted professional growth of farmers who felt they have “finished a degree without having to pay for it”. In addition, AAC Lushnja has highly contributed in trainings on improvement of cultivation techniques for watermelon and citrus in Xarre area. During the AAC Lushnja program 2013-2016, they have attended at least 4-5 seminars where they gained knowledge from international trainers on how to fight viruses and get rid of Mediterranean flies that often eat they crop.

On olive oil production, farmers in Xarre area have participated in seminars on consumer education enabled by AAC Lushnja. They have also received the opportunity to attend olive oil exhibits, and other equipment that were donated by USAID Albania. Furthermore, AAC Lushnja has actively collaborated with Agriculture University of Albania on a number of occasions. They have produced different studies that reflect current trade capacities for greenhouse production presented at backdrop for advocacy events, with the presence of at least 50 olive oil producers and 80 greenhouse producers, where for the first time they could present feasibility studies to the Ministry of Agriculture and emphasize areas that need more support. Members of agro associations were able to voice their concern directly to relevant state agencies. These advocacy initiatives were of particular importance, because there are almost no advocacy initiatives of this kind that help break barriers and ensure that farmers have specific requests to state agencies. Distrust is high and coordination is low between farmers and state agencies, whereas production structures are fragmented and many do not share knowledge among themselves. However, this occasion was a good opportunity for farmers to get more informed on facts, figures and comparisons with other markets in the region.

On the medicinal plants, an international conference with the participation of 400 members from 37 countries has been hosted by Agriculture University of Albania. It was the first communication AAC Lushnja delivered to authorities on their perceptions about the Albanian economy. AAC Lushnja and Agriculture University of Albania had sensitizing activities to increase awareness on the quality of medicinal plants and sustainable procedures with farmers from Greater Highlands in the North. Also, with the support of the AAC Lushnja farmers were trained on receiving organic certifications for their products, which also increased their credibility and the products’ value. Different panel discussions to set priorities and learn from each other experiences were organized.

2) Examples of strengthening capabilities for market development include assistance provided to large firms and intermediaries to establish direct and sustainable relationship with small scale produce assemblers, consolidators, processors, and exporters. USAID Albania has promoted brand development among processors, producer organizations and consolidators. Experts from abroad were assigned to speak with citrus producers, including from Israel and USA. Israeli experts conducted trainings on trade mechanism and searching for new markets. Through AAC Lushnja program, farmers have increased sales because they oriented their production aimed at building their main exporting base. The work that USAID Albania has done has resulted in increased citrus and mandarin production, including surface areas from 100 hectares to 700 hectares, and in increased production from 1,100 tons to 17,000 tons. USAID Albania, through its agriculture program, offered farmers the usage of USAID logo in packaging which naturally increased their own credibility in the market, as well as exports. AAC Lushnja has

helped the local government with information on what is being produced so far and what can be exported. At the moment, exports are highly prioritized by local governments, in light of the territorial and administrative reforms adopted in recent years which mandate administrative competences, including those in agriculture, to local government units.

Through AAC Lushnja programs, farmers are trained from international trainers on trade mechanisms and searching for new markets. Additionally they have attended different international fairs where they had the opportunity to measure and compare their capacities with farmers from other countries. This experience helped them to receive knowledge on sorting and grading vegetables according to EU norms and improve their understanding that quality and packaging is key to the EU markets, as brand promotion and marketing remains key to the spirit of trade. As a result, they developed strong networks with farmers and collectors from Kosovo, Spain, Greece, among other places. As a result of support from AAC Lushnja, farmers from Gorican have entered into Croatia and Serbia markets and over the past year they have increased the production by 40%.

On the olive oil, farmers have done continuous trainings to bring quality of products to EU standards. Although the olive oil producers have production capacity to export, they mostly trade in the local market due to the lack of internationally recognized certifications. There are certain barriers to receive such certificates such as high annual fee to be paid and a lengthy bureaucratic process to get certified. On the other hand, the lack of exports in olive oil and mandarin sector discourages the farmers to increase further the quality of their products to the international standards, and overcome the above mentioned certifications barriers.

Constraints and Facilities

Although facilitating factors that provide suitable conditions for a wide range of production cultivation, such as the optimal Mediterranean climate conditions that often put farmers ahead of their expected timelines when compared to other neighboring countries good quality of water and ability to produce a variety of fruits and vegetables, and farmers' abilities to adapt to new technology, agriculture in Albania faces some critical issues. These vary from fragmentation of holdings, outdated technologies, underdevelopment and depleted irrigation and drainage system, poor harvest and post-harvest techniques, low level of processing industry development, to poor marketing of products, migration of young population from rural areas and weak organizations of farmers. Fragmentation of holdings is associated with high costs. There are also high costs of inputs, seeds and other pesticides. Farmers tend to damage their products to ensure quick earnings at the expense of long-term gains by producing in the wrong time damaging the quality of products.

It is opinion of the senior stakeholders from academic sector²³, there is a lack of strategies in agriculture sector from the government. There are financial schemes and subsidies farmers can benefit from, but there are no clear signals from government units that this sector will be prioritized for greater turnovers. There is a need for more plant analysis from the government structures to ensure greater productivity and profitability from the soil. It would

help farmers to improve the quality of their production. In addition, when asked of challenges in agriculture sector, all the respondents raised the concern that lack of insurance schemes, due to high risk, is one of the biggest barriers to development, and farmers get into debt when there are floods damaging their crops.

With the Territorial Administrative Reform the municipalities cover a larger area, but agriculture directories are not clear of the roles they need to play to encourage development. Although the Law on Local Government details their competences²⁴, actually it is not the mandate of the local government to subsidize farmers. Such responsibility still lies with central government. On the other hand, there is a perception among farmers interviewed for the purpose of this evaluation that subsidy schemes provided from government are out of touch with farming realities. Moreover, majority of farmers feels that participating in such schemes is a bureaucratic process that requires an overwhelming time and documentation.

Another challenge of Albanian farmers is to increase exports. Quantity of production depends on consolidated markets abroad. Accessing these market demand lower prices and better quality. Farmers, collectors need experts to help them on pricing methods and philosophies, and uncertainties of the market.

There are other concerns from farmers, such as the days off of custom offices during weekend and official holidays, which put in a favorable position the competitors. Additionally, pesticides that enter this country are not well controlled, and farmers do not have access to a lab to test them.

EFFICIENCY

Were the outputs achieved reasonable for the resources spent? Could more results have been produced with the same resources? Were the resources spent as economically as possible? 3.B. Could different interventions have solved the same problem at a lower cost?

Most respondents were unable to comment on the question of efficiency, but of those who did, most felt that USAID Albania through AAC Lushnja has managed its funds quite well and efficiently. Stakeholders commenting on AAC Lushnja efficiency stated, “They are very efficient”, and “One agronomist has to cover an area not more than 20 hectares, while agriculture specialist covers 300 hectares at the moment” is presented by the stakeholders interviewed for the purpose of this evaluation as an example of resources being utilized efficiently and at maximum capacity. Additionally, working with local organizations is more efficient than international partners because they are performing more programs and economically.

²⁴ Ligji 8652 “Per organizimin dhe funksionimin e Qeverisjes Vendore i azhornuar”, date 02.09.2015

SUSTAINABILITY

Did USAID Albania ensure sustainability of its intervention? Are programme results sustainable in short perspectives (<=5 years)?

There is evidence of both short and long term sustainability of program results for the AAC Lushnja program activities. USAID/AAC Lushnja has implemented technology demonstrations in farmers' field, has conducted analysis in addressing specific competitiveness issues, has disseminated the results through series of activities in close coordination with the Technology Transfer Centres and Agriculture University of Albania.

As a result of this program, greenhouse vegetable growers have invested in expansion of greenhouse surface and have created group to unify variety structure, time of plantings, and technology of production. New investments, and improvement of the knowhow of the farmers, introduction and demonstration of the better agriculture practices with concrete results in improving production capacities and increasing sales, changing the mind-set and the work culture of farmers, are all examples of the sustainable results. Notwithstanding, limited volumes, USAID Albania has been through all the value chain of the products bringing positive results. However, there is still need to improve the know-how and the way of the technology implementation to the new groups of growers, and to update the knowledge to the existing group considering the rapidly development of agriculture sector in Albania and increased competitiveness of the other markets.

Moreover, the investment of the AAC Lushnja in Field Lab to perform simple tests and analysis will continue to provide practical advice to farmers in the future ensuring sustainability on the improvement of production and quality. The increase of greenhouses areas that use bio protection through the microorganism (entomofagues) by 10 folds impacting production quality and exports as a result of the demonstration enabled by this program, is another example of the excellent model built by USAID Albania and a strong indicator of the continuity of the AAC Lushnja program results beyond the life of the program. Facilitation of the direct links between olive processors and best restaurants through open public preparation of several dishes using Albanian olive oil instead of the imported brand, as well as continuity of such business relation after promotion either, is another example of sustainability of product sale in the domestic market.

Example of the sustainability of the cooperation between AAC Lushnja and Agriculture University ensuring the delivering of the program' results beyond the life of this program is the institutionalising agreement between both institutions to deliver continual trainings to the agriculture sector. The way this program is developed enabled networking and ensured continuity of the academics to voice their idea to the Ministry of Agriculture on the need and updates for the development strategy and agriculture priorities.

4.3. Agro Capital (CBS Implementing Partner)

COMPONENT 1:

Which USAID Albania process support organizational strengthening of local Implementing Partners? Do the Implementing Partners believe themselves to be stronger organizationally as a result of working with USAID Albania?

In implementing Agro-capital project, CBS is contracted by USAID Albania through FOG modality, which in comparisons with Cooperative Agreement (the case of AAC Lushnja and Assist Impact) gave more freedom and flexibility to the implementing partners in defining projects activities as well as geographical coverage. Less intervention from contracting authority increased focus of CBS on the achievements of outputs and outcomes of the program.

In the light of EU expansion and EU cooperation, there are more opportunities for local partners to win IPA funds. Therefore, organizationally strengthening of local partners aimed to continue activities without USAID assistance was the focus of USAID/Albania work with local partners. To exemplify this, FORWARD Initiative of USAID Albania was designed to evaluate and strengthen the governance of the local partners. It involved two processes 1) pre-award assessment, and 2) post-award assessment. Both these assessment were conducted to evaluate human resources skills, internal control systems and processes, and potential capacities of CBS to implement successfully the project. Also the follow up assessment was performed to make sure the steps were taken correctly to improve the situation. As a result of such scrutiny, CBS worked to develop and formalize internal and customer service standards. A package of standardized processes and product guides for Business Advisors, such as the Business Plan Guide, Business Profile and Acquisition Techniques were developed. Other procedures were developed as well, Financial and Accounting Policy, Travel Policy, Human Resources and Code of Conduct that indeed, supported the enhancement of the internal control systems and improved governance of CBS. Moreover, USAID Albania encouraged the implementing partners to be financially audited. Assurance and recommendations provided by the external auditors helped CBS to further improve their financial systems.

Financial Reporting through local solutions in Albania was also simplified compared to original Format/requirements of USAID The type of agreement (FOG) enabled reporting of milestones/ key performance indicators to the contracting authority through the simple tool Reporting Format SF1034.

Strengthening skill sets, capabilities and productivity of human resources led to high-profile performance of the local organization. The taxonomy of staff' skills needed to enhance the organization effectiveness were "soft skills" and "hard skills". While the first included, communication skills, writing proposal, presentation skills and building network, the latest included preparing business plan, financial analysis, agriculture knowledge, banking know-how, among others. Working with USAID Albania increased the effectiveness of human

resources via professional training. Training sessions were provided to 13 employees covering orientation, institutional, administrative and organizational aspects of the project as well as technical working standards to meet key performance standards set by the project. Moreover, the leader of the CBS team, as a person who is committed to high working standards, with an international valuable experience in consultancy industry, dynamic and capable of being the ambassador of Agrocapital project played an important role in the success and effectiveness of this project. His strategy to promote the project in close cooperation with USAID Albania in high-level promotional events with wide participation and the presence of senior stakeholders increased the visibility of CBS.

Which USAID Albania processes hinder organizationally strengthening of local Implementing Partners?

USAID and CBS logos marked to every communication and promotional deliverable improved the image of Implementing Partners as the local organizations supported by USAID Albania. On the other hand, as a result of these branding and other communication provisions, the local organizations were seen as donors, which apparently made difficult for them to win other funds from different donors. But, CBS was an organization that was able to turn this disadvantage into an advantage by articulating their value and attracting attention of donors. Good reputation of CBS solidified and built credibility with its clients. Presently, CBS generates revenue from LORES with banks paying a fee for every application received. Additionally, agriculture business and banks have expressed their interest to promote their product in Agroweb due to the popularity of this platform with 14K Facebook fans and 10K monthly users. There are two businesses (PCB and Agrocon) that are using for a fee the Agroweb, as a tool of marketing communication to promote their loan and agriculture products.

USAID Albania works with both local and international partners. While international partners have more resources, higher qualifications and capabilities to implement the projects with efficiency and effectiveness, the local partners know better the local context, mind-set and work culture, attitudes, and beliefs of the locals. USAID Albania needs to recognize the differences between the international partners and the ones at home, to apply differentiated level of intervention and control. While, the financial scrutiny is a priority for the partnership between USAID Albania and local partners, the level of strategic intervention by USAID Albania should be adapted to the local circumstances, providing the local partners meet satisfactorily the objectives.

What are the perceived challenges of Implementing Partners for their sustainability? Which of the beneficiaries' activities can be continued without USAID Intervention in the future?

With respect to sustainability as the local organization, CBS has a strong dependency from USAID' AgroCapital project with a sustainability ratio of 94%. Realizing that survival after post-AgroCapital project (June 2016) is at risk, CBS has tackled the sustainability issue by designing and pursuing a vigorous Sustainability Plan. The 4-years plan (2014-2018) outlines the strategic approach of key pillars for a sustainable organization. Forecasted revenues by

each department varying from 19% to 27% are a strong evidence of the diversified portfolio and equilibrium of the CBS' revenue sources. Capable resources, strong products and system, and robust internal operational processes are recognized as a strong basis for the CBS' institutional sustainability. Additionally, in order to achieve the financial independence as a single element of the sustainability, CBS will generate revenue from different sources to offset the loss of revenues from AgroCapital. The range of products and services offered to CBS' clients include revenue generated from Internal Departments, marketing and communication, and other projects from donors. Main source of revenue are business plans with primary target client IPARD and national scheme grant seekers. Another source of revenue are the fees for each loan referral to banks and FIs through LORES. Revenue from advertising in AgroWeb portal and other PR activities such as organizations of events, fairs, on line media buying support the sustainability of CBS. Winning new projects or grants given the success in 2014 with two projects won from donors different from USAID Albania will ensure also the sustainability of the organization.

COMPONENT 2 OF THE EVALUATION:

RELEVANCE

To what extent are the USAID Albania current projects consistent with and is tailored to the needs and expectations of the final beneficiaries and partners? To what extent are the current projects supported by USAID Albania reflective of USAID Policies and Strategies?

Based on stakeholder interviews and documents review, the USAID Albania/CBS program activities were highly relevant, in part because they were based on well designed and implemented USAID/Albania-supported assessments that have taken into account the needs of key stakeholders and beneficiaries. The USAID/Albania agriculture portfolio is made up of program activities based on long-term, collegial consultations with a wide range of senior GoA counterpart agencies, including the Ministry of Agriculture, as well as Implementing partners, CBS, AAC Lushnja. A respondent who was referring to USAID Albania/ CBS activities, stated, "This project delivers trainings and provides technical assistance to farmers increasing access to finance by 15 Million USD, and total investments by 18 Million USD, that indeed, is a direct and measurable impact to the beneficiaries." The development of CBS program activities were intentionally based on a wide range consultation, and reflects views of multiple stakeholders such as farmers and consolidators, financial institutions from different regions of the country. A strong case can be made that CBS program activities were reflective to USAID Albania policies and strategies. The approach taken by USAID/Albania was to focus on economic growth. Agro capital has been responsive to this strategy in a concerted effort to enhance access to finance and comprehensive effort to increase investments and turnover of agribusinesses.

EFFECTIVENESS

Were the USAID Albania intended outputs and outcomes achieved? What were the constraining and facilitating factors and the influence of context on the achievement of results?

CBS program has clearly contributed to the USAID Albania objective of economic growth. Based on review of Agrocapital program data, site visits and stakeholder interviews there is strong evidence of exceeding expectations with slightly 10 percent in achieving key performance indicators in support of the program objectives to promote economic growth. All major program activities in support of the main objective of “facilitating access to capital” have demonstrated significant tangible results. For example,

- CBS developed two studies with a focus on the gap of financing agribusinesses and the low credit risk the agribusiness faces to attract the attentions of banks toward the agro-lending. It has also partnered with banks, such as Intesa Sanpaolo Bank to launch new agro loan product. CBS delivered trainings to Intesa Sanpaolo Bank loan officers and branch managers, for example, on the classifications of Agro sub-sectors. Additionally, CBS offered consultancy service to Reiffeissen Bank and (Banka Kombetare Tregtare) BKT Bank on pricing of agro loan products. With respect to cooperation with Procredit Bank (PCB), such a bank had already focus on agro loan, but the added value of working with CBS was the consultancy and workshop aimed to raise awareness of farmers and agribusiness on the benefits and strengths of increasing access to capital through grants from IPARD Like and subsidy from Agriculture and Rural Development Agency (AZHBR), and the necessity of preparing a good business plan as a precondition for a loan disbursement.
- CBS assisted agribusinesses with loans from banks, IPARD Like, national scheme and SARED grants. As a result of working with CBS, the total amount of financing was 15 Million USD, revenue of enterprises was increased by 18 Million USD, 733 new jobs were generated. About 40 percent of applications for national scheme grants were referred by CBS. The respondents from grant providers stated: “If the CBS had not existed, we will not have received so many applications. There is an increased number of applications from 1st call to 2nd call,” “ The rejection rate of loans with business plan served by CBS was much lower than those without support.” Based on the stakeholders interview in the District of Korca, 60 percent of applications registered for SARED grants were supported by CBS, out of which 52 percent signed the Grant Contract and completed the investment. All four clients were assisted with grant package preparation of IPARD Like, were successfully financed.
- As quality loan referrals to banks were key to achieving financing objectives of Agro capital, the Electronic Loan Referral System (LORES) was introduced. LORES is an automated system used by CBS to refer customer loan application to financial institutions. It improved efficiency of the referral process, leading to faster approval time, and increased lending. One of the respondents from PCB stated, “ Agro loan portfolio is increased by 20% partly due to the cooperation with CBS and the use of LORES.” Only in one year 1.7 Million USD worth of loan were referred to banks

through LORES, of which 848.100 USD were disbursed. Presently, five banks use this system. Based on the stakeholders interview in Korca district, the number of clients registered in LORES has reached 180 clients within 33 months of work.

- As part of the program objectives “increase agribusiness knowledge of information, technology and opportunities”, CBS has launched the online platform “AgroWeb.org”. This communication and marketing tool is managed separately from the CBS other activities. It is the online portal for agriculture and environment, and covers a range of topics including, agriculture financing, alternative grants schemes, farmers success stories, new agricultural trends, environment, energy efficiency, nutrition related research etc. It publishes every day two research-based articles in both languages English and Albanian to share content with a wide audience within and outside the country. It was developed, apart others, to expose FABs to other local and regional development projects, to provide review and links of agro products, certifications and industry standards. Respondents from CBS, stated, “there are importers from Ukraine, Netherland that have expressed their interest to cooperate with Albanian farmers”.

Challenges

More financing means growth, but based on stakeholders’ interviews, although farmers were supported to modernize their agriculture businesses with positive impact in increasing production and enhancing quality, sales remain yet a challenge.

The strength of CBS is the wide network and good relations with banks, which help FABs to get pre-financed for alternative grants scheme purpose. Although, donors in cooperation with CBS served more beneficiaries than a single one, there is room for applications grants to be improved with respect to technical part of the proposal. Because the focus of the alternative grant scheme is to improve competitiveness, the services providers should put more efforts to combine better the technological knowledge and financial knowledge to facilitate applications.

Constraints and Facilities

Based on stakeholders’ interviews, documents reviews and site visit, the Albanian context is a difficult and volatile environment for integrated agriculture program (the overall economy grew below its potential between 2014 – 2015, Agriculture, which has been largely seen as a growth sector, declined by 2.6% in 2014). Banks and FI used strict lending criteria as a result of the poor rate of Non-Performing Loans (21%), one of the highest in the region. One of the most important sources for agribusinesses, EU-IPARD fund is not yet opened. Lack of IPARD grants left a significant demand for financing unmet. The Agrocapital was not flexible enough to get adapted to the new circumstances therefore, new financing channels were exploited to increase financing such as national grant scheme, SARED funds.

There is a huge gap between the real life of FABs and the national standards. The challenge of Agrocapital and other donors projects in agriculture domain is to move in the direction toward the national standards, as the legal framework of the country has been developed to as

closed to EU standards rather than closed to the reality and the needs in the field. In more concrete terms, there is a high informality in the agriculture and fragmentation of holdings. Thus far, farmers are not interested in technology, and their capacities are far away from automated information systems. There is a low farmers' confidence in banking sector, and the challenge of Agrocapital project was to bring closer farmers and banks in order to increase financing and growth. There is lack of collateral, which made a loan disbursement a challenge. There were banks, such as PCB that had countered such drawback through "guaranties funds" to mitigate the bank's risk. The management skills and the long-term strategy of 'where the business will go' are poor in the agriculture industry. The CBS has helped farmers with identification of their needs and wants of their customers formalized into the business plans.

Despite the constraints, there are important facilitating factors for work on agriculture. First, is the a well-established relationship between USAID/Albania and the CBS, as well as working relations between CBS with farmers, agro processors, consolidators, banks and financial institutions. Another facilitating factor is the success in implementing flexible and successful project (Agrocapital) that encourages further cooperation in the future between USAID Albania and CBS. Additionally, investing in agriculture sector creates a better opportunity for farmers to live there. One of the respondents, stated, "if the farmer's son sees the agriculture business is growing, the son will build his future in this farm, so the people will not migrate to the urban areas to seek work. People in rural areas are interested to work hard and earn their living in Albania." Additionally, agriculture is the lowest risk sector with Non Performing Loan at 5% compared to the overall NPL at 21%, which encourages increase in financing agriculture.

EFFICIENCY

Were the outputs achieved reasonable for the resources spent? Could more results have been produced with the same resources? Were the resources spent as economically as possible? Could different interventions have solved the same problem at a lower cost?

The respondents felt that USAID Albania has used resources in an efficient way. Their perception is that USAID Albania monitors and scrutinizes every single activity and costs associated to them. One of the respondents from CBS stated, " Our costs are more than reasonable. For each dollar spent, we have created 13 USD investments, while the average ration in the region is 1/3". Based on the senior stakeholders' interviews, the human capital of CBS is recruited through a very professional selection process in order to be chosen the best capable people. With respect to the best use of the financial resources, CBS has tried to optimize the cost/benefit ratio through applying the open procurement procedures for each purchase. Vendors with the best combination of technical and financial qualifications were chosen as winners, which justify the economical use of financial resources.

SUSTAINABILITY

Did USAID Albania ensure sustainability of its intervention? Are programme results sustainable in short perspectives (<=5 years)? Are programme results sustainable in long-term perspective (>5 years)?

Based on stakeholder interviews, review of project documents there is strong evidence of both short- and long-term sustainability of program results from certain program activities. Some respondents outlined how there was a long-term sustainability of USAID's Agrocapital activities with a significant client base operating through different locations in Tirana, Fier, Gjirokaster, and Korca. Agrocapital success in providing diversified financing for each client needs has made a big difference in sustained interest in participation of FABs in "access to finance" activities. Agrocapital success in referring loan customers to banks, and moreover, supporting banks with post-disbursement and loan repayment activities for referred clients, has been a strong basis for getting long-term banks and FIs buy-in for financially advisory services. However, sustainability of CBS' activities takes time and continued advocacy and intensive campaigns to strengthening the client base with business plan, financing and technical support, especially by promoting success stories and providing evidence on the return of the capital investments of Agrocapital' successful clients.

5. CONCLUSIONS/ RECOMMENDATIONS

General Conclusions

Conclusion 1: The amount of work carried to produce financial and administrative reports and the learning necessary to withstand work endured by staff to comply with USAID rules and regulations may dilute efforts of IPs to raise more funds from other donors, and detract from core objectives.

Recommendation Number 1: Although reporting mechanism and robust internal systems and processes ensure accountability on the use of funds, more attention needs to be paid on ensuring local partners (IPs) remain in touch with the realities and the needs the community they serve.

Conclusion 2: Implementing Partners are facing difficulties in fundraising partly due to the full time efforts employed to manage the existing projects with USAID, as well as the poor staff qualities in writing proposal, and meek strategic leadership skills to ensure sustainability of the organizations by finding other sources to generate revenues. For example, AI and AAC Lushnja have not succeeded in developing alternate sources of funding, obtaining support from relevant ministries agencies, or through innovative subscription approach with dues paid to help sustain civil society and agriculture activities, respectively.

Recommendation 2: Donors should include in their fund raising training modules alternative fundraising mechanism, for example, crowdsourcing that can also increase communication and engagement with constituents and supporters of the causes Implementing Partners are promoting. Additionally, the future projects supported by USAID Albania should have

business sustainability as their primary goal since the advocacy and all activities rely on funding.

Conclusion 3: The lack of the financial reserves provision in the Cooperative Agreement due to the past-unfulfilled requirements from the IPs may hinder the financial independence of the local organizations when remaining funds at the end of a project have to be returned to the donor. Limited funding opportunities often push organizations to jump from one thematic area to another, without strengthening a particular profile. Therefore, if implemented with caution and piloted to trusted partners, in the long run the endowment may ensure a sustainable and stronger civil society that will have more political courage to affect social change and stronger advocacy voices.

Recommendation 3: Encourage the system of providing an endowment from donations by strengthening the role of board members to increase funds scrutiny, and setting clear guidelines on the ways and events when endowment funds can be used.

Conclusion 4: Less intrusive instruments as per FOG type of Agreement with Implementing partners ensured the success of CBS. Less technical involvement of USAID Albania, provided that objectives are achieved will increase the Implementing Partners' independency and responsibility.

Recommendation 4: Given the management and administrative experience acquired from Implementing Partners (AI and AAC Lushnje) as a result of working with USAID Albania, less intrusive approach could be experimented by USAID Albania. For example, the FOG type of agreements could be adapted in the future to other Implementing Partners as it implies less involvement from USAID Albania to local partners.

Implementing Partners Related Conclusions:

AI Conclusion 1: Due to changing funding environments in recent years, most civil society organizations derive funds through calls for proposals from international donors, some of which may not cover their areas of expertise, but present funding opportunities, nonetheless. This is the case of AI, due to the nature of the BHIC project, and limited funding opportunities AI jumped from one thematic focus to another, without strengthening its profile.

Recommendation 1: USAID Albania has to rethink strategies and approaches with local organizations to ensure they stick to their core mission and values, be representatives, and enhance their intellectual properties. For example, USAID should not to support project like BHIC that lack the focus and compromise the sustainability of the local organizations in the long term.

AI Conclusion 2: Overall, the climate for fundraising opportunities is not optimal for small organizations, which are often found chasing funds in order to ensure their survival. Due to political and economic changes, most large donors have left Albania. While those that still remain are resistant in funding smaller organizations. This trait discourages many smaller

local groups from applying because there is an accepted preconceived notion that funding is granted through a pre-selection process to bigger groups.

Recommendation 2: USAID Albania should counteract this perception through supporting more AI type interventions.

AAC Lushnja Conclusion 1: Although there are government financial schemes and subsidies farmers can benefit from, there is a lack of strategies in agriculture sector and there is more need for more feasibility plants studies to increase the soil productivity and farmers profitability. Thus far, the poor government supports in agriculture increased the need of farmers to get support from other sources, for example, donors and private consultancies ensuring continual professional development of farmers and strengthening of agriculture sector.

Recommendation 1.1: In the future, continue to support the development and modernization of agriculture sector in Albania.

Recommendation 1.2: Given the wrong perception of farmers that USAID funds are gifts instead of investments, develop effective strategies and work plan along with Implementing Partners to change the mind-set of farmers on their continuous need for trainings and the paid consultancies.

Recommendation 1.3: Re establish the agriculture professional school and increase vocational training in agriculture sector to prepare the farmers of the future.

AAC Lushnja Conclusions 2: There are almost no advocacy initiatives that help break barriers between the state agencies and agro association, and ensure that farmers have specific requests to state agencies. Distrust is high and coordination is low between farmers and state agencies, whereas production structures are fragmented and many do not share knowledge among themselves.

Recommendation 2: Need to focus more on farmer advocacy and coordination between state agencies or a program to help align state agency needs and farmer needs.

CBS Conclusion 1: Although CBS has built a wide network and good relations with banks, ensuring success of AgroCapital, there is room for application grants to be improved with respect to technical part of proposal.

Recommendation 1: Given the focus of donors to increase competitiveness, CBS should put more efforts to combine better the technological knowledge and financial knowledge to facilitate applications.

6. ANNEXES

Annex A: Questionnaires

USAID Albania with local implementing partners Evaluation

Stakeholder Interview Questionnaire

**This questionnaire is intended for a full range of stakeholders:
(Ministry counterparts, Implementing partners, Donors, NGOs, and USAID staff)**

4 June 2016

Introduction: Thank you for agreeing to meet with us today. Our names are Holtjana Bello, Ebi Spahiu, and Ermelinda Xhaja. We are evaluation consultants and have been hired to conduct an evaluation of the USAID Albania with local implementing partners for 2012-2016. These projects began in 2012 and they have has been implemented in collaboration with wide range of other stakeholders.

Goals and objectives of the Evaluation: After more than 4 years since the beginning of these projects, now that many of the components have been implemented, this evaluation will:

- a) assess, as systematically and objectively as possible, the results and effectiveness of each of the three projects, in particular, the following four criteria: relevance, effectiveness, efficiency, sustainability, and USAID Albania added value.
- b) Assess the organizational strengthening and the sustainability of the implementing partners as a result of cooperation with USAID.
- c) assess the achievements of the projects implemented by local consultants against its outcomes and outputs, and provide guidance on the future work of USAID Albania with local implementing partners.

Ground Rules: This interview is confidential and voluntary. Your name will not be linked to any of the findings. If you are willing to be quoted, this is appreciated. But no data will be associated with your name unless cleared in advance by you. You can end the interview at any time and have no obligation to answer any questions asked.

1. **Date and Location of Interview:** __Day__Mo__Year **Location of Interview:**_____
2. **Name:**
3. **Contact information for clearance:**
4. **Position and Organization:**
5. **Position with respect to policy:** Does the respondent work at a level where he/she has an understanding of national donor policy issues? **Circle one:** Yes No.
6. **Number of years has worked in this position:** _____Years
7. **Confirmation that respondent knows what the USAID Albania projects are** and what has done in at least one of the 3 projects shown below. **Circle one:** i) Little ii) Some iii) Well informed
8. **Which of the following three outcomes/ projects are you most familiar with?**
Circle the one most familiar with.

Project 1. Agro Capital: Promotion of economic growth in Albanian Agriculture by increasing access to agriculture financing.

Project 2. Building Human and Institutional Capacities: Building capacities of institutions, governmental, non-governmental and private sector who plays a key role in the reform to the European Integration.

Project 3. Supporting Agriculture Vital Sectors: Providing support to the Albanian agriculture producers and other stakeholders to expand production and improve competitiveness by improving producer's capacity for competitive commercial farming and strengthening capability for market development.

Evaluation Component I: ANALYSIS BY PROJECTS

Introduction “You have said that you are most familiar with Outcome/Project [mention the outcome or outcomes they are most familiar with]. We would like to ask some questions about this particular outcome/ these particular outcomes and the USAID Albania as a whole.

If you feel the question is too general or is at a policy level you are not comfortable with, this is not a problem. We will skip to the next question.”

9. Which USAID Albania processes support organizational strengthening of local partners?
10. Which USAID Albania process hinder organizational strengthening of local partners?
11. Do the implementing partners believe themselves to be stronger organizationally as a result of working with USAID? Why or why not?
12. What were the perceived challenges of implementing partners for their sustainability?
13. Which of the beneficiaries’ activities can be continued without USAID’s support in the future?

14. Relevance

NB: The following questions apply to all 3 Projects.

Question 14. To what extent are the USAID Albania current projects consistent with and is tailored to the needs and expectations of the final beneficiaries and partners?

- Tailored to the needs based on the issues at the local level?

Question 15. To what extent are the current projects supported by USAID Albania reflective of USAID policies and strategies?

USAID Policies/Strategies Fully reflective, Partially reflective, Not reflective

16. Effectiveness

NB: These questions (10 a – 10c) apply to all 3 projects. (only for usaid staff)

Question 16. (Were the USAID Albania intended outputs and outcomes achieved? If so, to what degree? **Paraphrase:** Were the desired results achieved? If Yes, to what degree?

Outputs Fully achieved Partially achieved Not achieved at all

Outcomes Fully achieved Partially achieved Not achieved at al

17. Efficiency

Question 17. Were the outputs achieved reasonable for the resources spent? **Paraphrase:** Could more results have been produced with the same resources?

Paraphrase: Were resources spent as economically as possible?

Question 18. Could different interventions have solved the same problem at a lower cost?

19. Sustainability

NB: These questions apply to all 3 Projects

Question 19. Did USAID Albania ensure sustainability of its interventions?

Are programme results sustainable in short perspectives (≤ 5 years)?

Are programme results sustainable in long-term perspective (> 5 years)?

Probe : What internal control systems (procedural system) has you built to ensure the continuity of the projects without USAID assistance ?

Probe: Are you satisfied with requirements of USAID for the financial reporting ? Is that Format complicated? Do you have capabilities and skills within your organization to meet financial requirements of reporting?

Focus Group Discussion Guide

04 June 2016

(For use with client beneficiaries of agriculture programs of USAID Albania)

Unique FGD ID Number	_____ <i>To be filled by evaluation team</i>
Interviewer/Facilitator Name(s)	
Notes on this form taken by (name)	
Date of FGD	Day: ____ Month: ____ Year: 2016
Location: Name of District	
Location: Specific Site/Facility	

FGD Participant Information					
Number	Sex/Gender: Female Or Male	Age	Currently working as farmer/ in Agro business/ in Financial Institutions	Have you participate in Agro capital (CBS)/ Supporting agriculture vital sector (AAFL) programs	Strengthening production and business capacities of FAB/ stimulate the FI to finance FAB?
1					
2					
3					
4					

5					
6					
7					
8					
9					
10					

Introduction: Hello and Thank you for agreeing to meet with us today. Our names are Holtjana Bello, Ebi Spahiu, Ermelinda Xhaja. We are evaluation consultants and have been hired to conduct an evaluation of USAID/Albania work with local implementing partners for the period 2012-2016.

We would like to ask you questions about USAID Albania Agriculture programs (CBS&AACL).

We would like to discuss this project with you, as well as your knowledge, beliefs, attitudes, practices related to strengthening production capacities of farmers and FABs for competitive farming and business development and their capabilities to access capital and financial opportunities, and stimulating banks and FIs to better serve the agriculture needs for financing.

Participation in this discussion today is voluntary and you may decline to answer any individual question. You may also discontinue participation at any time. The information you provide will be kept strictly confidential and will not be disclosed to others.

One of us will be asking the questions, while the two others will take notes based on what you say.

Before beginning, we would like to recommend some ground rules for our discussion.

1. This conversation should be treated as confidential. Whatever is discussed here should not be shared outside of this group after the discussion has finished.
2. Please respect each other's opinions.
3. There is no right or wrong answer.
4. The information you provide will not be linked to you in any way. Your honest responses to our questions will be highly appreciated.

We hope today's discussion will be balanced. This is an open discussion and everyone is entitled to his or her own opinions so please feel free to express what you think and feel.

You are the experts, and we are here to learn from you and ensure that we keep the discussion to a reasonable time. We hope it will not take more than an hour and a half. We will be serving refreshments afterwards.

If any of you would prefer not to participate you can leave any time. Can we begin? Thank you.

All probes are optional but all questions should be asked.

1) **Can you tell us about the trainings and technical assistance you have taken to strengthening your agriculture business? Probe:** What kind of new information and new skills did you acquire? Has the volume of production and sales been increased as a result of these trainings and technical assistance? Explain How? Has the Online Platform provided to you as a technical assistance from USAID Albania increased your business' visibility and helped you to share agriculture information? Has such tool affected the volume of sales?

2) **Can you tell us about the increasing of your business? Probe:** Have you increased the capital financing? At what degree? Have you increased the value of sales as a result of increased capital? Have you employed more employees?

3) **Have you benefited from the activities with a focus to consolidate production and improve the production practices? Probe:** Have the increased capacities of the farmers, FABs and the associations , federations resulted in low cost of production, increased sales volume in domestic markets and exports? Do you think you have adequate knowledge and skills to make your business competitive?

4) Can you tell us about any advantages of training or technical assistance provided by USAID Albania (CBS&AACL)?

Probe: How did you benefit from these trainings or technical assistance?

5) Please tell us about the challenges of agriculture industry in Albania (farmers and FABs). What are the most difficult aspects for you.

Probe: What constraints have you faced?

Probe: What facilitates your work?

6) What recommendations do you have for USAID Albania to improve programs in agriculture domains?

Possible additional questions to consider

Stimulating Banks and Financial Institutions

7) Have you increased the commitment to serving the FABs as a results of technical assistance offered by USAID Albania (CBS) Probe: How many loan products have you launched? How much is the increase of the agriculture loan in the loan portfolio?

8) What are the advantages and challenges of financing such businesses? Probe: Has this program helped you to change the mindset about the level of risk the FABs are facing? Do you continue to finance FABs without the support from USAID Albania?

Thanks for your participation and assistance!

Focus Group Discussion (FGD) Guide

04 June 2016

(For use with client beneficiaries of USAID Albania work with Assist Impact)

Unique FGD ID Number	_____ <i>To be filled by evaluation team</i>
Interviewer/Facilitator Name(s)	
Notes on this form taken by (name)	
Date of FGD	Day: ____ Month: ____ Year: 2016
Location: Name of District	
Location: Specific Site/Facility	

FGD Participant Information					
Number	Sex/Gender: Female Or Male	Age	Currently working in gov.institutions/ NGO/ Private Sector	Have you participate in Assist Impact Program?	Grants Program/Human and Institutional capacity development activities?
1					
2					
3					
4					
5					

6					
7					
8					
9					
10					

Introduction: Hello and Thank you for agreeing to meet with us today. Our names are Holtjana Bello, Ebi Spahiu, Ermelinda Xhaja. We are evaluation consultants and have been hired to conduct an evaluation of USAID/Albania work with local implementing partners for the period 2012-2016.

We would like to ask you questions about USAID Albania work with ASSIST IMPACT/World Learning.

We would like to discuss this project with you, as well as your knowledge, beliefs, attitudes, practices related to strengthening the skills and performance of the local and central government, local non-government NGOs, and the SME in Albania.

Participation in this discussion today is voluntary and you may decline to answer any individual question. You may also discontinue participation at any time. The information you provide will be kept strictly confidential and will not be disclosed to others.

One of us will be asking the questions, while the two others will take notes based on what you say.

Before beginning, we would like to recommend some ground rules for our discussion.

1. This conversation should be treated as confidential. Whatever is discussed here should not be shared outside of this group after the discussion has finished.
2. Please respect each other's opinions.
3. There is no right or wrong answer.
4. The information you provide will not be linked to you in any way. Your honest responses to our questions will be highly appreciated.

We hope today's discussion will be balanced. This is an open discussion and everyone is entitled to his or her own opinions so please feel free to express what you think and feel.

You are the experts, and we are here to learn from you and ensure that we keep the discussion to a reasonable time. We hope it will not take more than an hour and a half. We will be serving refreshments afterwards.

If any of you would prefer not to participate you can leave any time. Can we begin? Thank you.

All probes are optional but all questions should be asked.

1) Can you tell us about institutional and human capacity development activities you have participated?

Probe: Have you been subject of an initial assessment from Assist Impact/ World learning? What were the identified needs in our organization?

2) Can you tell us about the intervention targeted to your institution? Probe: Are these interventions requiring technical assistance or trainings?

3) What have you learned from Human Capacity Development activities?

Probe: What kind of new information, what new skills?

Probe: Do you feel you had adequate training to strengthen the organizations to fulfill their role in transformational reform? Please specify, the aspects the organization have improved?

4) Can you tell us about any advantages of training or technical assistance provided by Assist Impact?

Probe: How did you benefit from these trainings?

5) Please tell us about the challenges of local, central institutions, NGOs, SME. What are the

most difficult aspects for you.

Probe: What constraints have you faced?

Probe: What facilitates your work?

6) What recommendations do you have for USAID Albania to improve Human and Institutional Capacities program?

Possible additional questions to consider

Level of achievements of Grants Program

7) As part of vulnerable groups do you think your needs have been addressed properly?

Probe: Have you gain employment, generate new income?

8) what is the degree of the performance improvement of your organization? Probe: what is changed in your organization to fulfill its role in the transformational reform in the country?

Thanks for your participation and assistance!

Annex B: List of Stakeholders, Client/ Beneficiaries interviewed

<i>No.</i>	<i>Respondent</i>	<i>Position</i>	<i>Institution/Organization</i>
1.	Zhaneta Shatri	Deputy Country Director	USAID Albania
2.	Claire Masson	Director, Program Office	USAID Albania
3.	Alken Myftiu	Monitoring and Evaluation Specialist	USAID Albania
4.	Kristaq Jorgji	Agriculture Specialist	USAID Albania
5.	Albert Rexhepi	Acquisition and Assistant Specialist	USAID Kosovo
6.	Matty Thimm	Executive Director	Assist Impact
7.	Andi Kananaj	Chairman of Board of Director	AMSHC
8.	Erjon Banushi	Executive Director	AMSHC
9.	Edlira Cepani	Executive Director	Women Network Equality for Decision making, Tirane
10.	Brunilda Stamo	Project Coordinator	Assist Impact
11.	Ermira Shehi	Program Officer	Assist Impact
12.	Ornela Palushaj	Program Officer	Assist Impact
13.	Lefter Klimi	Lecturer	University of Medical Veterinary, Tirane
14.	Enio Jace	Executive Director	CBS, Tirane
15.	Ilda Kucova	Finance and Operational Manager	CBS, Tirane
16.	Eljo Mucaj	Financial Institutional Manager	CBS, Tirane
17.	Enver Grabocka	Business Advisor	CBS, Korce
18.	Grigor Gjeci	Director of Rural	Ministry of Agriculture

		Development Policies	
19.	Roland Cela	Deputy Leader, Program Facility	SARED, Tirane
20.	Ole Henriksen	Director of SARED Project	SARED, Tirane
21.	Paulin Kolpreci	Agro Loan Officer	Credins Bank, Tirane
22.	Olsi Gjeta	Agro Loan Director	Procredit Bank
23.	Nikollaq Jorgalli	Farmer	Korce
24.	Bashkim Mehmeti	Farmer	Korce
25.	Kleant Biraku	Farmer	Korce
26.	Myfit Collaku	Farmer	Korce
27.	Dritan Collaku	Farmer	Korce
28.	Kico Mujo	Farmer	Korce
29.	Agron Orhani	Farmer	Korce
30.	Ervis Pllaha	Farmer	Korce
31.	Gjergji Cibuku	Consolidator	Korce
32.	Haki Kyko	Consolidator	Korce
33.	Zaim Ceci	Farmer& Agro processor	Korce
34.	Pajtim Kumbulla	Consolidator	Korce
35.	Perparim Kutrolli	Consolidator	Korce
36.	Seldi Stillo	Consolidator	Korce
37.	Jorgji Severi	Consolidator	Korce
38.	Gjergji Cibuku	Consolidator&Exporter	Korce
39.	Haki Kyko	Consolidator	Korce
40.	Zaim Ceci	Farmer&Agroprocessor	Korce
41.	Pajtim Kumbulla	Consolidator	Korce

42.	Perparim Kutrolli	Consolidator	Korce
43.	Josif Lito	Agronomist	Centre of Transferring Agriculture Technology, Lushnje
44.	Mysteha Goga	Exporter	Berat, Korce
45.	Astrit Aliaj,	Director, Agricultural Specialist	Municipality, Fier
46.	Ferri Akadiaj	Agricultural specialist	Municipality, Fier
47.	Luto Goga	Greenhouse Specialist	AACL, Lushnje
48.	Fatos Zeka	Exporter	Berat, Gorican
49.	Ruzhdi Koni	Input Trader, Exporter	Agrokoni, Tirane
50.	Alban Iibraniu	Lecturer	Agriculture University, Tirana
51.	Edvin Zhllima	Lecturer	Agriculture University, Tirana
52.	Rakip Iljazi	Farmer	Sarande, Delvine
53.	Dhimiter Kote	Farmer	Konispol. Mursia
54.	Hysen Kakacaj	Farmer	Konispol, Virine
55.	Olgert Petro	Farmer and Input Trader	Fier
56.	Ani Velo	Farmer	Fier
57.	Elton Qose	Farmer	Fier
58.	Nertil Dyrnja	Farmer	Berat, Gorican
59.	Hekuran Goga	Farmer	Berat, Gorican
60.	Jashar Tabaku	Farmer	Berat, Hyzgjokaj
61.	Muharrem Gjebexhiu	Farmer	Berat, Hyzgjokaj
62.	Agron Gjyshja	Farmer	Berat, Hyzgjokaj
63.	Nardi Toska	Farmer	Fier, Suk
64.	Skender Tabaku	Farmer	Fier, Velmish

65.	Nertil Dyrnja	Farmer	Berat, Gorican
66.	Hekuran Goga	Farmer	Berat, Gorican
67.	Jashar Tabaku	Farmer	Berat, Hyzgjokaj
68.	Merita Janushi	Monitoring and Evaluation Specialist	AACL, Tirane
69.	Piro Rapushi	Executive Director	AACL, Tirane
70.	Dritan Shytina	Executive Director	Co Plan, Tirane
71.	Nikolin Lika	Specialist of Transports	Municipality Korce
72.	Aurel Grabocka	Executive Director	RDA, Korce
73.	Mariela Gaqe	Finance Officer	RDA, Korce
74.	Roki Miti	Finance Officer	RDA, Korce
75.	Xheni Karaj	Executive Director	Aleanca against Discrimination (LGBT)
76.	Livia Zoteria	Project Manager	Aleanca against Discrimination (LGBT)
77.	Juni Plaku	Social Worker	Aleanca against Discrimination (LGBT)
78.	Silvana Subashi	Chairwomen	Olive Oil Association
79.	Geri Mertiri	Finance Officer	Assist Impact, Tirane
80.	Dhimitraq Marko	Executive Director	RDA, Fier

Annex C: Evaluation statement of work

C.2 STATEMENT OF WORK

C.2.1 Evaluation Purpose

The contractor must conduct an evaluation to assess the processes and outcomes of the work of USAID/Albania through three local awardees mentioned above. The evaluation must focus on technical and organizational aspects of each program as well as USAID and Implementing Partner processes for working together. The information coming from this evaluation may guide future work of USAID/Albania with local implementing partners.

Insofar as it is relevant, the contractor must review results and effectiveness of each of the three projects. The evaluation must provide pertinent information, statistics, and conclusions that assist USAID and its Implementing Partners to learn what is being accomplished, project wise and organizationally, and state relevant management, financial, and cost efficiency findings that will help all involved to better understand the results and the processes behind the implementation of the projects, and help improve them.

Qualitative and quantitative data will be used to illustrate the processes and outcomes of the projects and management activities. Data from the evaluation should be specific to each of the project's implementing partner as well as USAID's processes and systems for working with local partners.

C.2.2 Key Evaluation Questions

The contractor must perform an evaluation and produce a written evaluation report that conforms with all the criteria in attachment G and that answers the following questions:

1. 2. 3.

4. What were major challenges faced by implementing partners and lessons learned during the work with USAID?

5. What are the perceived challenges of implementing partners for their sustainability?

C.2.3 Evaluation Design and Data Collection Methodology

The contractor must use a design and methodology that generates the highest quality and most credible evidence that corresponds to the questions being asked above using sound social science practices and tools used in a manner that minimizes the need for evaluator-specific judgments. The final design and methodology must be approved by USAID after contract award.

The contractor must consider the following important information in its design:

- The different types of agreement that USAID has with the three projects.
- The audience for this evaluation is USAID, specifically USAID/Albania.
- The varying levels of involvement and contractual requirements.
- To assist, the following background documentation will be provided:
- copies of grants or cooperative agreements, amendments and proposals,
- project annual reports (and periodic reports if necessary),
- USAID/Albania strategic documents
- USAID relevant policies

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