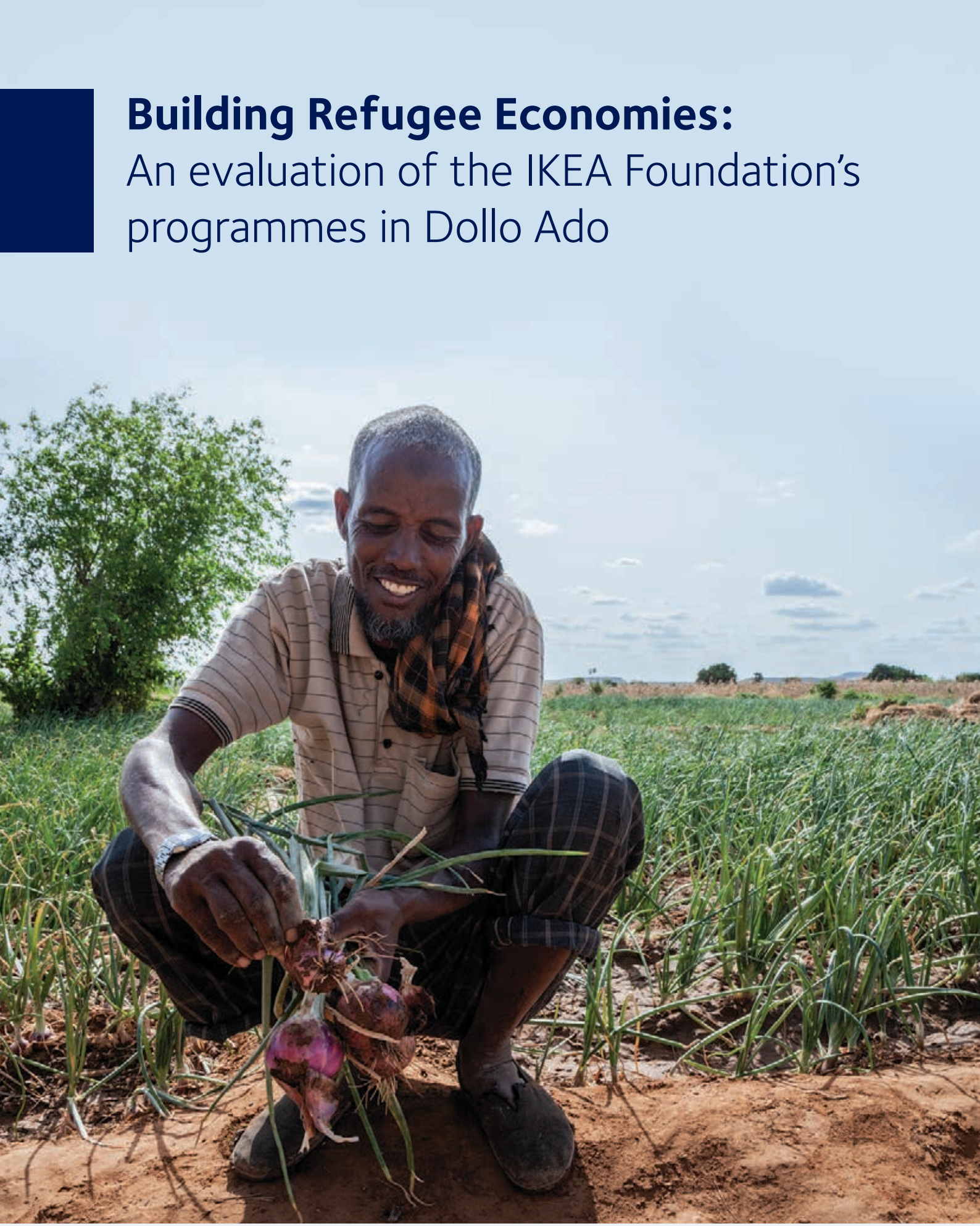
Building Refugee Economies:
An evaluation of the IKEA Foundation's programmes in Dollo Ado



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ACRONYMS

ABE	accelerated basic education
ANE	Action for the Needy in Ethiopia
ARRA	Administration for Refugee and Returnee Affairs, Ethiopia
CAHWs	community-based animal health workers
CEO	chief executive officer
CPDA	21st Century Pastoralist Development Association
CRRF	Comprehensive Refugee Response Framework
CTE	college for teacher education
CUREC	Central University Research and Ethics Committee, Oxford
DFID	Department for International Development, UK
DRC	Danish Refugee Council
DSA	data sharing agreement
ECCE	early childhood care and education
ETB	Ethiopian birr
FAL	functional adult literacy
FCS	food consumption score
FFS	farmer field schools
FGD	focus group discussion
FSP	financial service provider
GCR	Global Compact on Refugees
GRF	Global Refugee Forum
HFIAP	Household Food Insecurity Access Prevalence
HFIAS	Household Food Insecurity Access Scale
HOSO	Head of Sub-Office, UNHCR
IDA	International Development Association, World Bank
IFC	International Finance Corporation
INGO	international non-governmental organisation
IP	implementing partner
IRC	International Rescue Committee
KII	key informant interview
KPI	key performance indicator
MFI	microfinance institution
MNC	multinational corporation
MPI	Multidemensional Poverty Index
NGO	non-governmental organisation
NRC	Norwegian Refugee Council
OP	operational partner
PPA	project partnership agreement
RCC	refugee central committee
REB	regional education board
ReST	Relief Society of Tigray
RSC	Refugee Studies Centre, University of Oxford
SAM	severe acute malnutrition
SCI	Save the Children International
SEE	Save the Environment Ethiopia
SGBV	sexual and gender-based violence
SHS	solar home systems
TTC	teacher training college
TVET	technical and vocational education and training
UNDSS	United Nations Department for Safety and Security
UNHCR	United Nations Refugee Agency
USD	United States dollar
Wa-PYDO	Women and Pastoralist Youth Development Organisation
WASH	water, sanitation, and hygiene
WHODAS	World Health Organisation, Disability Assessment Schedule
WVI	World Vision International
YEP	Youth Education Pack, NRC

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A refugee cooperative member irrigates onions on his plot in Melkadida. © UNHCR/Diana Diaz, 2018

UNHCR Melkadida staff host a workshop to discuss long-term plans for all nine IKEA Foundation-supported agriculture cooperatives. Attendees include government officials from the kebele, woreda, and regional offices, cooperative leaders, and ARRA. © RSC/Andonis Marden, 2019

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

- The five **Dollo Ado refugee camps were designed from scratch in the remote Somali region of Ethiopia between 2009 and 2011.** They were built in an arid area with limited economic opportunity and underdeveloped infrastructure. The camps initially faced significant challenges, with a population of more than 220,000 Somali refugees in earlier years. 160,000 refugees are reported to live in the camps today.
- Over a seven-year period from 2012, the **IKEA Foundation invested around $100m USD in the camps, through the UN Refugee Agency (UNHCR).** It initially funded emergency relief but, increasingly, supported economic development and livelihoods opportunities for refugees and the host community. The outlay is the largest private sector investment ever made in a particular refugee setting.
- As a corporate foundation, the IKEA Foundation's main motivation was philanthropic, driven by the company's mission statement of 'a better everyday life.' **Its goal was to pilot a new and more sustainable model for refugee response that might ultimately be replicated on a larger scale elsewhere.**
- The investment was divided into two main grant phases. **The first phase (2012-14), based on a grant of $61.5m USD, focused mainly on emergency relief and infrastructure**, initially in Kobe and Hilaweyn camps and then across all five camps. This period laid effective foundations for what followed by creating important infrastructure and services in education, WASH, nutrition, and shelter. However, it was characterised by an initial series of failures and unforeseen delays in areas such as transitional shelter and agriculture, partly due to teething problems in establishing an effective working relationship between the Foundation, UNHCR, and ARRA, and the delegation of key functions to humanitarian implementing partners without relevant expertise. **The second phase (2015-18), based on a grant of $37.5m USD, shifted towards livelihoods and self-reliance** with a particular emphasis on agriculture, livestock, and retail commerce. It is intended that the next, post-2019 phase will support sustainability, moving from dependency on aid money towards a viable market-based economy.

The evaluation covers five main areas:

1. *Enabling and inhibiting factors of the programme;*
2. *Evaluation of IKEA Foundation livelihoods projects;*
3. *Developing sustainable economies in remote refugee-hosting regions;*
4. *The impact on refugee policy and practice;*
5. *What needs to happen in the future to maximise benefits of the investment.*

- Between June and December 2019, the Refugee Studies Centre at the University of Oxford undertook a retrospective evaluation of the impact of the programmes supported by the IKEA Foundation in Dollo Ado. The evaluation covers five main areas: 1) enabling and inhibiting factors of the programme; 2) evaluation of IKEA Foundation livelihoods projects; 3) developing sustainable economies in remote refugee-hosting regions; 4) the impact on refugee policy and practice; 5) what needs to happen in the future to maximise benefits of the investment.
- **The evaluation covers the period 2012-19, with a primary focus on the livelihoods projects for refugees and the host community implemented after 2015. The aim of the evaluation is to inform better future programming in Dollo Ado, throughout Ethiopia, and globally**. The guiding ethos is to use the best available methods and data in order to reach evaluative judgements on impact. A significant limitation has been the absence of baseline data relating to particular interventions and the absence of exogenous variation in the selection of programmes' participants. Although previous data collection had been commissioned through FHI-360 and Transtec, the data were not suitable for providing a baseline for a meaningful evaluation. Wherever possible, we considered whether we could construct valid comparison groups in order to assess beneficiary impact. In other cases, we relied upon a range of primary research methods including surveys, focus groups, and semi-structured interviews, in addition to drawing upon all available sources of secondary data. However, we should be clear that the available methods have significant limitations due to (1) the absence of baseline data and of experimental methods being systematically built into programme design, and (2) the difficulties of using quasi-experimental methods due to the vague and inconsistently implemented criteria for participant selection in programmes.

Image 1: Somali refugee and Ethiopian members of a prosopis cooperative work together in the firewood processing centre in Buramino camp. © UNHCR/Diana Diaz, 2018

THE COOPERATIVES MODEL

- The stated objective of the IKEA Foundation's livelihoods and self-reliance grants is to ensure that "Refugees will have diversified livelihood opportunities resulting in a global increase in household income through skills and vocational training, paid employment, agricultural programmes, livestock support, and business development."[1] **The main livelihoods projects have focused on agriculture, livestock, energy, the environment, and microfinance loans,** and have generally functioned through a cooperative model facilitated by national and local implementing partners, such as ReST and Wa-PYDO. **By the end of 2018, the livelihoods programmes have created income-generating activities for more than 2,050 cooperative members, as well as providing loans to 525 people.**

- **Overall, the livelihoods interventions have had a range of positive impacts on welfare outcomes for refugees and the host community.** However, some of the cooperatives, for example, those in the livestock value chain, have been more successful than others, such as the prosopis firewood cooperatives. **The main determinant of variation in success to date seems to be the degree of market integration of the activities, including the potential for diverse and robust market linkages.**

- **Many of the cooperatives are at an early stage in their implementation.** Of the 49 cooperatives and business groups reviewed in the evaluation, a significant proportion have been founded in the past two years. There were eleven groups founded in 2018, nine in 2017, twelve in 2016, nine in 2015, four in 2014, and one in 2013; we were unable to determine the start date for three of the groups. **As such, most are not yet fully operational and so tend to have underdeveloped business practices; their potential is yet to be realised.** Nevertheless, there are common patterns that emerge across the evaluation of the cooperatives.

  Collectively, positive impacts at this stage include:

  1) a self-reported increase in income and consumption levels among cooperative members compared to pre-cooperative membership;
  2) a clear contribution to improving refugee-host community relations;
  3) an important contribution to public goods such as public health, the provision of electricity, and environment conservation and restoration;
  4) the creation of gender-sensitive livelihoods opportunities;
  5) generally effective collaboration with local partners;
  6) the significant expansion of markets in relation to agriculture, livestock, and retail commerce, with some evidence of export beyond the camps;
  7) an overall transition of projects from being reliant on grants towards being income-generating and business oriented.

[1] "2017-2018 Strategy for projects funded by IKEA Foundation." UNHCR Sub-Office Melkadida, 2017.

On the other hand, areas of potential critique at this stage include:

1) ongoing dependency of cooperatives on external inputs from UNHCR and IPs;
2) frequently weak and inadequate market linkages to ensure long-term sustainability of projects;
3) stakeholders' insufficient ability to address challenging power dynamics relating to cooperative membership and internal decision-making;
4) significant inconsistency in performance of cooperatives across camps;
5) generally modest income levels, and work schedules that can limit the number of days during which members of cooperatives are able to engage in productive, remunerated activity.

Agriculture cooperatives

- The potential for agriculture due to the presence of the **Ganale River was one of the main reasons why the IKEA Foundation chose to invest in agriculture.** 16% of host community households and 4% of refugee households work in agriculture. However, 57% of host community and 35% of refugee households say they would be interested in working in agriculture, conveying the significant scope for expansion of this sector.

Image 2: Refugee cooperative members harvest onions grown on an irrigation site in Melkadida.
© UNHCR/Eduardo Soteras Jalil, 2019

- The Foundation's agricultural investment began in 2012 and the first irrigation site was launched in Hilaweyn in 2014. However, the initiative faced **significant initial challenges until 2015** due to implementing partners' lack of relevant technical expertise, political barriers to land access, and human resource challenges within UNHCR. **Once these issues were addressed through effective management, rapid progress was made** on the construction of irrigation canals and the creation of cooperatives.
- At the time of our data collection, **29km of irrigation canals had been built,** providing water to **1,000 hectares of irrigated cropland**. Nine cooperatives have been registered in four of the five camps (the exception being Bokolmanyo due to its distance from the river). With the most recent irrigation site having been inaugurated in October 2019, UNHCR will be able to approach its **target of enrolling 1,000 host community members and 1,000 refugees as members of agriculture cooperatives**. The cooperatives have been generally effective in targeting comparatively vulnerable refugees who have work experience in agriculture, although there is some limited evidence that advantageous social networks may have played a role in shaping access to cooperative membership.
- **The data suggest that the agriculture cooperatives have led to improvements of members' income, consumption, and other welfare indicators, compared to pre-membership levels. The data also suggest that compared to non-member agriculture workers, cooperative members are not performing quite as strongly in terms of income and consumption indicators.** This difference may be explained by a number of factors. First, our analysis suggests that cooperative members were already different from non-members before joining the cooperatives. One therefore has to be extremely cautious when interpreting differences between cooperative members and non-members, as current differences could be due to cooperative participation or to pre-existing differences. Second, the agriculture cooperatives have faced a range of operational and technical challenges, including flooding, water management, and market access for selling produce. Third, and most importantly, refugee members of cooperatives have had different – and less lucrative – options for the crop varieties grown compared to refugee farmers who are not cooperative members. This may point to weaknesses in the market integration of the cooperatives and unfavourable seed distribution processes that affect refugee cooperative members. Relatedly, there remain relatively high levels of dependence on inputs that are provided free of charge by implementing partners, raising questions about the groups' abilities to function sustainably in a cooperative structure without external support in the short-term.

- Some cooperative members report an appreciation of the cooperatives' ability to integrate refugees and host community members. There are high levels of reported social interaction between refugee and host community members, largely a consequence of working together on the same land and participating in management of cooperative activities. However, there are two important nuances to note. First, data indicate that self-reported levels of interaction between refugees and hosts are no higher for farmer cooperative members than for non-members. Second, social interaction does not always translate into social cohesion: there is some evidence of asymmetric power relations within the cooperatives, for example, with host community members possibly having greater decision-making influence on important choices such as crop selection and input distribution.

Livestock value chain cooperatives

- The Dollo Ado region has historically been characterised by nomadic pastoralism. However, for the most part, livestock was not previously commercialised. **The IKEA Foundation and UNHCR recognised the potential to develop the livestock sector**. Since 2016 they have supported three types of cooperative – livestock trading (wholesale), meat selling (retail) and milk selling (complementary retail), – and two kinds of business groups – the community-based animal health workers (CAHWs) and slaughterhouses in each of the camps. The most innovative aspect of this set of projects is the creation of livelihood opportunities throughout an entire value chain.

Image 3: Host and refugee livestock traders sell goats in Bokolmanyo refugee camp.
© RSC/Raphael Bradenbrink, 2018

- A key part of the project has been the construction of infrastructure to support the cooperatives. New infrastructure includes shaded meat selling spaces and slaughterhouses in each of the five camps.
- Across the value chain, there are now **more than 500 refugees and host community members earning an income in the cooperatives and business groups**. On the whole, all livelihoods activities in the livestock value chain are relatively stable and offer members consistent, albeit generally modest, incomes. Across all links in the value chain, performance in 2017-18 showed total revenues of 8.3m ETB (approximately $260,000 USD) and total profit of 1m ETB ($31,000). Our research suggests the **cooperatives have already developed effective market connections**, mainly across the camps but also as far afield as Dollo Ado town and Mandera, Kenya.
- Our **survey of members of the five meat selling cooperatives reveals that members' income levels are higher than before they joined the cooperative**, when most were butchers working independently or in groups. Furthermore, members seem to have better food consumption than the general refugee population. However, some members report challenges from having to rotate the days they sell meat, meaning that they are not able to work as many days per week as they would like. At one end of the spectrum, in Kobe, members work on average just three days per month, earning a median income of 700 ETB ($22) per month, in contrast with 15 days and 3,000 ETB ($94) per month in Buramino.
- There is suggestive evidence that the cooperatives have **contributed to improving refugee-host relations**. Of the refugee meat cooperative members surveyed, 75% said that membership in the cooperative had led to a 'much better' or 'better' relationship with host community members, while only 1% said that their relationship had worsened. The improvements are the result of both interaction within the cooperatives and greater market-based interaction.
- Overall, the **cooperatives in the livestock value chain are widely considered to be successful and well-placed to become self-sustaining in the future**. The most important and visible outcomes of this intervention are (1) the incomes generated and associated improvements in quality of life for members and indirect beneficiaries; (2) the creation of gender-sensitive livelihoods opportunities through the creation of the milk selling cooperatives for women; (3) significant improvements in public health, notably through the work done by the slaughterhouses and CAHWs; (4) contributions to more diversified food baskets for communities; (5) contributions to the vibrancy of local, regional, and international livestock markets.

- Reasons for the relative success of the initiative include effective implementation by Wa-PYDO, the cultural familiarity of refugees and the host community with livestock-related practices, and the range of market-based linkages that were either pre-existing or created through the value chain approach of the programme.

Energy cooperatives

- The stated objective of the IKEA Foundation's grant on the Environment and Renewable Energy is to offer "Increased access to sustainable energy sources for the refugee populations in Dollo Ado using the most renewable source of energy." At present, 47% of refugee households in the camps have access to electricity.
- Since the first phase of its work in Dollo Ado, the Foundation has contributed to the **development of solar power through, for example, the installation of solar street lighting, in-home solar systems, and solar mini-grids**.

Image 4: Refugee and host community technicians in the energy cooperative stand with a recently installed solar mini-grid. © UNHCR/Diana Diaz, 2018

- During the second phase of Foundation funding, **energy cooperatives have been established in each camp**, comprising 12 to 21 refugee and host community members in each group. Members have been selected primarily based on possession of a relevant vocational background, and have received training in basic electrical engineering and business training through the main implementing partner, SEE, and the local NGO, Wa-PYDO, respectively. The cooperatives have a variety of potential income streams, including maintenance of Foundation-funded solar street lamps that have been installed over the past seven years; installation and repair of in-home solar systems; and maintenance of solar mini-grid installations that currently serve five public health centres and private residences and buildings in three localities (two in Bokolmanyo and one in Buramino).
- The cooperatives are highly valued by members as a source of training, improved interaction between refugees and the host community, a means to contribute to the wider community through maintaining public goods, and – for a few – a very modest source of income. However, **there is significant variability in the functionality, and in turn, profitability of each of the five cooperatives. Those that have benefitted from installation of the private, commercial mini-grids are the most successful, while the other three cooperatives (in Melkadida, Kobe, and Hilaweyn) have not yet developed reliable income streams**.
- Overall, the main benefits have been the creation of a community-based mechanism to support the maintenance of electricity provision as a public good, for example, in public spaces and health centres. Furthermore, initial investments from the Foundation have substantially expanded general access to electricity among refugee and host communities, with a significant spillover effect being the increase in solar home systems that have been installed by independent individuals who are not members of cooperatives. The energy cooperatives are yet to create sustainable revenue sources and are almost entirely dependent upon inputs funded by the Foundation.

Prosopis firewood cooperatives

- Firewood is the primary fuel source used for cooking in all the camps. However, commercial availability of firewood relies upon refugees leaving the camps to collect wood, where the women are especially vulnerable to sexual and gender-based violence, as well as to risks related to the natural environment. The **prosopis firewood cooperatives aim to create an alternative livelihood opportunity for firewood collectors**. This is based on creating a market for the invasive *Prosopis juliflora* tree and involves turning the wood into charcoal briquettes that can be sold for household use.

Image 5: Members of the Buramino prosopis firewood cooperative fill a briquette production barrel with bark. © UNHCR/Eduardo Soteras Jalil, 2019

- Cooperatives were established in each of the five camps and are composed of refugees who were previously engaged in firewood collecting activity. There were approximately 70 to 80 members in each of the cooperatives when founded, but following business challenges that resulted in decreased income levels and voluntary resignation from the groups, membership is reported to have decreased to some 45 to 60 members in each of the camps. The **main benefits of the cooperatives have been in terms of protection, with female members reporting that they feel much safer working within the cooperatives than going into the bush to collect firewood**.
- **Income levels resulting from activity within the cooperatives have been relatively low and have been declining in recent months**. The cooperatives rely on a single input, the prosopis tree, for which the price has risen and access to supply has decreased since the first cooperatives were created in late 2018. The currently limited access to prosopis and issues with mechanical processing equipment has meant that some of the cooperatives have experienced significantly reduced activity. Furthermore, demand for raw prosopis firewood as well as the manufactured charcoal briquettes is reported to be low at this stage, with most households overwhelmingly preferring to purchase conventional firewood sold by women from the host community. **The introduction of new energy products to the market will require concerted development of a customer base; the desirability of prosopis-based energy solutions has not yet been proven**.
- The model, although highly innovative in connecting protection, gender, the environment, and livelihoods, and generally appreciated by members for its protection benefits relative to previous firewood collecting activities, is considered among the least successful and least commercially viable of the cooperative projects at this time. It is almost entirely dependent on external support and provision of inputs, and is insufficiently established within market linkages.

Microfinance initiative

- In 2016, the Foundation created a **13.2m ETB (approximately $412,000 USD) rotating fund to set up a microfinance scheme**, with 7.6m ETB ($237,000) to be disbursed to refugees and 5.6m ETB ($175,000) to hosts, including a commitment to covering the implementing partner's operating expenses for a five-year period. Funds were allocated via a private microfinance institution (MFI), Dedebit Microfinance-Ethiopia, which is working with ReST-CPDA as the IP. The loans are intended to support the creation of profitable business enterprises and are available to eligible individuals, regardless of whether they are members of an IKEA Foundation-supported cooperative. ReST-CPDA claims that this is the **first arrangement of its kind in a refugee camp context anywhere in the world**. The initiative has been conceived with a clear sustainability plan: there is a common 5% mark-up on all loans, enabling Dedebit to gradually accrue enough to cover its operating costs beyond the five years.

Individuals mattered and have played a key role in effective implementation of the Foundation-funded projects.

- In 2017-18, the MFI scheme received at least 1,500 loan applications from which a total of **525 loan recipients were selected across all five camps and the local host communities (194 refugee and 331 host community)**. The majority of beneficiaries have focused on building retail shops (217) or engaging in livestock-related activities (70). The initiative is generally working effectively and **recipients report having been able to develop profitable businesses as a result of the loans**. The microfinance initiative is well integrated within the wider cooperatives model, and the service fills a clear gap in terms of financial inclusion within the camps, despite the possibility of refugee loan recipients defaulting on their loans. However, as most loan recipients are still in their first loan cycle, and Dedebit has restructured their repayment schedules, it is not yet clear what proportion of recipients will default on their loans.

ENABLING AND INHIBITING FACTORS

- The IKEA Foundation has encountered a significant set of challenges and realised many successes over the course of the multi-year investment. While many programmatic difficulties have been addressed, with clear strategies developed to ensure more successful project outcomes, others continue to vex stakeholders and inhibit full realisation of the Foundation's intended objectives. **Historical analysis of the IKEA Foundation programme suggests that it can best be described as a learning process through which the Foundation, UNHCR, and other stakeholders have continued to adapt and internalise necessary institutional changes.**

Image 6: During the inauguration ceremony for the Hilaweyn II irrigation site, UNHCR Country Representative Ann Encontre expresses gratitude and support for Ethiopian authorities, cooperative members, and IKEA Foundation. © UNHCR, 2019

- **The initial period of IKEA Foundation-funded work in Dollo Ado, between 2012 and 2014, was stop-start.** The collaboration was new for both UNHCR and the IKEA Foundation, and it required a period of failure, delay, and frustration, on both sides, before establishing an effective working relationship. UNHCR initially tried to manage the relationship with the Foundation through Geneva headquarters, giving the Foundation inadequate insights into the Dollo Ado operation. Furthermore, UNHCR had initially insisted on working through its existing country-level implementing partners, and this led to **repeated failures due to international humanitarian NGOs, with limited expertise in development-oriented programmes, being invited to implement the work**. For example, early failures included the underconsidered design of 10,000 transitional shelters, which were structurally weak and gradually eaten away by termites; the Youth Education Pack (YEP) that provided vocational training to young people but in ways that had limited relevance to local markets; and delegation of the agricultural irrigation construction work to the Norwegian Refugee Council and the Danish Refugee Council.

- The **turning point was May 2015, when the High Commissioner for Refugees instructed staff at all levels of UNHCR to provide additional support to the IKEA Foundation projects in Dollo Ado.** A new UNHCR Ethiopia Country Representative arrived in Addis Ababa and made immediate efforts to overcome earlier bureaucratic obstacles. For example, when the IKEA Foundation favoured ReST, a Tigrayan NGO which possessed significant expertise in agricultural engineering, as the implementing partner for the irrigation projects, UNHCR gained approval to recognise them as an official IP. The Country Representative also suggested the appointment of a well-regarded UNHCR staff member as Head of Sub-Office (HOSO) in UNHCR Melkadida. Following his appointment, underperforming staff, consultants, and IPs were replaced, and implementation rapidly became more effective. The HOSO proved capable of establishing relationships of trust with national and local authorities, including ARRA, the *woreda*, and the local king. Furthermore, from 2016, the relationship with the government was improved when a new Deputy Director was appointed in ARRA. **These changes unlocked a further set of opportunities: access to land for irrigation, an improved working partnership between UNHCR, ARRA, and the Foundation, and an auspicious political climate for supporting refugee and host community livelihoods opportunities. Individuals mattered and have played a key role in effective implementation of the Foundation-funded projects.**

- While much of the recent improvement in organisational effectiveness is attributable to the leadership of individuals, it is also important to look beyond idiosyncratic explanations to identify the broader trends underlying success and failure. During the course of this history, we identify and explain five main factors that have been crucial for enabling or inhibiting programme activities: (1) the mindset of and approach taken by the IKEA Foundation, (2) enabling funding structures, (3) appointment of technical staff in the UNHCR Dollo Ado Sub-Office, (4) collaboration with appropriate development-oriented implementing partners, and (5) securing support of relevant government actors.

TOWARDS SUSTAINABLE REFUGEE ECONOMIES

- One of the **biggest gaps at the outset of the work was a clear conceptual framework for how to build a sustainable economy in a remote refugee-hosting area**. Key decisionmakers acknowledge that programme decisions in Dollo Ado have been based on a combination of largely ad hoc and iterative processes rather than long-term strategic planning.
- The absence of a clear conceptual framework means that decision-making has often been based on intuition rather than evidence, philanthropic rather than market-based justifications, and iterative learning rather than strategic planning. This is understandable, given the pioneering nature of the Dollo Ado experiment. However, with hindsight, there is a clear need to build a more coherent framework for planning and sequencing similar work in Dollo Ado or similar programmes elsewhere.

There is a clear need to build a more coherent framework for planning and sequencing similar work in Dollo Ado or similar programmes elsewhere.

- We therefore draw upon the lessons of the past seven years in order to provide a framework for how to support the creation of sustainable economies that include refugees. It builds upon the foundational conditions needed to enable development responses (in Module 1), suggesting that there are five key elements that are integral for building sustainable economies in remote refugee-hosting regions, which have been present to different degrees in the implicit strategy in Dollo Ado: 1) politics and willingness; 2) physical capital and public goods; 3) adapting interventions to socio-cultural context, 4) comparative advantages of people and place; 5) securing external investments. In each case, the strengths and weaknesses of the past seven years provide important insights for future work in other contexts. **The framework offers insights into the requirements for learning from, replicating, and scaling based on the Dollo Ado experience**.

IMPACT ON POLICY AND PRACTICE

- **At the local level, IKEA Foundation's investment has helped to build trust between the international community and local authorities** at the *kebele*, *woreda* and regional levels. Through consciously promoting the inclusion of the host community as programme beneficiaries, engaging in sustained dialogue, and providing clear socio-economic benefits to the surrounding region, the Foundation has helped to demonstrate that refugees can make a contribution to the Dollo Ado region.
- **At the national level, Ethiopia has adopted a series of progressive policy and legislative changes relating to refugees, notably since 2016**. These reforms include the adoption of the 'Nine pledges,' the adoption of the Comprehensive Refugee Response Framework (CRRF) in Ethiopia, and the Refugee Proclamation of 2019 which provides refugees with the qualified right to work and freedom of movement. These progressive trends reflect a range of factors, including changes in the broader national political context and specific donor commitments relating to the DFID-led Jobs Compact and the World Bank's IDA commitments. However, **ARRA's experience of working with the IKEA Foundation has also played an important, albeit secondary, role in shaping the trajectory of refugee policy and practice within Ethiopia**. In particular, it gave ARRA and, in turn, the Office of the Prime Minister, confidence that Ethiopia could benefit from the economic inclusion of refugees.

Image 7: Participants at the regional conference, "Delivering the GCR: Local Approaches to Inclusion," Addis Ababa. © UNHCR/Helle Degn, 2019

- **At the global level, the example of the IKEA Foundation's role in Dollo Ado has had a significant impact on demonstrating the potential contribution of the private sector in the international refugee system,** especially within refugee-hosting low- and middle-income countries. At an organisational level, **the Dollo Ado experience has contributed to organisational change within UNHCR**. On an institutional level, learning and adaptation have taken place relating to

the importance of flexibility in processes such as partnership management, personnel, data collection, the inclusion of host communities within programming, and the designation of implementing partners.

- Despite these impacts, a central, and as yet unfulfilled, potential of the Dollo Ado programmes lies in the possibility to inform new models for refugee camp design which can be replicated on a larger scale in other refugee-hosting areas around the world. In order to fulfil this potential, there will need to be an attempt to systematically learn from the successes and failures of the approach, and seek to prototype and adapt for other contexts.

THE FUTURE – LOCAL AND NATIONAL IMPLICATIONS

The Dollo Ado experience offers an extraordinary opportunity to learn. One of the biggest returns on investment is the knowledge and insights if offers for Ethiopia and the wider world. Five insights stand out that are specific to Dollo Ado and the Ethiopian context.

1) **UNHCR and ARRA need to support continued expansion of the Foundation's investments in Dollo Ado, particularly in relation to economic developments in agriculture, livestock, and retail commerce.** Important progress has been made towards creating enabling environments for infrastructure and market investment by development banks and the private sector. However, further linkages need to be created in order to increase retail commerce, trade, financial services, and resources that will eventually allow more refugees to develop their own livelihoods opportunities. These sectors, the largest parts of the economy, still only provide income-generating activities for a small fraction of refugees in the five camps. The overwhelming majority of refugees in the camps have no independent source of income generation, the largest employers in the camps remain humanitarian agencies offering incentive work, and the average income is around $1 USD per day. Most refugees are dependent upon the aid economy and their own cross-border strategies. Despite the progress, there is a long way to go.

Image 8: Representatives of private sector organisations (Tent Foundation, IKEA Foundation, International Chamber of Commerce) announce pledges at the Global Refugee Forum for education, job creation, and income generation. © UNHCR/Steve Forrest, 2019

2) UNHCR, the IKEA Foundation, and the Government of Ethiopia need to **develop a clear strategic plan to build a sustainable economy for the Dollo Ado region**. This plan needs to identify ways in which the aid economy can gradually be replaced by private sector and market-based development. The objective, per UNHCR's global guidance, is to ensure that refugees are included in existing systems, and development plans.

3) The cooperative model is broadly effective. However, **all projects with a livelihoods function should have sustainability plans.** For example, the MFI charges a 5% mark-up on loan repayments as a means to gradually be able to pay for its own long-term continuation. Such plans are not always evident in the majority of livelihoods projects. At the moment, too many of the cooperatives remain dependent on external inputs. Relatedly, given that one of the key determinants of success of the cooperatives appears to be development of market linkages, cooperatives should only be established as sustainable livelihoods programmes insofar as they have broad and robust connections to markets and value chains.

4) Greater **consideration should be given to the wider social function played by cooperatives beyond serving a livelihoods or income-generating role**. Some of the cooperatives, even if they are not lucrative for members, play a valuable role in protection, the provision of public goods, offering training, and reinforcing esteem among members. There may be scope to design and support more cooperatives that serve wider functions, potentially in areas such as sports participation or community engagement, which are generally weak in the five camps and the surrounding areas.

5) In a wider Ethiopian context, a series of **dialogues should be conceived to identify ways in which the insights from Dollo Ado can inform Ethiopia's refugee regime**, particularly with regard to implementation of the CRRF and the roll-out of the 'Nine pledges' and Refugee Proclamation across the country.

THE FUTURE – GLOBAL IMPLICATIONS

Six general insights stand out for how the Dollo Ado programme could inform wider work across the overall refugee regime.

1) There is an urgent need to **develop a clear conceptual framework for how to build refugee economies in remote border regions**. How should they be conceived, what inputs are required, what best practices exist? This should be developed by UNHCR in collaboration with a range of other relevant stakeholders including development actors, the private sector, and academia. It should draw upon the insights from Dollo Ado in comparative analysis with insights from other relevant contexts.

2) The IKEA Foundation and UNHCR should work to **systematically identify situations in which the insights from Dollo Ado can be applied, adapted, replicated, and scaled**, based on a clear understanding of the conditions required for effective replication. A monitoring and reporting mechanism should be established to assess and measure the global impact of the Dollo Ado work over time.

3) **The IKEA Foundation has piloted a series of highly innovative approaches, largely unique to the Dollo Ado context. These innovations are good practices that can be adapted and built upon elsewhere, where appropriate**. These include the cooperatives model; the large-scale construction of irrigation canals as the basis for creating agricultural livelihoods in an area with significant environmental limitations for agricultural work; the creation of a microfinance initiative based on a rotating credit scheme; the whole-of-value-chain approach pioneered in the livestock sector; and the systematic integration of the host community within programming.

The greatest return on investment will come from how the legacy of the programmes is built on in Dollo Ado, and replicated elsewhere.

4) **All future programming by UNHCR and the IKEA Foundation should be evidence-based or evidence-generating**. For example, baseline data should be gathered for all interventions, and value chain and market systems analysis should be undertaken for livelihoods programmes. In order to enable this, it is necessary that UNHCR operations strengthen monitoring records, supporting partners in, among other things, keeping accurate, up-to-date membership rosters and performance records.

5) At an organisational level, **UNHCR needs to build a new approach to private sector partnership**, one that is adaptable, can function in field-based contexts, and shows greater flexibility relating to personnel, procurement, and implementing partners. There is some evidence that these changes are already underway. Meanwhile, the IKEA Foundation could benefit from a more systematic approach to evidence-based and evidence-generating programming. In particular, all programmes should be designed with experimental methods that provide a credible counterfactual and baseline data collection integrated from the outset, and with clearly defined and documented criteria for participant selection. Again, there are suggestions that some changes are underway to prioritise investment in evidence evaluation within the Foundation's work but these elements need to be systematically integrated to enable high quality retrospective evaluation of future programmes.

6) **The insights from the evaluation have implications for traditional donor practices, in Dollo Ado and more generally.** Given the pioneering nature of the Foundation's programmes, governmental donors have increasingly invested in related programmes. However, the challenge for traditional donors is to adapt to a different culture of donorship, rather than bring a parallel and contradictory way of working. First, it needs to be based on community engagement rather than reverting back to a 'top-down' delivery model. Second, it needs to support a culture of greater tolerance of failure as a means to encourage iterative learning and innovation.

FINAL THOUGHTS

The IKEA Foundation invested approximately $100m USD in Dollo Ado, through UNHCR, during two grant phases between 2012 and 2018. There remain significant constraints on productive economic life within the five camps and the surrounding areas. Most refugees remain poor and dependent upon food aid. Only 21% of refugees and 29% of the host community have an income-generating activity, and the largest source of employment for both communities is with humanitarian organisations.

Nevertheless, there is a significant return on the IKEA Foundation investment in terms of 1) the construction of core infrastructure; 2) the provision of basic needs-based assistance; 3) the creation of livelihoods opportunities; 4) the development of new regional markets in agriculture, livestock, and retail commerce; 5) the piloting and testing of innovative livelihoods models with the potential for replication elsewhere; and 6) the creation of new knowledge relating to how to build economies in remote refugee-hosting regions. Those returns on investment are in some cases difficult to measure, but qualitative and quantitative assessment of their observed impacts to date manifestly justify the level of investment. Nevertheless, the greatest potential returns on investment will come from future decision-making relating to two factors: how the legacy of the investments is built upon in Dollo Ado, and how the insights of the work are interpreted, adapted, and replicated elsewhere.

Image 9: Refugee and host community farmers greet each other at the Kobe irrigation site.

INTRODUCTION

INTRODUCTION

PRIVATE SECTOR ACTORS IN HUMANITARIAN CONTEXTS

What role can the private sector play in creating sustainable economies in remote refugee-hosting regions? Can the money, ideas, and networks that private sector actors offer achieve things that might not otherwise be possible? Over a seven-year period beginning in 2012, the IKEA Foundation has invested approximately $100m USD in the five Dollo Ado refugee camps in the remote Somali Region of Ethiopia. The goal has been to create jobs and entrepreneurship where virtually none existed, and to pilot a model that could be replicated at scale elsewhere. The outlay is the largest private sector investment ever made in a refugee setting.

As a corporate foundation, the IKEA Foundation's main motivation was philanthropic, driven by the company's mission to contribute to 'a better everyday life,' and a desire to inspire co-workers across IKEA's core business. The Foundation's investments in the Dollo Ado camps initially went toward funding emergency relief and, increasingly, shifted to supporting economic development and livelihoods opportunities. The camps were designed from scratch in an arid area with limited economic opportunity and underdeveloped infrastructure, posing significant initial challenges.

From a research perspective, the multitude of projects that have been developed represent an unprecedented opportunity to explore the difference that private sector investment has been able to make in creating sustainable opportunities for more than 160,000 refugees and the adjacent host communities.[2] Several of the IKEA Foundation interventions have yielded considerable differences for their beneficiaries. They have also had positive indirect impacts on local communities more widely.

The IKEA Foundation grants are the largest private sector investment ever made in a refugee setting.

However, the experience has also revealed the complications and limitations of the Foundation's vision. The camps and wider region are far from being self-sufficient, and most refugees remain poor and dependent upon food aid. At the end of 2018, only 21% of refugee adults had an income-generating activity, compared with just 29% of the host community, and the largest source of employment for both communities was with humanitarian organisations.[3] Even for refugees with a job, the median income is around $1 USD per day which, without food rations, would leave them below the World Bank's global poverty line. Fewer than 10% of refugee households derive their primary income source from the three main areas on which the international community has focused its livelihoods development strategy: agriculture, livestock, and commerce. Most refugees and host community members still rely upon a combination of aid and the cross-border economy with Somalia as the basis of their survival strategies.[4]

Image 10: Aerial view of the Ganale River and adjacent irrigated agriculture plots. © RSC/Raphael Bradenbrink, 2019

[2] This is the latest reported population estimate provided by UNHCR following a months-long verification exercise. Previous estimates in 2018 pegged the Somali refugee population at 220,000. "Horn of Africa Situation," UNHCR Operational Portal, https://data2.unhcr.org/en/situations/horn/location/161 <accessed 31 March 2020>.

[3] Alexander Betts, Raphael Bradenbrink, Jonathan Greenland, Naohiko Omata, and Olivier Sterck. "Refugee Economies in Dollo Ado: Development Opportunities in a Border Region of Ethiopia" (Oxford: Refugee Studies Centre, 2019).

[4] Ibid.

In spite of the numerous challenges encountered, overall the Dollo Ado experience has been a qualified success. The private sector, through its willingness to try things differently, has changed lives and transformed traditional refugee assistance models for the better. A marked achievement has been UNHCR's facilitation of a shift in the conventional humanitarian mentality – internally and among the organisations it works with – from free distribution of resources to income-generating, business-oriented approaches. It has also positively influenced government refugee policy at the local and national levels and influenced thinking on a global scale.

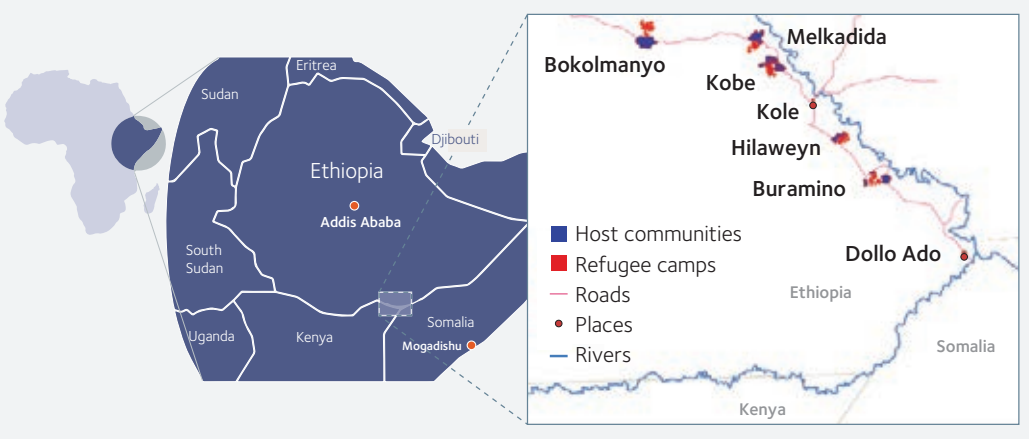
Critically, the experience reveals that there are major challenges for private sector-led development to succeed in remote refugee-hosting regions. In practice, most of the investment in Dollo Ado has come from a combination of traditional aid money and philanthropic donations, rather than for-profit business. To create sustainable economic change across an entire region requires a deeper understanding of how to build an economy at both a micro- and macro-economic level. Dollo Ado's limitations partly stem from the absence of such a conceptual roadmap at the outset. Its greatest success may yet lie in what it can teach us, with hindsight, about how to conceptualise and sequence the future design of sustainable economies that incorporate refugees.

EMERGENCE OF THE IKEA FOUNDATION–UNHCR PARTNERSHIP IN DOLLO ADO

When the IKEA Foundation formed in 2009, it decided a major focus of its philanthropic portfolio would support refugees. The development-oriented approach that the Foundation has pursued in the Dollo Ado region has been a direct application of that vision, seeking to re-imagine the traditional model of a refugee camp.

The Foundation originally committed approximately $30m USD to support the design of the new Kambioos camp adjacent to the Dadaab camps in Kenya.[5] This preliminary plan, submitted to UNHCR by the Foundation in November 2011, was reconsidered due to a deteriorating security situation in Dadaab, limited receptivity by the Government of Kenya, and a smaller refugee target population than the IKEA Foundation had allocated resources for (down from an intended 120,000 individuals to only 12,000 in the camp).[6] Consequently, the Foundation and UNHCR identified the new camps in the Somali Region of Ethiopia as an alternative setting in which they could attempt the humanitarian-development intervention to improve the plight of Somali refugees arriving in large numbers.

Diagram 1: Location of the five Dollo Ado camps in Ethiopia, within the Horn of Africa



Following a series of workshops and meetings among primary stakeholders in Addis Ababa and Dollo Ado, the initiative launched in two camps of Dollo Ado – Kobe and Hilaweyn – in 2012. Stakeholders could hardly have picked a more challenging context. Sandwiched between a war zone in south-central Somalia, rumbling internal armed conflict between the Somalia Region and Oromia to the north, and with little infrastructure, no obvious natural resources, and a host community primarily engaged in nomadic pastoralism, building an economy on the Somali-Ethiopian border appeared an unlikely prospect. Furthermore, the region is chronically under-developed, with very low economic and well-being indicators. The Multidimensional

[5] Email correspondence with IKEA Foundation staff, 10 February 2019. Note that $5.2m USD of the original commitment to Kambioos camp was reallocated to the Dollo Ado operation as part of the first tranche of funding.

[6] IKEA Foundation. 2012. Overall Framework Document for project 2012.095/UNH/ET UNHCR Dollo Ado 2012-2014.

Poverty Index (MPI) shows that the incidence of poverty in the Somali region is 94.6% and the percentage of the population in severe poverty is 89.8%. Based on the MPI, 60% of poor people in Ethiopia are deprived of schooling and more than 80% are deprived of sanitation, cooking fuel, electricity, and assets.[7]

Within this context, the Foundation's objectives were further complicated by the state of emergency in the Dollo Ado camps. The influx of Somali refugees associated with famine and conflict in Somalia in 2012 resulted in a disjuncture between what the Foundation envisioned and the imperative to address the pressing humanitarian needs on the ground.[8] Intended activities would develop more slowly than hoped.

OVERVIEW OF TWO IKEA FOUNDATION GRANT PERIODS

In the last decade, the Dollo Ado camps have changed beyond recognition: partners have built 29km of irrigation canals that bring to life 1,000 hectares of land on which more than 1,100 farming cooperative members cultivate crops.[9] Livestock has been commercialised, with opportunities for hundreds of people across an entire value chain from trading cattle, to managing slaughterhouses and running milk cooperatives. Entrepreneurship has been promoted through the creation of a microfinance initiative that serves over 500 borrowers who have started new businesses or expanded existing ventures. Sources of renewable energy such as solar streetlights and solar mini-grids have been installed throughout the communities, in ways that have created income-generating activities and public benefits for refugees and local residents. Many of the programmes have been implemented in participatory and culturally appropriate ways.

Image 11: Somali children play at a 'child friendly space' in Kobe.
© UNHCR/Jiro Ose, 2012

These projects and many more have been initiated over the course of two grant periods funded by the IKEA Foundation. The instalments, spanning 2012-2014 (amounting to a total of $61.5m USD[10]) and 2015-2018 (amounting to $37.5m[11]), largely correspond with two stages in the Foundation's approaches to interventions.[12] In their words:

> *"Although the first grant focused much more on emergency relief and addressing immediate basic needs, from the beginning of the partnership, resources have been allocated to supporting elements leading to self-reliance. In the second grant, the thematic areas of education, livelihoods, and renewable energy become more front and centre."*[13]

The activities undertaken during either phase reflect actors' operational capacities and the availability of resources to respond to and initiate particular interventions. During the first grant phase from 2012-2014, the humanitarian needs of the large population of recently arrived Somali refugees corresponded to budgetary allocations that prioritised 'emergency relief' ($10.5m USD), followed by 'water and sanitation' ($6.8m), 'shelter' ($6.1m), 'livelihoods' ($6m), 'health and nutrition' ($5.9m). The grant for 2015-2018 shifted investments to non-emergency programming, namely: 'education' ($13.7m, or 36% of the total grant value in this tranche), and 'livelihoods' ($10.7m, 28% of the total). This shift was facilitated by attendant political changes at the national level that accorded greater rights to refugee populations, as well as ideological and operational re-orientations within the UNHCR Sub-Office and among local authorities.

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7 Sabina Alikire, Jose Manuel Roche, Maria Emma Santos, and Suman Seth, "Ethiopia Country Briefing. Oxford Poverty & Human Development Initiative (OPHI)," Multidimensional Poverty Index Country Briefing Series, 2011, https://www.ophi.org.uk/wp-content/uploads/Ethiopia1.pdf

8 IKEA Foundation, "Overall framework document."

9 "Irrigated Agriculture," UNHCR Sub-Office Melkadida Digital Portal and Knowledge Base, http://melkadida.info/livelihoods/agriculture/ (restricted access).

10 "End of the project / Final report 2014." IKEA Foundation, 1.

11 IKEA-UNHCR Agreement. 2014.203/UNH/ET, 2014, 2.

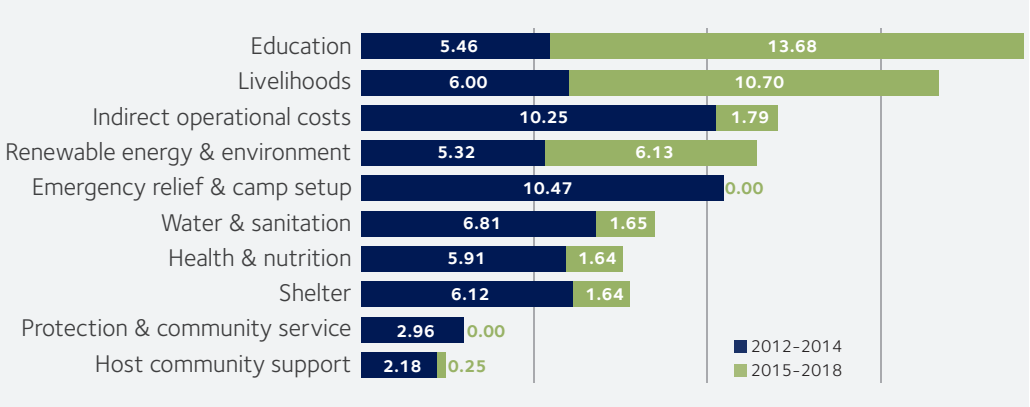
12 Funding was originally budgeted by IKEA Foundation in Euros. Throughout this evaluation, the financial figures reported by the Foundation have been converted to USD based on approximate exchange rates at the time that transactions took place.

13 IKEA Foundation, Terms of Reference: Evaluation of the IKEA Foundation Investment, 2019.

Table 1: IKEA Foundation investments in Dollo Ado camps, 2012–2018 (in millions of USD)

Area of investment	2012- 2014	2015-2018	Total	%
Education	5.46	13.68	19.14	19%
Livelihoods	6.00	10.70	16.70	17%
Indirect operational costs	10.25	1.79	12.04	12%
Renewable energy & environment	5.32	6.13	11.45	12%
Emergency relief & camp setup	10.47	-	10.47	11%
Water & sanitation	6.81	1.65	8.46	9%
Health & nutrition	5.91	1.64	7.55	8%
Shelter	6.12	1.64	7.76	8%
Protection & community service	2.96	-	2.96	3%
Host community support	2.18	0.25	2.43	2%
Total	**$61.48**	**$37.47**	**$98.95**	**100%**

Figure 1: IKEA Foundation investments in Dollo Ado camps, 2012–2018 (in millions of USD)



This account of programme funding conveys a simplified narrative of the complex processes of collaboration between the IKEA Foundation, UNHCR, implementing partners (IPs), operating partners (OPs), and a range of other stakeholders. The scale of the financial investments reflects the broad spectrum of activities that have been pursued. A central focus of the evaluation is on the projects of the second grant-making phase. Appendix 1 provides a complete list of Foundation-supported livelihood projects across all five camps and surrounding communities from 2012 to the present.

PURPOSE OF THE EVALUATION AND CONCEPTUAL FRAMEWORK

This evaluation focuses on assessing the ways the IKEA Foundation contributed to the socio-economic environment that exists in the Dollo Ado camps at present. It anaylses the extent to which developments align with the Foundation's intended outcomes. Furthermore, the evaluation examines organisational dynamics that have evolved over the course of the seven-year investment period to assess the lessons that have been learned, and how those can translate into sustainable operations in Dollo Ado and be replicated and scaled into other similar humanitarian environments.

The evaluation is divided into five main modules of research, based on the priorities identified by the IKEA Foundation. The modules set to accomplish the following:

Module 1: Enabling and inhibiting factors

This module takes a historically analytical approach, identifying four main stages of the Foundation's activities in Dollo Ado during the period 2011-2019. Using document analysis and semi-structured interviews, it focuses on examining the factors that enabled and inhibited effective design and implementation of the livelihood projects that are evaluated in Module 2. For each of the four stages, we highlight successes, failures, delays, and adaptations, and the reasons behind them. We examine the process through which adaptations were made and contingencies developed when obstacles were encountered, and how organisational learning took place within UNHCR and the Foundation at key junctures of their collaboration.

Module 2: Evaluation of IKEA Foundation livelihoods projects

The aim of this module is to quantitatively and qualitatively assess how the IKEA Foundation-funded Dollo Ado projects have affected the socio-economic lives of refugees and host community members. The evaluation question set that informs the structure and content of this module is found in Table 4 in the Methodology section.

Module 3: Developing sustainable economies in remote refugee-hosting regions

This module examines the conditions that are necessary to ensure the Foundation's investments have a sustainable legacy in Dollo Ado and that they continue contributing to the development of vibrant economic markets. The sustainability framework developed provides a set of dynamic and interdependent features that must be in place to build economies in remote refugee-hosting areas. It has applications for Dollo Ado, specifically, and could be adopted in similar programmes elsewhere.

Module 4: Impact on refugee policy and practice

Module 4 explores how IKEA Foundation's investment in Dollo Ado has contributed to wider change in refugee policy and practice at the local, national, and global levels. Our data are derived from a combination of document analysis and semi-structured qualitative interviews with relevant policymakers and practitioners. Methodologically, we use process tracing and counterfactual analysis to assess whether local, national, and international policy and practice would be likely to have been different in the absence of the IKEA Foundation's involvement in Dollo Ado.

Module 5: The future

This module draws upon the research undertaken across the other modules in order to make evaluative recommendations for the future. It recognises that the Dollo Ado experience offers an extraordinary opportunity to learn and explores how these lessons can be applied throughout Ethiopia and the wider world.

EVALUATION METHODOLOGY

EVALUATION METHODOLOGY

This evaluation provides an extended review of interventions that were supported by the IKEA Foundation from the beginning of their involvement in the Dollo Ado camps in late 2011 to the present. The Foundation is centrally interested in an evaluation of projects that have advanced their envisioned development agenda, therefore, our team placed greatest emphasis on gathering data on livelihoods-related interventions. In order to collect adequate data on the breadth of projects funded across these years, a diverse set of participatory methods were used to gather insights on historical and contemporary programme developments. Qualitative and quantitative approaches drew on both primary and secondary sources. This section explains the rationale for the methods selected, situating the methodology in the complex institutional, political, and logistical environments of the Dollo Ado camps, which required our team to make frequent adaptations to intended data collection processes.

DATA COLLECTION AND ANALYSIS

Overview of methods, evaluation tools, and team

The evaluation team used participatory mixed methods to collect data on all projects and institutional accomplishments of interest to the IKEA Foundation, as laid out in the evaluation terms of reference. Primary data collection, which included both qualitative and quantitative methods, took place in two stages: (1) during an inception mission in Addis Ababa, Dollo Ado, and Geneva over the course of approximately two weeks, entailing a series of semi-structured interviews – primarily with programme stakeholders – and focus group discussions – with individuals in various livelihoods projects; and (2) over the course of two months of fieldwork in the Dollo Ado camps and Addis Ababa, during which time two quantitative surveys and another series of semi-structured interviews and focus group discussions were conducted. Secondary data collection spanned the entire evaluation period, from the start of the contract in June 2019, drawing on programme documents and associated studies published from 2011 onwards. Approaches to data collection differed for each module of the evaluation to account for differences in geographies, data collection constraints, and ethical considerations.

Research tools were developed in-house and were finalised in consultation with external stakeholders. IKEA Foundation staff reviewed all tools, and the Evaluation Service team at UNHCR Geneva provided input on the household survey questionnaires, which were also shared with UNHCR Melkadida for comment. Additional input on proposed research methods was provided by UNHCR Dollo Ado's Registration Unit, UNHCR Addis Ababa's Data Unit, and heads of units within UNHCR and among implementing partners. Insights from these stakeholders helped refine the tools to best address limitations of data collection in the Dollo Ado context and affirmed that information to be collected would align with the Foundation's expectations for the evaluation.

The core evaluation team is composed of four staff from the Refugee Economies Programme, based in the University of Oxford's Refugee Studies Centre. Data collection was supported by 26 enumerators selected from communities of the Dollo Ado region. Enumerators were chosen from a pool of over 100 candidates, primarily based on their language abilities and previous data collection experience, with consideration for an overall team composition that achieved gender balance and representation of the host community: enumerators included 12 women and 14 men, of whom 16 are refugees and 10 are Ethiopian. Enumerators received a total six days of training on quantitative data collection processes for the agriculture and meat selling cooperative surveys and had daily support from at least one of the three Oxford staff who managed the primary data collection processes.

Image 12: A UNHCR Energy Associate explains to the evaluation team how the solar mini-grid operates at the ARRA-run health centre in Hilaweyn camp.

Qualitative data collection

Qualitative methods were used to gather primary data for Modules 1-4 and to inform recommendations in Module 5. In general, primary data collection was straightforward and easily accomplished in spite of the large number of stakeholders that had to be consulted across different levels of programme involvement and in a multiplicity of research sites. Our team relied most heavily on focus group discussions (FGDs) with refugee and host community members, and semi-structured key informant interviews (KIIs). A complete list of qualitative informants is provided in Appendix 2.

Table 2: Qualitative research tools used in evaluation

Approach	Research tools	Data collected
Key informant interviews	**Seven semi-structured KII guides** Questions were tailored to each type of actor listed below.	149 KIIs
Focus group discussions	**Two FGD guides** 1. For members of cooperatives and other working adults; questions were tailored for each livelihoods intervention. 2. For beneficiaries of infrastructure and services developed with the support of IKEA Foundation.	46 FGDs

Our team prepared seven distinct semi-structured KII guides that were developed around key themes of the evaluation. The open-ended questionnaires allowed respondents scope to introduce topics that they felt were relevant and fostered a more conversational approach than a questionnaire-style survey. Interviews were conducted by members of the Oxford research team with 149 informants, lasting approximately half an hour to two hours for single-session discussions, and two to five hours for multiple-session discussions. On the few occasions when a KII respondent was not fluent in English, a trained enumerator or UNHCR staff member assisted with interpretation. Informants comprised primarily:

- IKEA Foundation staff
- Current and former staff and consultants that have worked in UNHCR Dollo Ado Field Offices
- Refugees and members of the host community in the Dollo Ado region who directly participated in or have been indirect beneficiaries of Foundation interventions
- IPs, OPs, and government actors in the Dollo Ado region
- Country-level stakeholders (e.g. UNHCR Addis Ababa, ARRA, INGOs)
- Headquarters-level stakeholders (e.g. UNHCR Geneva and UNHCR Copenhagen)
- Private sector actors

Two FGD guides were developed to gather insights on (1) infrastructure and services that have been developed with the support of the IKEA Foundation, and (2) livelihoods-related projects. FGDs comprised participants who were strategically selected based on their ability to elucidate particular aspects of the evaluation questions. A number of FGDs were conducted exclusively with women, youth, refugees, and host community members, in order to encourage sharing of more candid perspectives on various interventions. FGDs were convened at private locations in field sites. Trained enumerators facilitated interpretation for all focus groups and the Oxford research team transcribed conversations. FGDs lasted approximately one to two hours. 46 FGDs were conducted with the following groups:

- Cooperative members
- Beneficiaries of non-cooperative livelihoods projects (e.g. TVET trainees, MFI loan recipients)
- Individuals that did not directly participate in interventions (e.g. people not selected to become cooperative members)
- Beneficiaries of infrastructure and service developments (e.g. solar streetlights, shelter projects)

We also drew on pre-existing secondary qualitative documents from UNHCR and its implementing partners in Dollo Ado in order to complement the primary data we collected, and assess, for example, how the Foundation's involvement in education affected student enrolment and graduation rates. In order to access this information, the Refugee Economies Programme submitted a data sharing agreement (DSA) to UNHCR Geneva. The DSA provided a list of all documents and quantitative data that the team identified as necessary for conducting a comprehensive evaluation of IKEA Foundation interventions in Dollo Ado. The Oxford team encountered a number of challenges related to the DSA which had implications for the evaluation design and methods. These are discussed in the limitations section, which follows below.

Quantitative data collection

The evaluation team conducted two original quantitative surveys to learn how members of the IKEA Foundation-supported agriculture and meat selling cooperatives have benefitted from participating in the projects. Refugee respondents were sampled across all camps. The team had intended to run a third survey among the prosopis firewood cooperatives, representing another of the Foundation's major intervention areas, however, this was not possible for reasons discussed in the limitations section.

Surveys were conducted by enumerators in either Mai Mai or Mahatiri Somali dialects, as preferred by each respondent, and lasted approximately 45-60 minutes each. Data was collected on tablets using SurveyCTO software. Both surveys comprised 14 thematic question sets, one of which was specific to either cooperative type or the corresponding comparison group, and 13 of which were part of a core questionnaire that was common across both surveys. More detailed discussion of the internationally comparable sources used for the survey are provided in the agriculture cooperative evaluation in Module 2.

The first survey, on agriculture cooperatives, took three weeks to administer because of the challenges the team faced in identifying cooperative members and a suitable comparison group. The evaluation team surveyed 568 individuals who were actively involved in cultivation, either in an agriculture cooperative (n=233) or as independent farmers who were working as sharecroppers or daily labourers (i.e., the comparison group, n=335).[14] Cooperative member farmers were surveyed across four different irrigation sites in Melkadida, Kobe, Kole, and Hilaweyn. The comparison group was made up of farmers cultivating land in Melkadida, Kobe, and Hilaweyn who were not members of a cooperative. The number of survey participants is broken down by location and sex for all surveys in Module 2. In general, analysis is conducted on aggregated data for all camps; while this limits the ability to convey variations in outcomes between different camps, the necessarily limited sample sizes from each cooperative do not allow for comparisons between members and non-members in each camp.

A second survey was conducted among refugees involved in the meat selling cooperatives across all five camps. A total of 191 individuals were interviewed in the course of one week. As discussed below, there was no viable comparison group that could be interviewed for this survey.

Table 3: Quantitative research tools used in evaluation

Approach	Survey respondents	Surveys conducted
Quantitative survey	**1. Agriculturalists:** for refugee cooperative members and a non-cooperative comparison group	**1. Agriculture: 568 surveys** - 233 refugee cooperative members on four irrigation sites (beneficiary group) - 335 refugee non-cooperative agriculturalists in three camps (comparison group)
	2. Meat selling cooperative: for refugee members only	**2. Meat selling cooperative: 191 surveys** - Refugee cooperative members (beneficiary group)

In addition to the primary data collected, the evaluation also relies on secondary data from relevant studies and datasets related to the Dollo Ado camps. In particular, we draw on findings from a previous study completed by the Refugee Economies Programme which explores through mixed methods the economic practices and opportunities available to communities living in and

[14] We sampled more individuals for the comparison group than we did individuals in the cooperative member group (335:233) in order to achieve enough statistical power in the event of post-survey reduction of the comparison group.

around the five camps.[15] This data complements the two surveys of this evaluation by providing information on, among other things, access to infrastructure and services (e.g. water points, market structures, electricity), consumption patterns, and banking practices among refugees and host community members. Additionally, we used UNHCR's proGres data on refugees registered in the camps to refine our own methodology, particularly with regard to understanding the limitations of our originally intended sampling frame.

The data collected from the two surveys was analysed in Stata, a software package commonly used for data management, statistical analysis, graphics, regression, and custom programming. Descriptive statistics and regression analysis were used to analyse data collected from agriculturalists, which is discussed in detail in the relevant section of Module 2. Given the lack of a valid comparison group for the meat sellers, data collected from that survey was only analysed descriptively. Secondary data, primarily from UNHCR and implementing partners, as well as previous Refugee Economies Programme data collected in 2018, was incorporated into the evaluation using descriptive statistics.

LIMITATIONS TO THE EVALUATION METHODOLOGY

The research questions that we seek to address are situated in challenging institutional and environmental contexts that UNHCR Melkadida confronts on a daily basis. In addition to affecting research methodologies that were pursued, these constraints have also shaped the limitations of envisioned outcomes of IKEA Foundation interventions and they contribute to an explanation of the enabling and inhibiting factors that have influenced programmatic developments (as discussed in Module 1).

Through discussion of the following methodological limitations, the evaluation team aims to sensitise the reader to considerations that allow for a fair assessment of project and programme developments as UNHCR and the IKEA Foundation proceed with and plan for expanded development-oriented self-reliance initiatives in Dollo Ado and other contexts. During the two-week inception mission and the seven-week fieldwork period, the evaluation team encountered the following methodological limitations that affected the contours of this evaluation. It is important to note that these limitations had the most substantial impact on the quantitative data collection, and that qualitative methods, whilst occasionally tested or constrained, were not compromised.

Comparison group and sampling challenges

The most significant quantitative challenge we faced for this evaluation was defining meaningful comparison groups for the interventions to be evaluated. To define suitable comparison groups we collected information on the selection processes for becoming a member of the agriculture and meat selling cooperatives. There were not clear or consistently applied criteria used across cooperatives of the same type, which complicated the identification of credible comparison groups.

Image 13: UNHCR staff in Hilaweyn explain how refugee household sheets are used.
© RSC/Raphael Bradenbrink, 2018

Based on what we learned from UNHCR and IP staff interviews, for the agriculture intervention we decided to construct a comparison group composed of refugees actively working in agriculture, irrespective of other demographic traits. In the absence of any viable registration data for refugee farmers outside the cooperatives, we mobilised refugee farmers through convenience sampling on target agricultural sites and snowball sampling with the help of the refugee central committees (RCCs), NGOs, and UNHCR staff.

The comparison group we defined for the agriculture cooperative is imperfect. First, the absence of a rigorous sampling frame implies that our comparison group could be affected by sampling bias. Second, cooperative members and non-members appear to be quite different, including in terms of sex, age, and household size. We use regression analysis to compare cooperative members with non-members, controlling for a long list of variables, as explained in the respective subsection in Module 2. We will be extremely

[15] Betts et al, "Refugee Economies in Dollo Ado."

careful when interpreting regression results, as differences between cooperative members and non-members could be due to participation in the cooperatives or due to pre-existing differences between the two groups. Given the absence of baseline data and the absence of (quasi-)random variation in cooperative membership, we are unable to rigorously control for such pre-existing differences.

We could not construct a meaningful comparison group for the meat selling cooperative. Refugee meat sellers who are not part of a cooperative could have constituted a comparison group for this survey. However, this approach was impossible because there were too few individuals selling meat outside the cooperatives. The largest number of independent refugee meat sellers in any given camp was found in Kobe, where six were identified; all other camps had fewer, if any at all.

Perhaps surprisingly, a notable challenge that affected data collection relates to the difficulty of identifying cooperative members. This problem was particularly salient for agriculture cooperatives. Membership rosters provided by UNHCR were largely out of date (i.e. they had not been updated to reflect changes in membership over the years) or challenging to interpret (e.g. often the names of the female head of household where listed rather than that of the individual – often a man – responsible for cultivating the land, who was best positioned to respond to survey questions). The evaluation team had difficulty tracking down cooperative members even when conducting surveys directly at the irrigation sites and had to rely on cooperative leaders and the IP to identify members. The member identification process was significantly more straightforward among meat selling cooperatives because the sample sizes per camp were smaller, and refugee members regularly convened in the same market space in each camp. Future data collection targeting cooperative members is likely to be more straightforward due to UNHCR's ongoing efforts to integrate updated cooperative membership lists in their registration database.

Selection of cooperatives to survey

The most significant criteria that disqualified a majority of cooperative types from being evaluated using quantitative methods was the relatively recent formation of the bulk of the projects; as inferred from the founding dates of each cooperative group in Appendix 1, most cooperatives are not yet fully operational and so tend to have under-developed business practices. This limitation, and the above-mentioned challenges with membership lists and baseline data, were made more challenging due to the team's misinterpretation of – or inability to access – information shared during the inception mission. In spite of having spent ten days in the Dollo Ado camps during this preparatory stage of the evaluation, we had a significant amount of contextual information to gather on more than ten types of livelihood projects (e.g. the MFI, TVET programme, and the range of cooperatives) across five different sites.

While we did not visit each and every project, we were able to visit at least one of each type of livelihood intervention, following an agenda that was put together by UNHCR staff in Dollo Ado, Addis Ababa, and headquarters. We were able to visit a small number of additional cooperatives that were not included in the schedule at the end of the inception mission, allowing greater insight into the different operating structures that cooperatives of the same type had developed. Nevertheless, due to time and logistical constraints, we were primarily exposed to the most successful cooperatives; for example, we were able to visit the two most active energy cooperatives but did not have the chance to see the other three, less mature cooperatives. A similar situation occurred in relation to the prosopis firewood cooperatives.

As a consequence of our necessarily limited exposure, and our own ignorance of the context, we made generalisations about what we could expect from, for instance, the four prosopis cooperatives that we did not visit, without thoroughly interrogating the differences between them. The significant consequence of this was that the quantitative research design that we prepared during our inception phase was misaligned with what we would actually be able to collect during the fieldwork phase. In practice, this resulted in having to adapt various aspects of our quantitative approach during the fieldwork phase. Ultimately, we had to cancel the intended survey for the prosopis firewood cooperative, as the majority of cooperatives turned out to have been overwhelmingly inactive for a significant period of time since being founded only nine to twelve months previously (as discussed in Module 2) and we learned that there was no viable comparison group, contrary to what we had expected.

The time it took our team to respond to unexpected hurdles over the course of the first four weeks of fieldwork meant that we did not have time to conduct a survey with microfinance loan beneficiaries,[16] as we had planned if our schedule permitted. Furthermore, we were not able to identify any other cooperative types that would yield quantitative data that was worthwhile analysing, as the remaining projects all had significant disqualifying features and were better assessed qualitatively. For example, members of the recently legalised energy cooperatives were only generating incomes in two of the five camps, but only as of the preceding couple of months, and their memberships were relatively small (12 to 21 members in each); the gum and incense cooperatives had very limited activity and next to no income-generating activity; and the milk selling cooperatives, which had adequately large memberships, yield only marginal profits for members that quantitative data would not have added much insight to our overall understanding of the impact of the Foundation's investments. Therefore, we settled on the two imperfect, but best-option, cooperatives that were ultimately surveyed. After four weeks of quantitative data collection, we shifted our full attention to qualitative data collection.

Logistical constraints

A less substantial but nevertheless challenging aspect of the evaluation process, again particularly having to do with quantitative data collection, was the logistical constraints that are part and parcel of the Dollo Ado field operation. Its remote location at the border with Somalia is associated with ever-present security considerations that UN Department of Safety and Security (UNDSS) have established protocols for, and which are enforced by security staff at the Melkadida compound.

Of most relevance to the evaluation were regulations requiring that members of the evaluation team travel in a convoy containing two vehicles for any activity in Kobe, Hilaweyn, and Buramino camps. UNHCR generously allocated our team two vehicles from their limited fleet and worked to accommodate our needs by shifting the activities of their field units on a daily basis. Security regulations and the limited size of UNHCR's fleet meant that we had to travel as a group of three (which restricted necessary flexibility for an evaluation of this scale and scope), attempt to negotiate for an extra vehicle for travel to Melkadida and Bokolmanyo, or find another solution that invariably amounted to compromised productivity. Such problem solving is to be expected in an operation as challenging as this, however, our team had not anticipated the full complexity of the daily logistical arrangements in advance of the fieldwork period.

During the weeks of quantitative data collection, this constraint was a significant challenge as we attempted to manage a team of 26 enumerators from six different locations in order to conduct fieldwork in multiple sites simultaneously. This was a particular challenge while administering the agriculture survey, as irrigation sites were some distance outside the camps, and so even once enumerators had traveled from their home base to the most conveniently assigned field site, there were limited options for shuttling them from the centre of the camp to the agricultural fields.

Image 14: Aerial view of the desert in the Somali Region just prior arrival on the UNHCR Melkadida airstrip. © RSC/Andonis Marden, 2019

Our team faced a number of additional logistical challenges associated with conducting research across multiple sites in a difficult environment, however, the factors discussed above were of most significant consequence to our planning. Had we been aware of these dynamics beforehand, we would likely have extended our fieldwork phase. Nonetheless, aside from the inevitable decision that we made to reduce the number of surveys administered, we were ultimately able to achieve data collection targets.

[16] It would have been difficult to collect meaningful quantitative data on the MFI intervention because the first rounds of loans were still outstanding for a large majority of recipients, and it was not possible to construct a comparison group based on the applicant selection procedures used by the MFI (as discussed in Module 2).

Image 15: The evaluation team, NGOs, UNHCR, and local public transport wait to cross the flooded Sarole River on the way to Hilaweyn camp. © RSC/Raphael Bradenbrink, 2019

Local challenges

There are a number of characteristics of the Dollo Ado region – spanning environmental, political, linguistic, and cultural factors – that presented challenges during fieldwork. Many of these features – which have similarly posed challenges to the Foundation's programme – are discussed throughout Module 1. In brief, those of greatest influence over our evaluation processes included the core team's lack of fluency in locally spoken languages, challenges accessing areas due to restrictions imposed by government authorities, seasonal floods that blocked roads, and the inevitable misinterpretation of culturally specific phrases, behaviours, and practices. It is our assessment that ultimately, none of the above inhibited our data collection or analysis.

ETHICS

Prior to the inception mission, the team submitted and received approval of our full research proposal via the University of Oxford's internal ethical review process (the Central University Research Ethics Committee [CUREC]). CUREC approvals are necessary for all research conducted by University of Oxford teams that involve human subjects. There are a wide range of ethical considerations that emerge from undertaking research with refugees and host communities. In brief, we adopted a 'do no harm' approach; we did not involve children under 18 years old in our research; we used participatory methods wherever possible; we were sensitive to potential social tensions between refugees and host community members and attempted to avoid introducing any potential sources of conflict; we paid fair and market-appropriate wages to the refugee and host community enumerators; and we respected protection considerations relating to confidentiality and anonymity. We used consent scripts that were approved by UNHCR to explain the scope and purpose of the evaluation to all survey respondents and secured informed consent among all KII and FGD participants.

EVALUATION QUESTIONS FOR LIVELIHOODS PROJECTS

The team developed a set of questions to evaluate all of the livelihoods interventions funded by the IKEA Foundation (Table 4); the question set informed the research tools that we developed. During the fieldwork phase we adapted the question set to reflect operational constraints that we encountered. The themes shown in Table 4 are consistent across all interventions included in the evaluation, however, we found it advisable to adjust or reframe the common questions for specific parts of the programme, especially the MFI and TVET interventions, which are structured differently to the cooperative projects.

Table 4: Evaluation questions for livelihood projects, by theme

Theme	Evaluation questions
1. Infrastructure	• What has been built and installed? • Has infrastructure facilitated the project's intended objectives?
2. Membership	• Members: Has the target number of members joined the cooperative? • Selection criteria: Do participating members meet the selection criteria? • Attractiveness of membership: Are people interested in joining and remaining in the cooperatives?
3. Organisational structure and sustainability Focus: Are cooperatives positioned to become self-reliant?	• Cooperative structures: Are cooperatives registered? • Leadership and coordination: Is there a clearly developed and functioning executive that manages the cooperative? Are administrative staff in place to facilitate development? • Training: Have individuals received relevant technical and business training? • Reliance on handouts: Are cooperatives purchasing their own inputs and paying for services? • Strategic planning: Have value chain analyses been conducted? Have market linkages been developed?
4. Cooperative support Focus: Are stakeholders providing necessary material and technical inputs?	• UNHCR capacity: Have UNHCR staff had capacity to carry out the work? Are there enough support staff available? • IP capacity: Are implementing partners doing their jobs, as specified in project partnership agreements (PPAs)? • Government commitment: Have relevant government authorities committed to supporting the project?
5. Project outcomes at individual and household levels Focus: What outcomes have been associated with participation in projects?	• Income generation: How has participation in the project affected members' incomes? • Expenditures and consumption: How has membership affected members' household assets, and savings, and access to, e.g., education, nutrition, healthcare, etc.? • Less-tangible outcomes: How has membership affected less-tangible, non-financial outcomes at the individual level? E.g. protection, self-esteem, aspirations, etc.
6. Project outcomes at public level Focus: How has the existence of the cooperative impacted the public sphere?	• What have been the outcomes associated with the project at the public level? E.g. public health, social relations, market development, etc.

MODULE 1: Enabling and inhibiting factors

MODULE 1: Enabling and inhibiting factors

This module makes a chronological analysis of four significant stages of IKEA Foundation activities in Dollo Ado during the period of 2011-2019. Using document analysis and semi-structured interviews, it focuses on examining the factors that enabled and inhibited effective design and implementation of the livelihoods interventions that are evaluated in Module 2. For each of the four stages identified, we highlight successes, failures, delays, and adaptations, and the reasons behind them. We examine the processes through which adaptations and contingency actions were made when obstacles were encountered, and how organisational learning took place within UNHCR and the Foundation at key junctures of the collaboration.

In order to construct a historical account of adaptation and organisational learning, we worked with UNHCR to identify current and former UNHCR staff, consultants, and other stakeholders significantly involved in relevant interventions from 2011, whether from Dollo Ado, Addis Ababa, or headquarters. We further relied upon analysis of documents related to the programme. The approach of this module is not to 'audit' the role of particular individuals – although individual accomplishments are acknowledged when particularly relevant – but rather to examine how external and internal structural factors influenced the trajectory, direction, and implementation of the overall programme portfolio in Dollo Ado. The key questions leading this module are as follows.

Research questions

How have the Foundation-funded projects evolved?

- At each stage, what were the critical factors that enabled and/or inhibited effective programme development and impact?
- Which factors were exogenous and unavoidable, and which were influenced by the decisions of key stakeholders?

OVERALL ASSESSMENT

The Foundation's investments in the Dollo Ado region have not followed a predictable rhythm and have been marked by a number of challenges and successes that have led to the project outcomes discussed in Module 2 and the institutional changes discussed below. As summarised by IKEA Foundation CEO, Per Heggenes, "[The Programme] has taken more time and more money than we imagined because we were naïve and didn't have a realistic plan around it."[17] There are five factors that have been most influential in affecting the breadth and speed of development of projects, namely: (1) the mindset of and approach taken by the IKEA Foundation, (2) enabling funding structures, (3) appointment of technical staff in the UNHCR Dollo Ado Sub-Office, (4) collaboration with appropriate development-oriented implementing partners, and (5) securing support of relevant government actors. Each of these factors have adapted over the course of the programme's history to better align programme implementation with the Foundation's vision.

The Foundation's investment can best be described as a learning journey through which the Foundation, UNHCR, and other stakeholders have adapted over time.

Challenges have persisted and continue to develop: many of these have been addressed, with clear methods established to ensure more successful project outcomes. Other challenges continue to vex stakeholders and inhibit full realisation of the Foundation's intended objectives.Therefore, the Foundation's investment can best be described as a learning journey through which the Foundation, UNHCR, and other stakeholders have adapted over time.

FOUR STAGES OF THE IKEA FOUNDATION'S INVOLVEMENT

We have identified four distinct stages of the IKEA Foundation programme. This section provides an overview of each in order to develop a meta-narrative of the history of the IKEA Foundation's involvement in Dollo Ado. Stages 1 and 2 cover the operational challenges that stakeholders encountered and addressed during the first years of activity, and the enabling environment that was created for the intended development-oriented projects. Analytical focus is placed on contemporary Stages 3 and 4, in which livelihoods interventions have been developed and consolidated.

[17] Interview with Per Heggenes, CEO IKEA Foundation, Oxford, April 2019

Table 5: Stages and timeframe of the IKEA Foundation's involvement in the Dollo Ado camps

Stage	Title	Timeframe	Defining characteristics
Stage 1	**Emergency response**	2011-2012	• Addressing humanitarian crises associated with the large influx of Somali refugees
Stage 2	**Building an enabling environment**	2012-2016	• Developing infrastructures and services (e.g. WASH, shelter, education) to create a stable environment for refugees and host communities
Stage 3	**Development of livelihoods projects**	2016-2019	• Founding and building capacities for livelihoods interventions • Developing working structures to ensure coordination between UNHCR, IPs, OPs, and government actors
Stage 4	**Consolidation of livelihoods projects**	2019-present	• Fostering independence of beneficiaries of livelihoods projects and non-UNHCR supporting partners • Developing action plans for sustainable livelihoods projects, and the eventual reduction of support from UNHCR and the IKEA Foundation

Stage 1: Emergency response

The Foundation developed an action plan for piloting its vision in two of the Dollo Ado camps in 2011 and 2012 after their initial bid to work in Dadaab, Kenya was unsuccessful. A UNHCR staff member involved at the time reflects that:

> *"We had originally chosen a location [Dadaab] that wouldn't have required us to start from scratch. But we had to shift to Dollo Ado instead, which required lots and lots of investments. On top of [it] being undeveloped, we also started during an emergency phase. I don't know what would have happened if IKEA Foundation hadn't come in."*[18]

Indeed, the intended interventions in Kobe and Hilaweyn camps were immediately sidelined by the humanitarian crisis, as thousands of Somali refugees arrived en masse. A UNHCR staff member who was in Dollo Ado during the period recalled:

> *"Somalis arrived in very bad shape, very malnourished, with 100 people dying on arrival. There's still a graveyard in Kobe marking this event…It was unfathomable then that we would go on to achieve all that we have by 2018, with land agreements with the government and host communities for the agriculture cooperatives, to small grants initiatives."*[19]

Rather than embarking on development of infrastructure and services (something that would eventually occur in Stage 2), the Foundation and UNHCR made the necessary choice to respond to the needs of recent arrivals, channeling funds to deliver food, water, emergency shelter, medical support, and other fundamental humanitarian provisions to reduce vulnerabilities and prevent as many additional deaths as possible. A member of staff summarised the dysfunction of this stage, claiming that: "Before 2016, the whole strategy was messed up. I don't blame anyone, because the emergency environment was just not conducive to creating livelihoods programmes without interference."[20] Part of the challenge is attributed to the difficult political environment at the time: a former Melkadida field staff member pointed out that there were "a lot of attempts to destabilise the region" with disruptive events including "the UN needing to evacuate the region, an attempted coup, and a Somali regional leader who was arrested."[21]

By supporting emergency responses, the Foundation was exposed to the unexpected and inevitable complications of the Dollo Ado context, leading to key lessons on institutional flexibility, the need for agility among stakeholders responding on the ground, and contextual challenges that would need to be managed as their involvement in the region continued. A former UNHCR field staff member laments that during this stage, "we should have had an inception phase where we put in place a plan," but that the emergency diverted UNHCR from being able to do this; "we made our mistakes and we fixed them as best we could."[22] Against this background,

[18] Interview with UNHCR staff member, Geneva, 23 July 2019
[19] Interview with UNHCR staff member, Geneva, 9 July 2019
[20] Interview with UNHCR staff member, Melkadida, 1 November 2019
[21] Interview with UNHCR staff member, Geneva, 24 July 2019

a current UNHCR staff member reflects that "if this project had been done in any place other than Melkadida, we would be way, way beyond where we are now."[23]

In spite of the challenges early on, the IKEA Foundation is respected by UNHCR staff for having been willing to adapt its action plan during these first years as a necessary precursor for subsequent developments. A UNHCR staff member claims that: "We definitely wouldn't have gone beyond the regular care and maintenance that UNHCR typically does [if we hadn't had the support of the Foundation]."[24] Stage 1 lasted approximately a year and a half, ending as population inflows reduced, and when the public health of the refugee populations stabilised.

"We definitely wouldn't have gone beyond the regular care and maintenance that UNHCR typically does [if we hadn't had the support of the Foundation]."

Stage 2: Building an enabling environment

The challenges dealt with during the emergency response stage created a basis from which the Foundation, UNHCR, and supporting partners could begin developing an enabling environment for future interventions, spanning approximately 2012-2016. While the structural and service-based foundations that UNHCR created during this stage were a necessary precursor for the intended livelihoods agenda, there were many attendant frustrations. A member of UNHCR staff claimed that "these years were just spent negotiating and wasting resources of the IPs, trying to get things in place," but without a clear vision or capacity to work efficiently.[25] They recall that "IKEA Foundation just didn't understand why it took us so long to do everything,"[26] a position that was echoed by a senior executive at UNHCR Geneva, who emphasised that it felt that everyone's expectations were unreasonable: "All you have to do is look at how limited development actors were in their development projects in nearby sites [beyond Dollo Ado] - often it feels like [UNHCR] were expected to pull a rabbit out of the hat."[27]

The turning point came in 2015...a new UNHCR Country Representative was appointed in Addis Ababa and worked effectively to remove bureaucratic obstacles.

Although Stage 2 represented the continued deferral of direct livelihoods development activities, the importance of the enabling structures built at this time should not be under-estimated. Appendix 3 details the primary sectors that the Foundation supported during Stage 2, and the vast quantity of projects completed. Significant resources were allocated to establish basic infrastructure and services for refugee and host communities that would enable well-being, and in turn the capability to contribute to the economic development of the region. UNHCR used participatory methods that allowed host and refugee communities to inform project developments, including WASH, more durable shelters, nutrition programmes, schools and education projects, and a wide solar energy network, through street lighting and solar lanterns for homes.

Image 16: Children play with Legos at a 'child friendly space' in Hilaweyn camp. © UNHCR/Jiro Ose, 2012

All of these projects encountered context-specific problems, generally to do with procurement delays, government obstruction, and mismanagement of human resources. A current UNHCR staff member in Melkadida explained that they were welcomed by a firm note from the IKEA Foundation that said, "These projects need to be completed on time!" The staff member explains: "they were upset with the delays of a construction schedule…But I gave them the truth of the matter - what the challenges and gaps were and what the plan was to move forward – and that helped them understand. Everything was fine after that."[28] A similar story was told by another staff member who had to justify delays to projects that they inherited on arrival.[29] They claim that the Foundation was sympathetic to their transparency and the proactive solutions they put forward to complete projects that were behind schedule.

[22] Ibid.
[23] Interview with UNHCR staff member, Melkadida, 18 June 2019
[24] Ibid.
[25] Interview with UNHCR staff member, Melkadida, 1 November 2019
[26] Ibid.
[27] Interview with UNHCR staff member, Geneva, 24 July 2019
[28] Interview with UNHCR staff member, Melkadida, 14 October 2019
[29] Interview with UNHCR staff member, Melkadida, 12 September 2019

Programme funds were also allocated for the more direct development of future livelihoods projects. This included supporting the skilling of capable youth through technical and vocational education and training (TVET), discussed in depth in Module 2. UNHCR also broke the ground on infrastructure that needed to be in place for livelihood cooperatives to function, such as the construction of the first irrigation schemes in preparation for establishment of the farming cooperatives, and livestock holding sites and slaughterhouses that would later underpin the activities of livestock trading and meat selling cooperatives. As noted in the UNHCR-IKEA Foundation online portal, "the creation of these assets has significantly contributed to the enhancement of business activity and has paved the way for forming formal cooperatives."

During this stage, there were two telling challenges encountered and associated lessons learned. These were, firstly, the immense technical, staffing, and financial resources needed to meet project timelines in the Dollo Ado context. UNHCR's technical units were less robustly staffed during this time, and so routine 'rest and recuperation' breaks for staff, alongside the high staff turnover rate, resulted in discontinuity in project management and thus delays to timelines. A former Melkadida staff member reflects that: "people wanted to spend more time away than on site. [UNHCR] Geneva was super concerned and so instituted weekly meetings to make sure their baby was going to be okay."[30]

The extended timelines for developing infrastructure projects highlighted the second lesson, the central importance of working with the right implementing and operating partners. UNHCR had initially insisted on working through its existing country-level implementing partners, which led to repeated failure. The Norwegian Refugee Council (NRC) designed and implemented 10,000 temporary shelters that were structurally weak and gradually eaten away by termites; an NRC-led 'Youth Education Pack' (YEP) trained young people but in ways that had little relevance to local markets; and the initial delegation of the agricultural irrigation construction work to NRC and the Danish Refugee Council (DRC) resulted in a failed gravity-based pumping system, which one UNHCR staff member called "a crater on a hill," leaving both the IKEA Foundation and UNHCR's senior management frustrated.[31] The existing implementing partners were agreeing to take on work for which they did not have the expertise.

Image 17: Refugees fill jerrycans at a water point in Kobe during the emergency phase. © UNHCR/Paul Spiegel, 2011

The turning point came in May 2015, when then High Commissioner, Antonio Guterres, is said to have given clear instructions to "make sure the Foundation's projects worked."[32] A new UNHCR Country Representative was appointed in Addis Ababa and made efforts to overcome bureaucratic obstacles. For example, when the IKEA Foundation favoured ReST, a Tigrayan NGO which possessed significant expertise in agricultural engineering, as the implementing partner for the irrigation projects, UNHCR gained approval to recognise them as an official IP for UNHCR.

While there is still some livelihoods infrastructure being developed or recently completed (e.g. the commercial solar mini-grids for three of the energy cooperatives, and the final irrigation site at Hilaweyn II), most major 'enabling' investments were underway or completed by the end of 2016.

Stage 3: Development of livelihoods projects

The human capital and physical foundations established during Stages 1 and 2 allowed the IKEA Foundation, UNCHR, and other primary stakeholders to embark upon the central mission of the overall programme in 2016: to develop livelihoods projects that could lead to the eventual self-reliance of the refugee population. Lessons from the previous stages were demonstrably incorporated into most aspects of the programme, although not without difficulty and a number

[30] Interview with UNHCR staff member, Geneva, 24 July 2019
[31] Interview with UNHCR staff member, Addis Ababa, 30 March 2019
[32] Ibid.

of issues remain unresolved. Participant outcomes became much more visible during this stage. A current staff member explains that: "We have done quite a lot since 2016. There were so many people who weren't able to earn an income before. You see now that people have smiles and a sense of hopefulness."[33]

The core activities of Stage 3 include the development of livelihoods-building projects, primarily in the form of the cooperatives and related interventions discussed in Module 2. UNHCR and its partners collaborated to set up and run business-oriented projects across all five camps. Their variety and quantity required stakeholders to persistently confront a multiplicity of challenges. The most important programmatic learnings from throughout the IKEA Foundation's involvement in Dollo Ado were developed and internalised during this stage.

Image 18: A refugee cooperative member irrigates onions on his plot in Melkadida. © UNHCR/Diana Diaz, 2018

The most significant turning point in the Foundation's programme occurred in 2016 when UNHCR leadership in Addis Ababa suggested the appointment of a well-regarded staff member be considered as head of field office in Dollo Ado, despite another part of the organisation being desperate to keep them.[34] Following his appointment, underperforming staff, consultants, and implementing partners were replaced, and other difficulties encountered in the previous two stages began to melt away. The mission's culture began to change.[35] Heggenes later explained:

> *"Without the push from [new leadership] who really wanted to make things work and really wanted do things right, we wouldn't have got there… leadership on the ground is extremely important. We had worked our way through several heads of field office. It was really when [a new HOSO] came on board that things took off in a different way…"*[36]

Until the change in UNHCR staff, the relationship with the government had been poor. ARRA was suspicious of the IKEA Foundation work. According to a senior UNHCR staff member in Addis Ababa, ARRA doubted the IKEA Foundation's intentions, which resulted in lower levels of transparency in interactions. ARRA was afraid that the Foundation's activities could undermine the relationships between refugees and the government.[37]

The newly appointed HOSO found a way to work with the government and local authorities to build trust. They put time into building relationships with the local and customary leaders. For example, in 2016 they were the first UNHCR staff member to engage in a dialogue with the regional king and his council. One staff member explained:

> *"They have a system in place for hundreds of years that is respected and understood. UNHCR hadn't talked to them before… [The new HOSO] listened to staff recommendations. The inclusion of a customary institution was the most critical thing – it helped minimise conflicts and created peaceful co-existence."*[38]

In doing this, the new HOSO built trust with the local community. And from April 2016 the relationship with the government was further improved when ARRA appointed a new Deputy Director, who had a background working with refugees, was committed to human rights, and wanted to make a difference. The Deputy Director came in with a new approach and built up a strong collaborative relationship with UNHCR leadership in Addis and Melkadida, as well as Heggenes. Gradually, political and bureaucratic barriers began to fall. For example, UNHCR, ARRA, the regional government, and the *woreda* were finally able to negotiate access to land to proceed with viable agricultural irrigation. UNHCR was offered a 30-year lease on the land at a goodwill rate of $1 USD and managed to get a 50:50 ratio of refugees and host community members involved in the agriculture cooperatives.[39]

[33] Interview with UNHCR staff member, Melkadida, 18 June 2019
[34] Interview with UNHCR staff member, Addis Ababa, 30 March 2019
[35] Ibid.
[36] Interview with Per Heggenes, CEO IKEA Foundation, Oxford, April 2019
[37] Interview with UNHCR staff member, Addis Ababa, 30 March 2019
[38] Interview with UNHCR staff member, Melkadida, 16 October 2019
[39] Interview with UNHCR staff member, Addis Ababa, 30 March 2019

One UNHCR staff member summarised the degree of change that took place from 2016: "I began here in July 2011. But I feel like I really joined UNCHR in 2016 – when the new HOSO came. Until 2016… we had to learn from mistakes and failures, and created written strategies that accounted for the strengths of international and local staff."[40] In the last few years, a whole series of programmes designed to create economic sustainability have been implemented. The Foundation's programmes have had several features implicit in their approach to sustainability. They have tried to use value-chain analysis (e.g. maximising opportunities across wholesale, production, and consumption); multi-sectoral integration (e.g. integrating livelihoods, energy, and the environment); graduation (e.g. providing initial subsidy through assets and training before gradually withdrawing these); localisation (e.g. working with local partners wherever possible); and cultural adaptation (e.g. adapting to existing cultural opportunities).

The IKEA Foundation-funded programmes that have emerged include, *inter alia*, irrigation and agriculture cooperatives; prosopis firewood cooperatives; meat selling cooperatives and other livestock-related interventions; microfinance loans; energy cooperatives; a secondary school and teacher training college; as well as ongoing support for infrastructure and emergency relief items. It is now impossible to walk through any of the camps without being struck by jointly branded UNHCR-ARRA-IKEA Foundation signs identifying pockets of productive activity.

Although a large number of livelihoods projects have been initiated since 2016, a significant proportion of these have only recently been developed and are not in a position to be self-sustaining, therefore, in some respects this stage can be considered to be ongoing.

Stage 4: Consolidation of livelihoods projects

The final and most recent stage of the Dollo Ado programme has focused on consolidating the progress made in the livelihoods-oriented projects in order to increase the likelihood that they can be self-sustaining. The big question of Stage 4, as conveyed by a member of staff in Geneva, is: "Will we [UNHCR and the IKEA Foundation] be able to phase out in 2021 when energy and livelihoods investments are set to end? Such that, for instance, cooperatives will be able to function based on loans instead of grants."[41] In order to achieve this objective, in recent years the Foundation has placed increased emphasis on "putting their money only into projects where it can continue to grow for itself"[42] and as such, budgets for non-livelihoods-related line items (with the exception of environmental sustainability projects) have virtually disappeared.

With this goal in mind, many actors in Ethiopia and beyond are waiting in anticipation for the maturation of Foundation-supported projects. They are perceived as a potential model for replication in similar contexts. For instance, a UNHCR staff member explained that "national ministries, the World Bank, and other decisionmakers are waiting to see the success of the irrigation sites to determine how to move forward with developing the additional 9,000 hectars of land [that has been pledged by the government]."[43]

Image 19: A Somali refugee client visits the microfinance office in Melkadida to withdraw money from her account. © UNHCR/Ariadne Kypriadi, 2019

Cooperative groups and other livelihoods-supporting projects have developed at different rates and various stakeholders expect that only some among them will be successful in Stage 4. Notably, some of the farming cooperatives in particular camps, and a majority of groups in the livestock value chain are projected to have capacity to carry on independently in the future. The MFI intervention appears to have a positive future, having established operations in each of the five camps, with a clear and actionable plan for a relatively high level of institutional independence in their future activities. Most other interventions, including the energy, firewood, and gum and incense cooperatives are widely considered likely to struggle if there were a significant reduction or withdrawal of the support they currently receive. A staff member at ARRA, reflecting on the complexity of factors influencing project success – ranging from IP coordination, supply of inputs, and relevance of livelihoods activities to the local context

[40] Interview with UNHCR staff member, Melkadida, 16 October 2019
[41] Interview with UNHCR staff member, Geneva, 23 July 2019
[42] Interview with UNHCR staff member, Melkadida, 15 October 2019
[43] Ibid.

– summarises that for these interventions: "At the current stage, success is not as planned. We need to come up with better solutions."[44]

Stage 4 developments have been less oriented around learning new lessons, but rather have been focused on applying lessons learned during previous stages, particularly from Stage 3. This is apparent from a number of factors, including: (1) the multi-stakeholder meetings and workshops that UNHCR have convened in order to strategically allocate managerial responsibility for projects among best-suited actors; (2) the streamlined oversight functions that are in place within UNHCR and ARRA to monitor progress and improve performance of IPs and the projects they oversee; and (3) the generally high level of technical and business support that IPs and OPs have developed and are able to provide to the projects. An ARRA staff member claims that:

> *"the big challenge [in getting cooperatives to be self-sustaining] will be in transferring responsibilities to the local government… [The projects] need technical support and continuous follow up – which is not easy for the local government since it doesn't have a lot of experience with it. My feeling is that these transitional years will be difficult."*[45]

UNHCR's consolidation and hand-over efforts are at a relatively early stage and various interviewees estimate that it could take one to four years to fully realise the Foundation's vision across different livelihoods projects.

> ***"They think differently than us and help us do things in a different way – different ways to do business, partners to make, thinking about sustainability – rather than just an emergency bandage response."***

FIVE FACTORS THAT ENABLED OR INHIBITED PROGRAMME EFFORTS

Against the four-stage historical backdrop, this section details the five major factors that the evaluation team has identified as having significant influence in enabling or inhibiting the Foundation's objectives throughout the programme. Particular emphasis is placed on how these factors have affected activities in Stages 3 and 4, when livelihoods interventions were being developed and consolidated. Analysis of these factors is necessary in order to articulate a sustainability framework for future work of the Foundation and UNHCR (Module 3) and to design recommendations for actors involved in development-oriented programmes in humanitarian settings (Module 5).

Image 20: A refugee shop owner at the electrified 'new market' in Bokolmanyo camp is visited by a delegation from IKEA Foundation and UNHCR Ethiopia. © UNHCR, 2019

[44] Interview with ARRA staff member, Melkadida, 29 October 2019
[45] Ibid.

1. The mindset of and approach taken by the IKEA Foundation

The approach that the IKEA Foundation has taken for implementing its envisioned development agenda in Dollo Ado is widely regarded as constructive and conducive to achieving the self-reliance agenda set out in programme documents. Stakeholders characterise the Foundation as being ambitious, proactive, flexible, and a well resourced institution. These features are virtuous when it comes to advancing the emerging CRRF agenda,[46] which is developing quickly and requires agile and committed actors to support the advancement of refugee rights. A UNHCR staff member in Geneva reflects on the complementary role that the Foundation has played in Melkadida: "They think differently than us and help us do things in a different way – different ways to do business, partners to make, thinking about sustainability – rather than just an emergency bandage response."[47]

The Foundation has built strong relationships with UNHCR liaisons to oversee many projects undertaken during all four stages. Foundation staff have maintained contact with dedicated UNHCR focal points at various levels from the inception of the programme in 2011. A senior UNHCR staff member in Geneva shared that: "I've been engaged with IKEA Foundation since the beginning, and I've stayed involved to help ensure we had all the pieces in place to make it a successful programme."[48] Similarly a former UNHCR Dollo Ado staff member reflects on the continued influence the Foundation has on his work: "[They] fundamentally changed the way that UNHCR thinks – away from 'refugees first and only' to a 'whole of community approach.' The Foundation broke the taboo [and made distribution of aid] 50:50 – proportional for refugees and hosts."[49] The Foundation's hands-on approach is bolstered by dedicated staff who have made regular visits to the field office and project sites to build relationships, and "so they could see the conditions on the ground to get a sense of the difficulty that you can't see in reports or on calls."[50]

Nevertheless, these same advantages are considered to have limitations when applied to the humanitarian context, which is historically and intrinsically detached from market-based solutions for the socio-economic challenges confronted by refugees, particularly in underdeveloped contexts such as those seen in Dollo Ado. While the Foundation has put in place clear staff support structures, both internally and with UNHCR headquarters, Addis Ababa, and Melkadida, several interviewees expressed concern that these relationships have not necessarily been sensitised to the importance of foregrounding conventional humanitarian responses. Staff at Geneva commented that "when we start doing things that aren't core business for us [e.g., livelihoods] it creates institutional schizophrenia. The protection people freak out when they see the shift. This happens globally, not just in Dollo Ado."[51]

> ***"They fundamentally changed the way that UNHCR thinks away from 'refugees first and only' to a 'whole of community approach'."***

Some interviewees claim that the programme's development agenda accelerated so quickly and without due regard to who should benefit from participating in the interventions, that the most vulnerable people have been too little considered and accommodated in membership selection processes. While it is correct to acknowledge that the milk selling and prosopis firewood cooperatives, having a majority women membership, deliver on associated protection outcomes, it should be noted that most of these individuals had been engaged in those activities prior to involvement of the cooperative. By extension, there appear to have been limited opportunities for women without pre-existing work or livelihoods skills to participate in Foundation-funded interventions. A staff member in Melkadida raised a common concern about who benefits from livelihoods projects, sharing that:

> *"Every time we have survivors [of SGBV], we're asked if we can help them sustain themselves. All of them said it would be good if we could help them develop livelihoods. And while there are some possibilities for livelihoods for women, there's need for much more."*

In other words, the Foundation's projects have not been able to enact comprehensive and inclusive practices that foreground the importance of non-economic human development indicators. This observation re-affirms the continued importance of UNHCR's core humanitarian assistance and protection programming.

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[46] United Nations General Assembly. New York Declaration for Refugees and Migrants. Annex I. Resolution A/RES/71/1, New York: United Nations, 2016. https://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/71/1

[47] Interview with UNHCR staff member, Geneva, 23 July 2019

[48] Interview with UNHCR staff member, Geneva, 24 July 2019

[49] Interview with UNHCR staff member, Geneva, 24 July 2019

[50] Interview with UNHCR staff member, Geneva, 23 July 2019

[51] Interview with UNHCR staff member, Melkadida, 11 October 2019

Another significant factor inhibiting the productive and efficient development of livelihoods projects has been the lack of attention that the Foundation placed on data collection and timely institutional learning processes (as discussed in detail in Module 3). A primary reason for this, as explained by UNHCR staff in Geneva, was competing priorities at the beginning of the programme: "We were excited about the investment and all it set out to accomplish, but we didn't know the extent of the data needs in the future."[52] The failure to strategically collect evidence has led to a slow process of learning, and in turn, delayed implementation and maturation of projects, at great fiscal expense.

2. Enabling funding structures

All interviewees who spoke on the subject lauded the funding structures that the IKEA Foundation has put in place for the UNHCR Melkadida operations. The multi-year, multi-partner, project-based funds provided are a departure from the annual funding cycles that UNHCR Sub-Offices are accustomed to. Staff at headquarters said it was "the first time we had a partner that said: 'Take a commonsense approach to figure out what you need to do to get where you want to be in 3 years.'"[53]

There are few substantive drawbacks to these enabling funding structures. As compared to typical annual funding cycles in UNHCR, the multi-year budgets are valued for facilitating longer-term project planning, financial dependability and stability, and reduced bureaucratic entanglements. A senior staff member at UNHCR Geneva explains that "one of the major benefits of project-based funding is that you can solve technical capacity problems because you can hire staff for specific long-term projects, for three years for example. This resolves issues around securing expertise."[54]

Multi-year funding is considered particularly important in protracted situations where UNHCR Field Office portfolios are more development-oriented, and thus benefit from longer-term action plans. UNHCR staff explained that with conventional UNHCR budget allocation processes "development projects can be marginalised if needed because they aren't life-saving activities. So UNHCR need to earmark funding for them, otherwise [the budget] will be re-allocated."[55] Interviewees at various levels supported the notion that "UNHCR needs to do more to advance multi-year, multi-partner approaches globally"[56] to allow for greater flexibility and successful project design and execution.

Good-fit staff appointments have been an important catalyst for effective action in and around the camps.

Foundation staff consistently demonstrate understanding of the difficulty of completing projects to schedule in Dollo Ado. They have accommodated necessary changes to funding procedures when judged reasonable. 'No-cost extensions' have been approved by the Foundation so that projects that were behind schedule could have additional time to complete particular objectives. For instance, the Education and Energy Units received no-cost extensions at the end of the 2017 funding period in order to close out projects that had fallen behind schedule but were considered vital to complete.

The Foundation has also shown discernment about discontinuing funding for particular interventions. This happened most commonly when other stakeholders had adequate capacity to take over the Foundation's stopgap efforts. For instance, when emergency response activities (Stage 1) decreased in 2012, the IKEA Foundation shifted its funds towards infrastructure and service development, judging that UNHCR and other OPs were better positioned to carry on the emergency response work without them. Funding has also been discontinued when the Foundation assessed that projects did not align with intended programme objectives, mostly related to whether they could become profitable business-oriented pursuits.

In these ways, the Foundation has demonstrated its financial savvy, allowing for strategic yet flexible investments. While the scale of their philanthropic investment is unprecedented, the Foundation has restricted continued funding to particular types of projects that perform to specific standards. UNHCR and other stakeholders have become increasingly incentivised to adhere to and fulfil the ambitious self-reliance agenda outlined in Stages 3 and 4.

[52] Interview with UNHCR staff member, Geneva, 9 July 2019
[53] Interview with UNHCR staff member, Geneva, 23 July 2019
[54] Interview with UNHCR staff member, Geneva, 24 July 2019
[55] Ibid.
[56] Interview with UNHCR staff member, Melkadida, 18 June 2019

3. Appointment of technical staff in UNHCR Melkadida

Individuals have been crucial for effective programme implementation, and the story of Dollo Ado is incomplete without them. UNHCR interviewees consistently raised the point that good-fit staff appointments to the Melkadida Sub-Office have been an important catalyst for effective action in and around the camps. They claim that collaborative personalities, technical expertise, and bureaucratic competence have been the major features to help galvanise collegiality, efficiently executed projects, and management of the many demands of the programme. National staff – who typically serve for the longest periods in the operation – recount that there has been a mix of successes and failures in past appointments, and generally agree with the broader consensus among interviewees that recent appointments have resulted in there being better and more appropriate staff in place.

Interviewees unanimously agree that the most critical staff appointment to 'get right' is the Head of Sub-Office (HOSO). The five HOSOs that have led the Dollo Ado operation while IKEA Foundation has been present have invariably taken different approaches, had different personalities, and encountered unique challenges posed at different stages of the programme. In particular, the early tenures confronted a combination of (1) tense relationships with government actors ("[A former HOSO] had the will but not the power. I think he felt politically constrained"[57]), (2) underdeveloped infrastructure, and (3) staff structures with more limited technical capacities and a less coherent vision of what the Foundation intended to achieve. One staff member reflects that from 2011 up until 2016, the operation was going nowhere: "there was no one from UNHCR who went to the farms to offer support. There was a segregation of activities. Before [a new HOSO] brought his vision, the livelihoods staff and the camps were separate."[58] This dynamic was reinforced by a divisive HOSO whose removal the staff successfully petitioned for because:

> *"He didn't care what was going on. He used to go to Addis and gave presentations at the Sheraton and declared it a success. In 3-4 months, he only came to the camps once – the day before the Country Representative was visiting. He promised the refugees false things for follow-up, and never came back…[During his tenure] we lost 50% of the progress that [his predecessor] had achieved."*[59]

As discussed in the Stage 3 narrative, actors at all levels frequently identify the appointment of the new HOSO in 2016 as a major turning point in the Melkadida operation. He is praised for having a proactive, communicative, and problem-solving leadership style, capable of getting various stakeholders on board with programme objectives. Interviewees consider that many of these same traits are present in the current HOSO, who has ushered the programme through the transition from Stage 3 (development of livelihoods projects) to Stage 4 (consolidation of livelihoods projects). Staff reflect on the current HOSO's arrival, claiming "it was a very sound appointment. [He] knew the most about the IKEA Foundation before joining because he was a Senior Programme Officer in Addis. For projects like this, staff with his type of deep technical commitment are required."[60] It will be imperative that the next HOSO has a similar approach to leading the Sub-Office to maintain traction built up over the past several years.

Other appointments that have been particularly important for achieving operational objectives are staff – particularly the most senior appointments – working in units that are heavily involved in the livelihoods projects. Most specifically, these include the Livelihoods Unit, the Energy Unit, and the Technical Unit (which encompasses the Environment Sector). Throughout the years, UNHCR Officers have had variable levels of technical capacity and business-oriented know-how to advance the livelihoods projects. Those with greatest relevant experience prior their appointment in Dollo Ado are generally regarded as the best fits for the field office, as technical expertise has brought the greatest ability to solve problems in the complex environment.

One concern regarding staff appointments – apparently more in the past than in current practice – is speculation that cronyism may have played a role in the recruitment of national and international staff. This was discussed in instances where it was felt that favoured appointees were under-qualified and were considered to have impeded or obstructed programme progress:

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[57] Interview with UNHCR staff member, Melkadida, 1 November 2019
[58] Ibid.
[59] Interview with UNHCR staff member, Melkadida, 2019
[60] Ibid.

"Some of these people left after years of being paid very highly. While they were here, very little progress was made. As soon as [a new HOSO] came in 2016, he spotted this quickly and they all left."[61]

Interviewees said that the staff caused conflict, wasted resources, and distracted from the intended mission of the programme. Regardless of whether professional networks provided individuals biased treatment in recruitment processes, it is critical both that transparent hiring practices are guaranteed for future appointments, and that individuals with difficult personalities and inadequate professional credentials are not hired.

A slightly tangential but often mentioned consideration in attracting and retaining talent has been the gradual and significant improvement in living conditions in the Melkadida compound, and the perks that international staff benefit from by taking a post in a hardship duty station.

4. Selection of and interaction with implementing partners

The implementing partners that UNHCR Dollo Ado have contracted to offer day-to-day, on-the-ground support to the various projects are indispensable to the development of the Foundation's vision. IPs are responsible for operationalising specific objectives that are set out in project partnership agreements (PPAs) that have been conceptualised alongside UNHCR and ARRA. They have functional knowledge of local contexts and are on the frontline of providing technical guidance and inputs for livelihoods interventions. Therefore, IPs are frequently credited with both the successes and shortcomings associated with project outcomes. While one UNHCR staff member suggested that "responsibility for any failings should be attributed to UNHCR and ARRA, for reasons of having mismanaged or selected the wrong IPs,"[62] there are accounts of IPs' bad decision-making and performance, which directly correspond with delays and failures in some projects.

Image 21: Energy cooperative members in Buramino show visitors the equipment used to store energy generated by the solar panels. © UNHCR, 2019

The vast range and quantity of projects developed over the past seven years have been managed by a wide array of IPs, with varying levels of success. In addition to the other factors discussed in this module, there are suggestions that IPs may deliberatly perform to a lower standard than they are capable:

"If their stories had been a success, a lot of IPs would have lost their jobs. So the partners might not always give their full efforts. Some managers never wanted things to be successful…[The IPs] might want to undermine each other: to shut down the others and to steal their beneficiaries."[63]

This dynamic has been more pronounced with some IPs than others, and particular individuals are commonly identified as obstructing ethical, transparent operations in spite of the oversight mechanisms enforced through the joint PPAs. Historically, the most successful partnerships between UNHCR and IPs have been when both parties are well staffed, technically competent, and sufficiently motivated to execute a task. When there have been asymmetries in this balance, projects have tended to suffer.

5. Securing support of government actors

The political environment in the Somali Region of Ethiopia is particularly complex, with layers of government and customary authorities that exert de facto and de jure influence over almost everything that happens in their respective jurisdictions. A former HOSO explained the difficulty that he and his predecessors had in properly identifying the most influential power brokers in any given geographical area, suggesting that it could take months to negotiate permission to begin developing a project, only to learn that UNHCR needed to secure permission of a different stakeholder that was hitherto unknown.[64] Even though UNHCR currently has a better understanding of authority structures in the area, expectations for their level of involvement are often not to the standard UNHCR would hope for. A staff member reflects that: "The

[61] Interview with UNHCR staff member, Melkadida, 2019
[62] Interview with UNHCR staff member, Addis Ababa, 9 November 2019
[63] Interview with UNHCR staff member, Melkadida, 2019
[64] Interview with UNHCR staff member, Geneva, 24 July 2019

relationship [with government authorities] is very good. But I think that the role that they need to play is not always commensurate with what they actually do."[65]

The intricacy of authority networks and the complications of managing their expectations and generating buy-in from critical individuals, has been a persistent challenge in the life of the IKEA Foundation programme. In the early years, it was unclear that UNHCR was welcome in the Somali Region, with demonstrated hostility from the president of the region. UNHCR staff at headquarters lauded the field office's approach under the previous HOSO, suggesting that he dealt with authorities with a willingness to cooperate and "moved forward without necessarily [and unnecessarily] asking for permission, with the mantra that 'if it benefits refugees and it's good for UNHCR, just do it'."[66]

Critical turning points in the programme's history became visible when local authorities began to better understand, and indeed see, that UNHCR-managed activities brought benefits to host community populations alongside the refugees who have conventionally been understood as the primary or exclusive beneficiaries of humanitarian aid. It was critical to get these authorities on board in order to get the host communities participating in the livelihoods projects, especially for the large agricultural developments. A UNHCR officer in the Melkadida operation reflected:

> *"We engaged with the woreda in order to get their authoritative support with regard to convincing the community that this was a resource to develop that would benefit the area. People [from the host community] were reluctant to participate. They didn't want to commit to things unless they saw a successful example already."*[67]

Under the previous HOSO, the UNHCR mission was able to advance the programme objectives in line with Foundation expectations. Some political challenges persist, as government actors at all levels can delay project developments by delaying or blocking approvals. However, in general, the political climate surrounding the Dollo Ado operation has vastly improved since the beginning of the programme.

OVERVIEW OF LOCAL POLITICAL ACTORS

Each of the five camps of the Dollo Ado region belongs to a *kebele*, a local administrative unit, which is overseen by government representatives. These *kebeles* straddle two *woredas* – Bokolmanyo and Dollo Ado *woredas* – which are governed by a higher administrative level. The *woredas* are accountable to the regional government in Jijiga. In parallel with these official government structures are the customary leaders who are in dialogue with the king of the Somali Region. The presence of the federal government through the five ARRA offices in the camps reflects another layer of government authority with which UNHCR must interact to negotiate programme developments. Local power structures, in the form of RCCs and other community-based governing structures, require further political considerations.

Image 22: The Hilaweyn II irrigation site is inaugurated in the presence of government officials, IKEA Foundation, and UNHCR Ethiopia. © UNHCR, 2019

[65] Interview with UNHCR staff member, Melkadida, 25 October 2019
[66] Interview with UNHCR staff member, Geneva, 25 July 2019
[67] Interview with UNHCR staff member, Melkadida, 1 November 2019

MODULE 2: Evaluation of IKEA Foundation livelihoods projects

MODULE 2: Evaluation of IKEA Foundation livelihoods projects

This module assesses the ways that IKEA Foundation investments have affected developments within the five Dollo Ado camps and adjacent host communities from 2012 to the present. We focus on presenting data on livelihoods projects that the Foundation and UNHCR have supported to enable innovative self-reliance programming in humanitarian contexts. The objective is to assess how the Foundation-funded livelihoods projects have affected the socio-economic lives of refugees and the host community. To make these assessments, we rely on a set of 17 questions grouped under six themes (as presented in Table 4 in the Methods section). The analysis draws on primary data collected during fieldwork and secondary data shared by programme stakeholders. Evaluations have been conducted on ten types of livelihoods-enabling projects that have been supported by IKEA Foundation.

Livelihoods projects evaluated	
Agriculture cooperatives	Milk selling cooperatives
Livestock trading cooperatives	Energy cooperatives
CAHWs business groups	Prosopis firewood cooperatives
Slaughterhouse business groups	Microfinance loan scheme
Meat selling cooperatives	TVET programming

In order to situate the livelihoods projects in the broader set of Foundation-funded projects in Dollo Ado, we provide a descriptive overview and synthetic analysis of IKEA Foundation investments in infrastructure and services that were initiated during the first funding phase, 2012-14, and concluded during the second phase of funding. These interventions – in education, shelter, nutrition, and WASH – have contributed to the enabling foundation upon which the above-listed interventions have been carried out. Analyses of these four intervention areas are presented in Appendix 3.

OVERALL ASSESSMENT

The IKEA Foundation's role in Dollo Ado has been guided by its overall institutional vision of creating 'a better everyday life.' It has aimed to pilot a new approach to assistance for refugees in camps based on moving from dependency on humanitarian aid towards sustainable livelihoods opportunities. Achieving these goals in Dollo Ado is necessarily very challenging: it is environmentally arid, geographically isolated, politically complex, and economically constrained. After initial support during the emergency phase beginning 2012, the Foundation's main investments have focused on two sequential phases: (1) developing infrastructure and services, as detailed in Appendix 3 and (2) livelihoods creation.

The Foundation and UNHCR have supported and co-designed a series of highly innovative approaches to livelihoods creation and market development.

In relation to the first, the Foundation aimed to support the development of infrastructure and services in areas such as education, WASH, shelter, and nutrition, both as a means to meet basic humanitarian needs and to create the enabling conditions to support subsequent livelihoods interventions. Despite experiencing some delays and set-backs due to institutional and organisational barriers, notably in relation to shelter, these interventions are widely regarded as successful. While challenges remain in each of the sectors, these interventions met the initial programme objectives and have generally led to improved outcomes. Financial and operational responsibility for these interventions has effectively been handed over to implementing partners, governmental authorities, and UNHCR.

In relation to the second phase, the Foundation and UNHCR have supported and co-designed a series of highly innovative approaches to livelihoods creation and market development. These interventions, which have primarily been developed from 2015 onward, have focused on agriculture, livestock, energy and the environment, and financial inclusion through microfinance loans. The overall approach has been pioneering in its model of creating cooperatives, comprising both refugee and host community members, as a vehicle for supporting the transition to self-reliance.

Between them, by the end of 2018 the livelihoods programmes created income-generating activities for more than 2,050 project members, as well as providing loans to 525 people. Programmes have been implemented with effective local governance and high levels of participation. Participants are generally appreciative of the programmes and highlight private benefits, whether in terms of improved income or assets. There is also some evidence of positive wider outcomes, including through enhanced social cohesion, the provision of public goods, and the creation of market-based opportunities. In most cases, it is too early to make definitive judgements on impact, partly due to delays and complications in programme implementation, but primarily because a majority of cooperatives are too young to have developed mature organisational structures and business practices.

Overall, the biggest challenge across the projects relates to sustainability, which is challenging to gauge at this stage as a large proportion of the cooperatives are no more than two years old.

Across all of these projects, evaluation has been hindered by the absence of viable baseline data against which to assess impact (see Methods section). Nevertheless, by using a range of quantitative and qualitative research methods and sources, we have been able to make assessments of the direct and indirect effects of the main livelihoods programmes.

Our data suggest a mixed picture across different cooperative types. The most successful so far have been the cooperatives and business groups in the livestock value chain. This is mainly because they have been created based on pre-existing market linkages and effective value chain analysis, and because livestock management is socio-culturally familiar to those participating in the projects. Among the major livelihoods initiatives, the prosopis firewood cooperatives have the least certain prospects for stable income-generation and operational sustainability. This is because this initiative has been based on unprecedented and as-yet under-developed market linkages – with significant vulnerability to unpredictable supply of inputs and price shocks, as well as demand-side constraints.

The agriculture cooperatives have been between these extremes, with variation in outcomes across the irrigation sites where the cooperatives function. Generally, participants report positive effects on their incomes and well-being, although our quantitative findings suggest that cooperative members have slightly lower incomes than other agricultural workers who do not belong to Foundation-funded cooperatives. Part of this observation is likely to be attributable to the cooperative members' lower likelihood of planting cash crops, such as onions.

Overall, the biggest challenge across the projects relates to sustainability, which is challenging to gauge at this stage as a large proportion of the cooperatives are no more than two years old, with a significant number being less than one year old (see Appendix 1). Most of the cooperatives and other livelihoods interventions remain dependent upon external inputs and subsidies. They are generally not yet at a stage where they are mature enough to function independently of financial support from the IKEA Foundation, or strategic and operational inputs from UNHCR, IPs, and government actors. Some of the interventions, such as the microfinance initiative, have defined transition plans toward sustainability, while others have not. Our interviews with key stakeholders suggest an awareness of these challenges, and indeed, UNHCR and IKEA Foundation co-developed a three-year livelihood strategy in 2018, laying out objectives, approaches, targets, and deliverables that are intended to make best value of the most recent grant from the Foundation. However, as yet, there is no conclusive indication that the various livelihoods projects will be able to develop and see through clear business plans that will allow them to be self-sustaining in the future.

1. AGRICULTURE COOPERATIVES

Introduction

The presence of the Ganale River and the opportunity to build agricultural livelihoods for refugees and the host community was one of the motivating reasons for the Foundation's decision to work with UNHCR in Dollo Ado.[68] The agriculture cooperatives are now a backbone of UNHCR's livelihoods strategy in the region.

Despite the arid soil and sandy bushlands, agriculture plays a growing role in the local economy due to irrigated plots along the river. At present, refugee involvement in this economy is relatively limited: only 3.8% of refugee households are involved in cultivation, whereas 15.7% of host community households work in agriculture. Of the households not already involved in agriculture, 34.5% of refugee households state that they are interested in getting involved; in the host community the interest is even higher at 57.4%.[69]

The IKEA Foundation's investment in agriculture seeks to provide greater and more equal access to a potentially important economic sector and labour market. It has invested in agriculture infrastructure, such as the construction of irrigation canals and pumps, but also in the establishment of agriculture cooperatives and access to host community-owned land. Almost 1,000 hectares of irrigated cropland have been created, with the aim of eventually enrolling 1,000 host community members and 1,000 refugees as cooperative members. This investment shows through in the data already, as agriculture cooperatives play an important role in local farming: 40.7% of the host households and 36.3% of the refugee households involved in agriculture do so within a cooperative structure.[70]

The IKEA Foundation's investment in developing irrigation sites began in 2012 and the first agriculture cooperative to begin functioning was in Hilaweyn in 2014.[71] The programme faced significant initial challenges due to a range of issues, including the initially chosen implementing partners' lack of relevant technical expertise, political barriers to land access, and inadequate leadership within UNHCR. However, from 2015, many of these barriers were overcome, mainly through the establishment of effective UNHCR leadership within Ethiopia and Dollo Ado, the appointment of ReST as the lead implementing partner, and improved relations with the government.[72]

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[68] Interview with Per Heggenes, CEO IKEA Foundation, Oxford, April 2019
[69] Betts et al, "Refugee Economies in Dollo Ado."
[70] Ibid.
[71] Interview with UNHCR staff member, Melkadida, 1 August 2019
[72] Interview with Per Heggenes, CEO IKEA Foundation, Oxford, April 2019

At the time of our data collection, 29km of irrigation canals had been constructed, providing water to what will soon be 1,000 hectars (ha) of cultivated land. Nine cooperatives have now been registered in four of the five camps (the exception is Bokolmanyo, which is too far from the river).[73] All cooperatives function similarly, but have had varying degrees of success. The variation often corresponds with the maturity of the cooperative (the oldest cooperative has been operational for five years)[74] and the environmental issues affecting each site (e.g. soil quality, flooding, drought). Membership numbers at each site are determined based on the amount of land that is available for planting, with each member typically being granted half a hectare for cultivation.[75]

Project evaluation

Overall assessment

Although none of the IKEA Foundation-supported agriculture cooperatives have yet reached a mature stage of development, largely due to the short time they have been functioning, cumulatively the groups can be regarded as having achieved moderate levels of success so far. High-level accomplishments and cautionary observations include:

- The cooperatives are on track to successfully create farming opportunities for up to 2,000 households across nine cooperatives, delivering benefits to vulnerable refugee and host community households.
- The qualitative and quantitative data indicate that agriculture cooperative members' financial situation has improved since joining the cooperative.
- Our regression analysis, however, shows that refugee cooperative members have lower levels of income and consumption than non-cooperative refugee farmers. In the absence of exogenous variation in cooperative membership and in the absence of baseline data to control for pre-existing differences, these results need to be interpreted with caution. Differences between cooperative members and non-members could be due to cooperative membership or pre-existing differences between the two groups.
- We find suggestive evidence that cooperative members have lower consumption and income levels than non-cooperative farmers because they are more likely to grow crops that fetch lower prices at market, such as maize, while non-cooperative farmers are more likely to grow cash crops like onions. This may point to weaknesses in the market integration of the cooperatives. Further research is being conducted to confirm this observation.[76]
- Furthermore, cooperatives currently have a relatively high level of dependence on UNHCR and implementing partners who provide a majority of inputs free of charge. This is conveyed by cooperative members and other interviewees, and also by the negative return on investment in half of the cooperatives in the last cropping season. There are many concerns about whether the groups will be able to function sustainably without significant external support in the short term. UNHCR is working to address this with government, NGO, and private sector partners through a technical plan to phase-out financial support from the IKEA Foundation by the end of 2020.[77]

UNHCR and the IKEA Foundation exhibit a strong understanding of the challenges and work required to make this intervention sustainable. A number of strategic planning meetings have been convened among high-level stakeholders – including UNHCR, IPs, government actors at different levels, and cooperative leadership – which have harmonised a vision for the future of the nine farming cooperatives. UNHCR expects that cooperative participants will take responsibility for all productive and business developments with the support of government institutions and external actors (e.g., MercyCorps, private sector entities, investors, etc.). Government officials have expressed a readiness to help with management of the cooperatives.[78] While it will take significant effort and resources to secure the operational independence of cooperatives, stakeholders demonstrate a unified commitment to make sure this project is a success and have created technical and financial plans that may eventually be able to serve as a model that can be replicated in other refugee camp contexts throughout Ethiopia.

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[73] UNHCR Melkadida Portal, "Irrigated Agriculture."
[74] See Appendix 1 for a table of all agriculture cooperatives including information on their date of establishment.
[75] Interview with UNHCR staff member, Melkadida, 1 August 2019
[76] A forthcoming feasibility study of the agriculture value chain in the Dollo Ado camps is expected to be published by the International Finance Corporation (IFC) in mid-2020.
[77] UNHCR livelihood and self-reliance briefing, Melkadida, 21 October 2019
[78] Irrigation schemes phase-out workshop, Melkadida, 18 October 2019; Meeting with *woreda* officials and IKEA Foundation Mission, 21 October 2019

Image 23: An agriculture cooperative member at the Kobe irrigation site works with friends and family (in background) to transplant young onion bulbs. © RSC/Andonis Marden, 2019

i. Infrastructure

The agriculture cooperatives' successful crop production relies heavily on the irrigation canals and pumps that have been installed and maintained by the technical implementing partners, ReST-CPDA. Furthermore, they receive farming inputs from the IPs, such as hand tools, seeds, and fertilizer. The intricacy of infrastructure and its sensitivity to environmental factors (e.g. flood, drought, and pests) creates significant vulnerabilities and operational hazards for all of the cooperatives; these factors partially explain why it has taken such a long time and significant financial investment to realise the current levels of infrastructure developments.

What has been built and installed? The core infrastructure has been the irrigation canals, which have facilitated development of arable land. There are nine irrigation schemes (see Table 6) managed by the agriculture cooperatives, which comprise 29km of canals built with the support of the IKEA Foundation. The majority of canals are made of reinforced concrete (13,150m), followed by masonry (11,253m), and geo-membrane lining (4,887m).[79] The various construction materials reflect the engagement of different IPs that have been responsible for developing the infrastructure at different stages. They used 'trial and error' methods to figure out which materials would work best in the Dollo Ado region with the resources available. Geo-membrane canals have been least reliable due to the poor durability of the materials, relying on gravity and having lower delivery capacity, while reinforced concrete has been more effective, albeit more costly.

Table 6: Land cultivated and length of irrigation canals built in irrigation sites[80]

Site	Agriculture area facilitated	Length of irrigation canals built
Melkadida I	45 ha	480 m
Melkadida II	80 ha	3,283 m
Melkadida III	24 ha	560 m
Kobe	80 ha	1,450 m
Kole	107 ha	1,425 m
Hilaweyn I	110 ha	3,466 m
Hilaweyn II	250 ha	9,090 m
Buramino I	80 ha	1,421 m
Buramino II	200 ha	8,115 m
Total	**976 ha**	**29,290 m**

Apart from irrigation canals, the other major infrastructure used to develop arable land has been the installation of nine pump houses, which have been fitted with diesel-powered water pumps. There are plans to pilot solar-powered pumps in the near future.[81]

[79] UNHCR Melkadida Portal, "Irrigated Agriculture."
[80] Ibid.
[81] Interview with UNHCR staff member, Melkadida, 4 November 2019

Has infrastructure facilitated the project's intended objectives? The building of irrigation canals and provision of pumps has successfully led to the development of large tracts of arable land, which has enabled eight farming cooperatives to begin productive agricultural work in the recent past, with another, in Hilaweyn II, due to begin soon. However, there are important challenges associated with the infrastructure that regularly threaten individual and collective productivity.

In some sites flooding negatively affected the construction of the canals and delayed their completion. Irrigation schemes with earthwork canals are especially vulnerable, and cooperative members working on sites with geomembrane-lined canals have complained that they get destroyed during flooding.[82] The need to upgrade the canals in these irrigation sites has been recognised by UNHCR and implementing partners.[83]

The proximity of the irrigated sites to the river makes the built infrastructure and production of crops vulnerable to floods. Serious flooding has in the past damaged several hectares of crops, and standing flood waters can bring agricultural activities to a complete halt for months. Some sites are more prone to flooding than others (Melkadida I, Kobe, Buramino II, Hilaweyn). UNHCR is aware of these problems and is working on improving flood protection.[84]

The qualitative and quantitative data indicate that agriculture cooperative members' financial situation has improved since joining the cooperative.

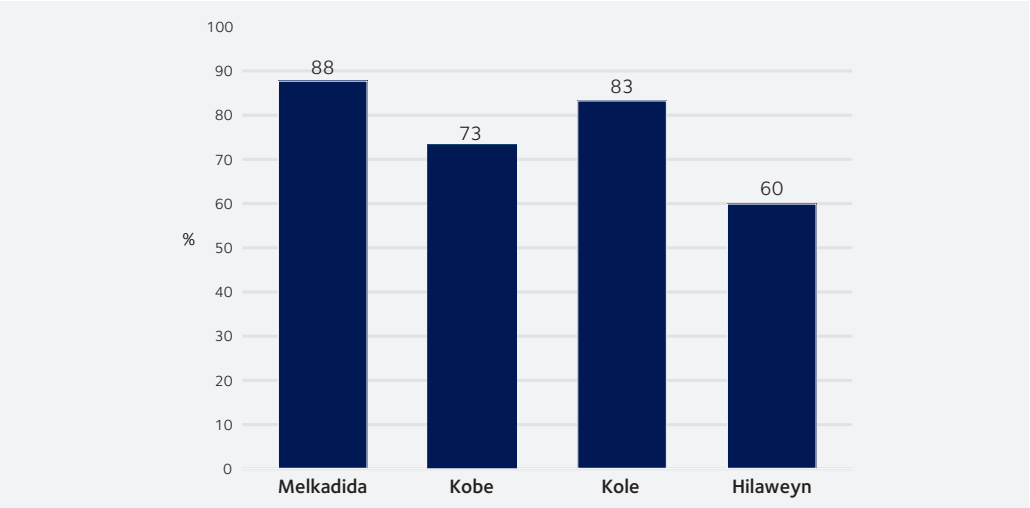
The canals allow cooperative members to irrigate their plots, but there have been issues with regard to water management, especially at times when the water level in the river is low. Cooperative members usually follow an agreed schedule for when to water plots, however, many cooperative members have stated that when water levels are low, certain members have tried to divert water flows to their own plots or have watered their plots when it had not been their turn. This has led to conflicts within the cooperatives, but most of these have been successfully resolved internally by introducing a system of fines managed by the cooperative boards.[85]

We asked cooperative members if their plots received enough water through the irrigation canals last season, and found that where we conducted surveys in Melkadida, 88% of cooperative members reported receiving enough water. However, in the other three sites, a smaller proportion of cooperative members received enough water, with 73% reported in Kobe, 83% in Kole, and 60% in Hilaweyn. The low numbers in Hilaweyn are supported by the fact that the earthen canals there are more prone to destruction during floods, an issue which its cooperative members raised during focus group discussions.[86]

Image 24 (left): Geo-membrane canals are used to service farmland in Hilaweyn camp. © RSC/Andonis Marden 2019.
Image 25 (right): Cooperative members stand on the reinforced concrete irrigation canal at a Melkadida farming site.
© UNHCR/Eduardo Soteras Jalil, 2019

[82] FGD with refugee cooperative members, Hilaweyn, 4 November 2019
[83] "Thematic Update: Irrigation and Crop Production." UNHCR Sub-Office Melkadida, 2018, http://melkadida.info/wp-content/uploads/2018/04/Livelihoods-Agriculture-Thematic-Update-2017-SOMEL.pdf (restricted access).
[84] Interview with UNHCR staff member, Melkadida, 4 November 2019
[85] FGD with refugee agriculture cooperative members, Melkadida, 1 November 2019, and Kobe, 29 October 2019; FGD with host agriculture cooperative members, Kobe, 29 October 2019
[86] FGD with refugee agriculture cooperative members, Hilaweyn, 4 November 2019

Figure 2: Percentage of agriculture cooperative members who reported receiving enough water from the irrigation canals



Cooperative members also mentioned that the quality of the soil differs across plots, even within the same irrigation site. The quality seems to depend on the plot's proximity to the river, with the plots located closer to the water being perceived to be of better quality. The soil in Melkadida II for example is also said to be poor quality,[87] due to its higher salt content. This raises the question whether further salination is likely to occur and to what extent irrigation could contribute to higher levels of salinity in the future.

This issue seems further exacerbated by the fact that the plots farthest from the river are where the water reaches last and are thus most liable to water diversion and loss from leakage. UNHCR and IPs were aware of the differences in the soil quality of plots at the outset; they attempted to mitigate feelings of inequity by allocating plots randomly.

ii. Membership

In general, membership in agriculture cooperatives seems to be highly desirable for both refugees and the host community. After some reported challenges when memberships were initially being established,[88] cooperative membership figures have been relatively stable with some minor fluctuations across the different sites. Individuals that leave the cooperative tend to be quickly replaced by the cooperative management. Cooperatives follow guidelines that allocate half a hectare to each member, and therefore the number of members is limited by the amount of land that has been developed at each irrigation site.

Members: Has the target number of members joined the cooperative? Agriculture cooperative membership is at capacity, with all plots allocated across all of the eight currently functioning sites (Table 7).

Table 7: Agriculture cooperative members, by migration status and sex[89]

Site	Refugees		Hosts		Total
	Male	Female	Male	Female	
Melkadida I	33	19	65	25	**142**
Melkadida II	23	14	35	7	**79**
Melkadida III	61	7	8	4	**80**
Kole[90]	29	36	56	9	**130**
Kobe	23	52	66	9	**150**
Hilaweyn	59	32	57	24	**172**
Buramino I & II	134	66	165	35	**400**
Total	**362**	**226**	**452**	**113**	**1,153**

[87] Interview with agriculture cooperative vice-chairman, Melkadida II, 27 September 2019

[88] According to the Melkadida RCC, there were several conflicts that occurred between refugees and host community members when plots were first being allocated, which led to some refugees leaving the cooperatives.

[89] UNHCR provided membership numbers for the agriculture cooperatives. Disaggregated data was not available for the two sites in Buramino.

[90] Kole is an agriculture site located further away from Kobe camp and in proximity to Kole village. Refugees working on the Kole farm live in Kobe refugee camp.

Selection criteria: Do participating members meet the selection criteria? Different selection criteria for cooperative membership have been established for hosts and refugees. Among host community members, the establishment of cooperatives required that the programme involves the local government and landowners from the very beginning. According to the chairman of the Buramino cooperative, all host community members that owned land in the area where cooperatives were established were automatically incorporated into the cooperative. However, each individual was only allocated half a hectare of land to work on themselves, regardless of how much they owned. The remaining membership places were allocated according to a host candidate's experience working in agriculture and their level of poverty, measured by the number of animals they owned.[91]

Image 26: Refugee and host community cooperative members harvest maize grown on the Buramino irrigation site. © UNHCR/Georgina Goodwin, 2019

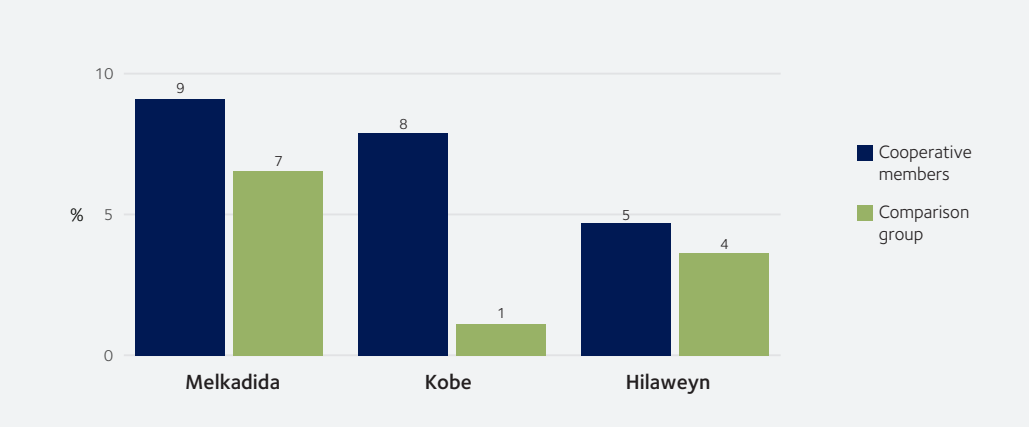
Among refugees, the primary criterion to join the agriculture cooperative was an individual's experience in agriculture, leading to the incorporation of many then-active sharecroppers and agricultural-based daily labourers. This criterion has generally been applied across all camps. The majority of members reflect this, as most of them (86%) have prior experience in agriculture. There is some divergence in terms of the emphasis placed on secondary criteria. On some sites, vulnerability was taken into consideration when selecting members. As a result, for example, there was a reportedly higher number of female-led households being members of the Kobe cooperative,[92] where, according to our survey data, almost half (48%) of all refugee households with a plot were female-led; this was the case for 28% of respondents in Hilaweyn, and 35% in Melkadida and Kole. In other sites, secondary considerations for membership put more weight on permanent residence in the camps or family size.[93]

Applicants went through a selection process that was primarily facilitated by the refugee central committee (RCC), whose zone leaders identified people that fit the criteria. Lists of candidates were submitted to the RCC, who then selected members together with ARRA and UNHCR. The evaluation team found it difficult to discern the precise selection criteria in each of the cooperatives, as information was not always consistent. What is clear, however, is that the RCC and zonal leaders had a significant influence in identifying candidates for cooperative membership, which raises questions with regard to the importance of social connections over unbiased merit-based approaches.

While the percentage of respondents that have a family member in a position of power in the community is relatively low overall, the data suggests that members of agriculture cooperatives are more likely than non-cooperative agriculturalists to have a close connection to a community leader, such as a block or zone representative, clan leader, or RCC member (see Figure 3).[94] Local interviewees advised that "knowing the right people" might play a role in the allocation of favours, such as cooperative membership. Of the 27.2% of non-cooperative members that applied to join an agriculture cooperative but were unsuccessful, 5.6% stated that they did not know the right people and 28.1% said that administrative issues hindered them from joining. According to interviewees, the latter is commonly understood to refer to nepotistic behaviour.

[91] Interview with agriculture cooperative chairman, Buramino, 24 October 2019
[92] Interview with agriculture cooperative vice chairman, Kole, 1 October 2019
[93] Interview with agriculture cooperative vice chairman, Kobe, 1 October 2019
[94] A t-test was used to assess the difference between the means of cooperative members and the comparison group. The t-statistic is -3.23, implying that we reject the null hypothesis of equality of the means at the 1% threshold. Cooperative members are more likely to have a family member in a powerful position compared to non-cooperative farmers (cooperative members=7.3%; comparison group=3.8%).

Figure 3: Percentage of respondents with a family member in a position of power



Attractiveness of membership: Are people interested in joining and remaining in the cooperatives? Overall, refugee members convey that participation in the cooperatives is very desirable. They highlighted that belonging to a cooperative has provided opportunities to profit from farming inputs that the IP distributes free of charge.[95] They also emphasised that it gives them the chance to "own" their own plot and operate as independent farmers.[96] A significant number of members had been working in sharecropping[97] arrangements in the past, and membership in a cooperative has meant they no longer have to share profits with a host community landowner.[98] Few individuals are reported to have given up their spots in cooperatives; those who have were said to be either dissatisfied with the soil quality on the plot they had been allocated or felt that their previous work arrangement was preferable to having to start from scratch in developing the land in the irrigation sites that are part of the cooperatives.[99]

iii. Organisational structure and sustainability

Most of the agriculture cooperatives currently run on a 'self-employment' business model. Members grow and harvest crops on their own plots and subsequently sell their harvests directly to customers in the local market, or through intermediary vegetable sellers and shop owners. Of the profit they receive, they tend to deposit a relatively small proportion into the cooperative savings account – either 20% of their total profit or a fixed value of around 500 ETB ($15.50 USD) per harvest season. Members retain the rest of the profit. Cooperative savings are used for the collective purchase and maintenance of particular inputs (e.g. diesel for the generators) that are not provided by the IP (the majority of inputs used by members of the cooperative, such as tractors, farming tools, crop seeds, seedlings, fertilisers and pesticides).[100]

It is envisioned that in the future all profits derived from farming activities will be shared equally among cooperative members. In other words, sales revenue from crops would be collected by central management of the cooperative and subsequently distributed evenly among cooperative members. At present, organisational structures are not in place to manage cooperative finances in this way. Furthermore, the cooperatives do not have designated staff to improve market linkages within the existing agriculture value chains in Dollo Ado and further afield. Stakeholders are strategising ways to develop these critical business management posts. If they do not materialise, stakeholders judge that the cooperatives are unlikely to become self-sustaining in the long-term.[101]

[95] FGD with refugee non-cooperative farmers, Kobe, 29 October 2019
[96] FGDs with refugee agriculture cooperative members, Melkadida, 1 November 2019, Kobe, 29 October 2019, Hilaweyn, 4 November 2019
[97] Sharecropping is a farming arrangement in which a landowner allows a tenant to cultivate land in exchange for a share of the crops that are produced at the end of the harvest.
[98] FGD with refugee agriculture cooperative members Melkadida, 1 November 2019, Kobe, 29 October 2019
[99] Interview with agriculture cooperative vice chairman, Kole, 1 October 2019; FGD with refugee agriculture cooperative members, Melkadida, 1 November 2019
[100] FGDs with refugee agriculture cooperative members Melkadida, 1 November 2019, Kobe, 29 October 2019; FGDs with host agriculture cooperative members, Kobe, 29 October 2019, Hilaweyn, 4 November 2019
[101] Interview with ARRA staff, Dollo Ado camps, 24 June 2019; Interview with UNHCR staff member, Melkadida, 16 October 2019; UNHCR workshop, 18 October 2019


Images 27 and 28: Onions harvested by refugees in the Kole irrigation site are packed, weighed, and loaded onto a truck for eventual sale. © RSC/Andonis Marden, 2019

Cooperative structures: Are cooperatives registered? The agriculture cooperatives are registered with relevant regional government offices. Each has been issued a licence to operate, a tax number, as well as a set of byelaws that the cooperatives have to adhere to. To maintain their license, each cooperative has to pay 2% of its savings to the *woreda* per year. The IP supports the cooperatives in liaising with the *kebele*, *woreda*, and UNHCR to process all administration associated with legalities.

Staffing and leadership: Have executive and administrative roles been developed to manage strategic decision-making for the project? All the agriculture cooperatives have similarly structured executive groups with specific positions dedicated to the management of the cooperative – from liaising with government offices and the RCC, to handling and managing group savings. It is common practice for members of the host community to hold the roles of chairperson and treasurer, while refugees are typically appointed as vice-chairperson and other positions on the executive.

The division of roles between refugees and hosts on the cooperative executive, and the associated asymmetries in decision-making authority, are reported to be a source of conflict and tension within many of the groups. Refugee farmers shared a number of anecdotes that convey issues with the distribution and management of resources and savings.[102] For instance, according to a refugee cooperative member in Hilaweyn, host community cooperative members improperly spent group savings to maintain a pump that served only plots being cultivated by host community farmers and did not pay the expense back into the shared account as they should have. The refugee interviewees expressed that they felt uncomfortable requesting repayment, suspecting that the individuals managing the finances (host community members) would side with their own community.[103]

Other refugee cooperative members brought up that when the IP distributed inputs, members of the host community were more likely to receive the higher quality, more desirable products (e.g. higher value seeds). In one account, when host community cooperative members finished selecting the inputs they wanted to use, the remainder were sold in the markets in Dollo Ado town, leaving refugee farmers without the fertilisers and seeds they expected and needed to cultivate for the season.[104] While the evaluation team cannot speak to the frequency and pervasiveness of such dynamics, government officials acknowledge that abuses of power within executive committees are commonplace enough that they are making efforts to establish accountability and monitoring mechanisms.[105]

Training: Have individuals received relevant technical and business training? All members of the agriculture cooperatives received a suite of technical and business trainings provided by the IPs. Most members of the cooperatives had relevant farming skills when they joined. Therefore, technical agricultural training was not a significant need for most individuals.

[102] FGD with refugee agriculture cooperative members, Hilaweyn, 4 November 2019; FGD with female refugee agriculture cooperative members, Kobe, 29 October 2019
[103] FGD with refugee agriculture cooperative members, Hilaweyn, 4 November 2019
[104] FGD with female refugee agriculture cooperative members, Kobe, 29 October 2019
[105] Interview with local government official, Dollo Ado town, 30 October 2019

However, a majority of refugee farmers with previous experience had only ever used rain-fed cultivation techniques in Somalia and so had to learn the specifics of managing irrigation-based watering systems.[106] Such technical training was provided by ReST-CPDA in farmer field schools (FFS), and Wa-PYDO provided business management training and assisted with setting up cooperative offices. Business management training focused on developing cooperative members' financial literacy, record keeping, and savings skills. In addition, training was provided on conflict management.

Cooperative members expressed the view that much of the training had direct practical relevance. One farmer explained:

> *"We received training about how cooperatives work, what our responsibilities are as members, and how to manage our finances. We got a lot of ideas and resources. The most important lessons that we learned and that we're using in our daily work have to do with conflict resolution, as well as how we are saving, improving our incomes, and how we share water if there is ever a shortage."*[107]

Reliance on handouts: Are cooperatives purchasing their own inputs and paying for services?

The agriculture cooperatives have received the highest level of financial investment of all UNHCR-supported livelihood interventions, both in terms of infrastructure development and farming inputs. Currently, all cooperatives still receive farming inputs from ReST-CPDA each cropping season. A primary measure of the programme's success will be the eventual cessation of UNHCR-provided inputs, however, until recently there has not been a detailed sustainability strategy developed. This is due in large part to the considerable organisational attention devoted to developing infrastructure and cooperative functionality, as well as a number of external factors, such as environmental challenges that have obstructed progress (e.g. destruction of crops by pests, livestock, and flooding).[108] Therefore, most agriculture cooperatives are not currently in a position to achieve independent financial sustainability in the near future.

Agriculture cooperatives have received the highest level of financial investment of all UNHCR-supported livelihood interventions.

Most farmers interviewed expressed an expectation that inputs would continue to be provided by the implementing partners. They shared their dissatisfaction about incidents when too few inputs were provided, or were provided late, and when machinery – notably the generators that power the pump houses – needed repair and were not fixed promptly. Nevertheless, in some instances, cooperative members have taken it upon themselves to purchase additional inputs or to repair equipment themselves, using either their own money or that of the cooperative.[109] This provides a modest indication that cooperatives are capable of moving away from complete reliance on Foundation funding, and towards self-reliance.

In spite of this, and although cooperatives are saving money each harvest season, most do not have sufficient savings to purchase the same quantity of inputs currently being provided by the IPs. For example, total savings at Hilaweyn I – one of the older cooperatives – was reported to be 30,000 ETB ($935 USD),[110] far below the total input costs that UNHCR recorded for that site, at approximately 500,000 ETB ($15,580) per year.[111] In this case, self-reliance will not be achieved in the short-term. Nevertheless, interviewees across a number of sites reported that they would be able to "keep going" without external support, which is to suggest that various cooperatives have varying prospects for independence in the future as implied by Figure 4 and Table 8, and that cooperative members have different understandings to UNHCR about what it entails to become a 'self-reliant' cooperative.[112]

UNHCR data from the October 2019 harvest season show that the cooperatives overall have a positive Return on Investment (ROI). Overall, 5.3 million ETB ($165,160) have been invested and 7.04 million ETB ($230,601) in income generated, marking a profit of 1.74 million ETB ($54,222) and an overall ROI of 33%.

[106] Interview with the vice-chairman, Melkadida II, 27 September 2019
[107] FGD with host agriculture cooperative members, Kobe, 29 October 2019
[108] Interview with UNHCR staff member, Melkadida, 25 October 2019
[109] FGD with refugee agriculture cooperative members, Kobe, 29 October 2019
[110] Interview with IP staff member, Hilaweyn, 4 November 2019
[111] UNHCR Melkadida, "Irrigation and crop production."
[112] FGD with refugee agriculture cooperative members, Melkadida, 1 November 2019, Kobe, 29 October 2019; FGD with host cooperative members, Kobe, 29 October 2019

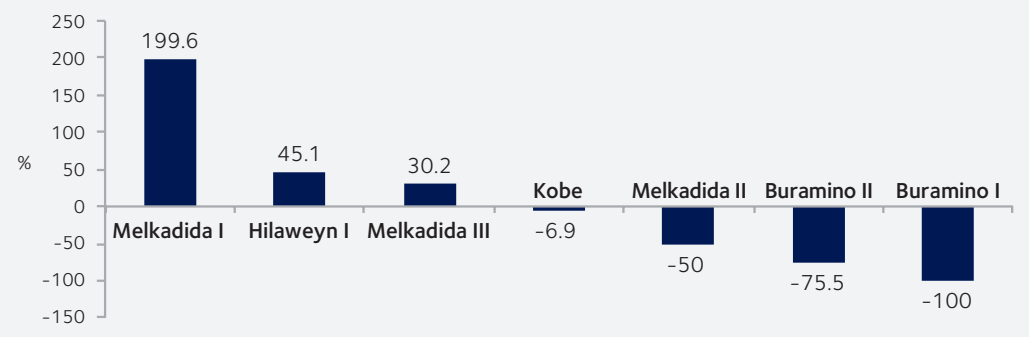
Table 8: Expenditure and income by agriculture site for the October 2019 harvest season (in ETB; USD in parentheses) [113]

Site	Total expenditure	Total income	Net profit
Melkadida I	1,286,316 (42,105)	3,853,110 (126,125)	2,566,794 (84,019)
Hilaweyn I	1,031,522 (33,765)	1,496,750 (48,993)	465,228 (15,228)
Melkadida III	195,750 (6,408)	254,990 (8,247)	59,240 (1,939)
Kobe	1,051,131 (34,407)	978,666 (32,035)	-72,465 (-2,372)
Melkadida II	585,112 (19,153)	292,450 (9,573)	-292,662 (-9,580)
Buramino I	498,150 (16,306)	Not reported	Not reported
Buramino II	688,659 (22,542)	168,420 (5,513)	-520,239 (-17,029)
Total	**5,336,640 (174,686)**	**7,044,3863 (230,486)**	**2,205,896 (72,205)**

However, the profitability varies significantly across cooperatives, ranging from a net profit of over 2.5 million ETB ($77,906 USD) and an ROI of almost 200% in the most successful cooperative (Melkadida I) to -100% in the least profitable one (Buramino I). As mentioned above, this could, at least in part, have to do with differences in soil quality. Melkadida II, one of the sites with a negative ROI, for example, is said to be highly saline. Figure 4 shows the difference in ROI across the different agriculture sites.

Given that Melkadida I is by far the most profitable site in both relative and absolute terms, this means that the overall profitability of the intervention is largely a reflection of the success of its most lucrative site, which is effectively an outlier.

Figure 4: ROI by agriculture site for the October 2019 harvest season (in percent)[114]

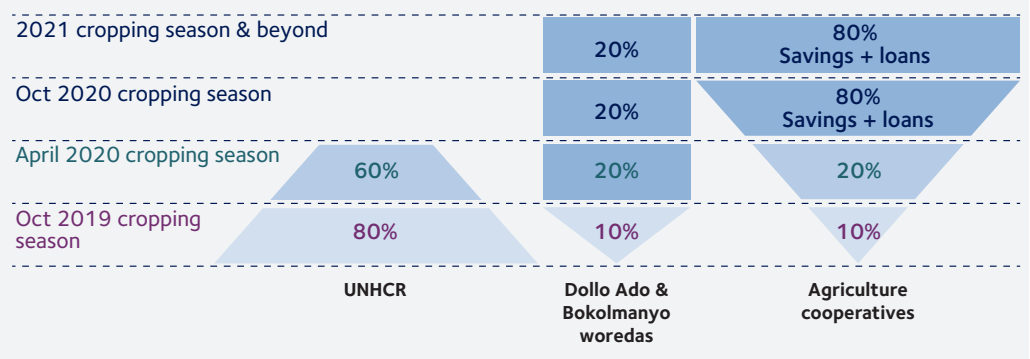


It is unclear what role the age of the cooperatives plays in their success. Hilaweyn has been operational since 2014, yet is less successful than Melkadida I, which became fully operational in 2017. Kobe, Melkadida II, and Melkadida III (of which Kobe and Melkadida II are reported to be salt-affected) were also established in 2017, yet exhibit varying degrees of success.[115] The two Buramino cooperatives, which were the least successful of all agriculture cooperatives in the October 2019 harvest season, were only established in 2018.

According to UNHCR's input supply strategy, support for the cooperatives is supposed to be gradually reduced during each of the coming harvest seasons, with plans to phase out by the end of 2020 (see Figure 5).

[113] UNHCR briefing, Melkadida
[114] Ibid.
[115] Data regarding the year that some cooperatives were established is contradictory. The years reported here are based on conversations with UNHCR staff. Internal statistics received from UNHCR establish 2017 as the start year in Hilaweyn, while cooperative members said it was established in 2016.

Figure 5: UNHCR input supply strategy for agriculture cooperatives, 2019–2021[116]



UNHCR compiled an expenditure and profit analysis for February through July 2020 (see Table 9), during which time they are scheduled to cover 60% of total input costs for all cooperatives (as opposed to the 80% they provided in the October 2019 cropping season). They compare projections for two scenarios: if cooperatives were to manage their finances completely independently, and if UNCHR is involved. Using conservative cost estimates and an increased focus on cash crops, UNHCR projects significant profits across all cooperatives, particularly if they choose to receive 60% assistance from UNHCR (see final column).[117] However, these cost analyses seem to use a standard formula, applied to all cooperatives regardless of experience and current performance, putting into question how realistic these numbers are, especially for the cooperatives that experienced significant losses in the October 2019 cropping season.

Table 9: UNHCR investment and profit projections for February–July 2020 season (in USD)[118]

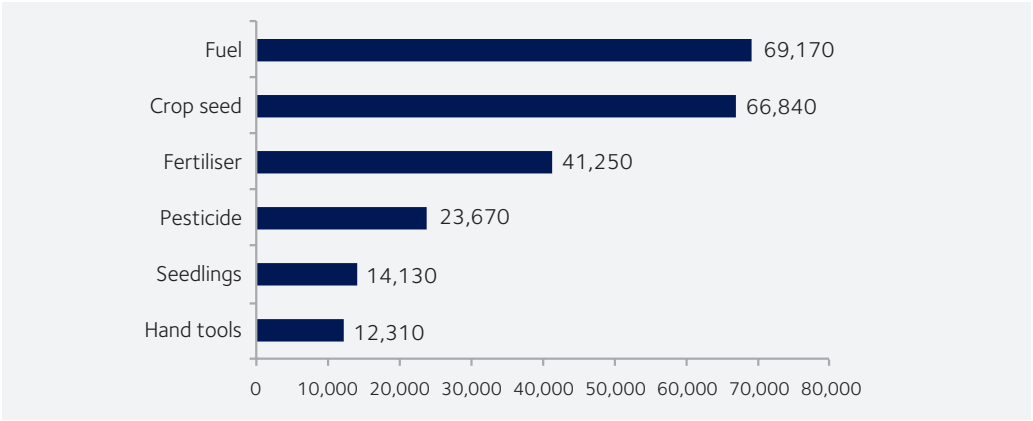
Site	Investment required by cooperative - without UNHCR support	Investment required by cooperative – with 60% support from UNHCR	Projected profit - without UNHCR support	Projected profit - with 60% support from UNHCR
Melkadida I	79,777	31,911	105,592	153,458
Melkadida II	43,588	16,809	41,168	66,381
Melkadida III	42,022	16,809	41,168	66,381
Kobe	67,097	26,839	87,980	128,238
Kole	61,443	24,577	72,836	109,702
Hilaweyn I	90,687	36,275	136,277	190,689
Hilaweyn II	188,358	75,343	327,962	440,977
Buramino I	71,349	28,540	93,222	136,032
Buramino II	151,812	60,725	260,521	351,608

iv. Cooperative support

UNHCR provides significant quantities and varieties of inputs to the agriculture cooperatives, at great expense (see Figure 6). In addition to the infrastructure developments discussed above, IKEA Foundation funding allowed UNHCR to provide cooperatives with four tractors (one in each camp with irrigation schemes), which are shared among different sites, as well as hand tools such as hoes, shovels, and axes.[119] Furthermore, UNHCR has invested in the training of the refugee and host community farmers by establishing farmer field schools to provide lessons in agronomy and to improve their management capacities. Each cropping season, UNHCR also provided seeds, seedlings, fertilisers, pesticides, and fuel, as the farmers lacked the financial capacity to supply their inputs independently. The objective of the managing stakeholders is to encourage the cooperatives to gradually cover their input costs themselves. At present, cooperative activities are heavily reliant on support from UNHCR, IPs, and government stakeholders.

[116] UNHCR briefing, Melkadida
[117] Internal UNHCR documentation shared with the evaluation team.
[118] Ibid.
[119] UNHCR Melkadida Portal, "Irrigated Agriculture."

Figure 6: Agriculture programme input costs 2018–2019 across all irrigation sites (in USD)[120]



UNHCR capacity: Have UNHCR staff had capacity to carry out the work? Are there enough support staff available? Of all livelihoods interventions being developed in the Dollo Ado camps, the UNHCR field office has devoted the most staff resources to the development of the farming cooperatives.[121] UNHCR's Livelihoods Officer has strategic oversight of the developments and works closely with an agronomist on staff. There is a UNHCR Irrigation Engineer who manages the development and maintenance of the pumphouses and canals. In addition to these core staff, there are a number of Field Associates and Assistants who are embedded in each of the camps to advance all UNHCR programmes; they spend a significant amount of their time on the agriculture projects.[122]

While the irrigation sites and associated cooperatives are the hallmark development among UNHCR's livelihoods interventions, and they receive more staff attention than other Foundation-funded interventions, UNHCR relies heavily on the IPs to handle relationships with cooperative members on a day-to-day basis. Cooperative members rarely mentioned UNHCR directly during discussions with the evaluation team.

IP capacity: Are implementing partners doing their jobs, as specified in project partnership agreements (PPAs)? As raised in other sections of the evaluation, the irrigation sites and agriculture cooperatives have received support from various IPs since they were initially conceptualised. At present, there is a joint operational collaboration between ReST and CPDA to manage all technical activities on the farming lands, and business support is provided by Wa-PYDO. Collectively, the current IPs have successfully helped to advance the development of the cooperatives, all challenges considered, and particularly when compared to the slow and inefficient trajectory of the earlier IPs, NRC and DRC.

The current IPs have been particularly valuable in supporting UNHCR in meeting the goals around construction of the irrigation canals and pump houses, and aiding in the preparation of the land used by cooperative members for cultivation.[123] IPs receive less, though not necessarily negative, praise for the quality of support they have provided for subsequent farming and cooperative management activities. During our data collection, cooperative members reported issues with the delayed distribution of inputs, the insufficient quantities provided, and concerns that inputs were not equitably distributed between refugees and host community members, which meant that some farmers had to purchase inputs themselves.[124] A government official reported having directly observed or been made aware of these issues.[125] Some refugees felt that ReST and CPDA were uninterested in attending to these issues.[126] Furthermore, the above discussion conveys that cooperatives have under-developed business management practices, which is to suggest that Wa-PYDO has had difficulty meeting the objectives laid out in the PPA. UNHCR is conscious of these multiple challenges relating to all IPs' workloads and is planning with them ways to help the agricultural programme succeed.

[120] UNHCR Melkadida Portal, "Irrigated Agriculture."
[121] Per financial documents shared by IKEA Foundation and anecdotal accounts by UNHCR Melkadida staff.
[122] Interview with UNHCR staff member, Melkadida, 18 June 2019
[123] Ibid.
[124] FGDs with refugee agriculture cooperative members, 2019
[125] Interview with government official, Dollo Ado, 30 October 2019
[126] FGDs with refugee agriculture cooperative members, 2019

Government commitment: Have relevant government authorities committed to supporting the project? UNHCR and the IPs are planning to phase out their involvement in the current agriculture cooperatives to free up resources for future agriculture projects. The phase-out is planned to take place gradually over the next few harvest seasons, depending the different sites' success and experience. The idea is for ARRA to take on responsibility for monitoring, coordination, and security, while the *woredas* will take on a more prominent role in providing subsidised inputs, facilitating access to credit, delivering training, and extending market access. The bulk of the responsibility for cooperative functions, however, is supposed to rest on the cooperatives themselves: by 2021 they are expected to contribute 80% of the costs of their inputs through savings and loans, with the *woredas* providing the remaining 20%. The relevant governmental actors have participated in development of these plans and have expressed willingness and readiness to provide the expected support.[127]

Image 29: The head of the Dollo Ado Cooperatives District Office shows shelves of paperwork for all cooperatives functioning in the woreda.
© RSC/Andonis Marden, 2019

v. Project outcomes at individual and household levels

This section relies primarily on quantitative data collected among refugee farmers. The aim of the agriculture survey was to gather comprehensive data on agricultural productivity and to compare the socio-economic outcomes of cooperative members and non-members. Agriculture cooperative members report higher incomes and consumption expenses now than before their involvement in the cooperative. Using regression analysis with control variables, we also observe that they are relatively less successful than non-cooperative farmers; the data show that the differences in outcomes between groups is probably driven by differences in the types of crops planted.

Identifying the samples

In total, we interviewed 568 refugees working in agriculture. 233 (41%) of them are members of an agriculture cooperative funded by the IKEA Foundation, while the remaining 335 (59%) farm outside of cooperatives.

In order to identify our sample for the agriculture cooperative, the team consulted UNHCR to select four active cooperatives in four irrigation sites that are considered relatively comparable, having completed a similar amount of planting cycles whilst confronting similar operating challenges and obstacles. We were then provided membership lists for each of the cooperatives. Because we learned that these lists were inaccurate, we secured the help of the IP and cooperative executives to manually update the rosters. For each household registered in the cooperatives, we interviewed one adult household member who had the most detailed knowledge of their household's finances, and the greatest familiarity with the daily farming activities in the cooperative. We were able to interview over 85% of the target households. We interviewed cooperative members from cooperatives in Melkadida, Kobe, Kole, and Hilaweyn (Table 10).[128] All of the farmers working in Kole irrigation site live in Kobe camp.

Table 10: Number of refugee agriculture cooperative members surveyed, by camp and sex[129]

	Melkadida	Kobe	Kole	Hilaweyn	Total
Male	34	37	28	46	**145**
Female	18	34	15	18	**85**
Total	**52**	**71**	**43**	**64**	**230**

[127] Interview with government official, Dollo Ado, 30 October 2019
[128] A total of 233 refugee cooperative members were interviewed, however, the location information is missing for three interviewees (two males and one female), and so they are omitted from these figures and the associated table that reports membership numbers.
[129] See footnote 128.

Identifying a suitable comparison group was critical to assessing the effect of this intervention. However, there were a number of methodological challenges, chiefly, the absence of exogenous variation in cooperative membership and the absence of baseline data. In order to identify the best possible comparison group, and to inform the selection of control variables, we collected detailed information on cooperative selection criteria and processes. Differences were observed across the four cooperatives. However, as explained earlier, previous experience in agriculture was the most consistently enforced selection criterion. We therefore concluded that the comparison group would consist of refugees who were actively working in agriculture outside of a cooperative.

In order to identify individuals to participate in the survey for the comparison group, we first turned to UNHCR's refugee registration database – which was recently updated with information collected in 2019 – to identify individuals living in Melkadida, Kobe, and Hilaweyn camps who reported that they had experience in agriculture-related work. The vast majority of individuals identified in the database could not be found in person,[130] therefore, we secured the assistance of RCCs, NGOs, and UNHCR staff to identify active refugee agriculturalists. The 335 non-cooperative farmers interviewed work primarily as sharecroppers (96.5%), with a small fraction working as daily labourers in agriculture (1.5%) and independent farmers on rented land (1.5%). They lived in Melkadida, Kobe, and Hilaweyn (Table 11).

Table 11: Number of non-cooperative refugee farmers surveyed, by camp and sex

	Melkadida	Kobe	Hilaweyn	Total
Male	105	88	131	**324**
Female	2	2	7	**11**
Total	**107**	**90**	**138**	**335**

Only after analysing the data collected on refugee cooperative members did we learn their income-generating activities immediately before joining the cooperative: 37.8% were without work, 15.2% were daily labourers in agriculture, 13.4% were sharecroppers, and 7.8% worked as 'incentive workers' for NGOs or IOs. In other words, few cooperative members were actually sharecroppers before joining the cooperative. Therefore, our comparison group, which is mainly constituted of sharecroppers, might be an imperfect counterfactual for the group of cooperative members.

Balance of exogenous observables and control variables

In the balance table found in Appendix 4, we explore whether cooperative members and non-members are statistically similar in terms of a series of variables that are not expected to be affected by cooperative membership. The table shows that balance between the comparison group (0) and the cooperative members (1) is highly imperfect. For many predetermined variables, differences between the group of cooperative members and the comparison group are statistically significant and large. Using subsamples of the data – for example, male respondents only – results in similar imbalances. We conclude that the groups of cooperative members and non-members were probably already very different before the creation of the cooperatives.

In what follows, we use OLS (ordinary least squares) regressions to compare cooperative members with non-members. We control for all the variables that are reported in the balance table (Appendix 4). We further include fixed effects in the camp to control for unobserved differences between the locations. Even after accounting for these numerous control variables, the comparison of the cooperative and non-members could still be affected by unobservable variables that are correlated with both cooperative membership and with outcome variables. Accounting for these unobservable variables is challenging in the absence of exogenous variation in cooperative membership and in the absence of baseline data. Therefore, one has to be extremely cautious when comparing cooperative and non-cooperative members, as current differences could be due to cooperative participation or to these unobservable variables.

We consider the following outcome variables:

- Monthly household income in Ethiopian birr (ETB);[131]
- Perceived food insecurity in the past month, as measured by the Household Food Insecurity Access Scale (HFIAS; a 27-point scale, where higher scores indicate a higher perceived food insecurity) and the Household Food Insecurity Access Prevalence (HFIAP) ranking;[132]

[130] Only one out of approximately 15 target household members that were listed in the UNHCR database could be identified during a pilot survey in Kobe and Melkadida. In most instances, the individual was reported not to be home, to no longer live at the location, or to not have any association with the household that was being visited.

- The frequency and variety of food groups consumed by a household during the seven days prior participation in the survey, measured by the Food Consumption Score (FCS; a higher score on a scale of 0-112 points indicates a higher quality and variety of a household's food consumption);[133]
- Consumption expenditures, measured as the sum of monthly household expenditures for a variety of goods and services (*inter alia*, food, transport, healthcare, entertainment, cha'at, clothes, phone credit, cooking fuel);[134]
- An asset score, constructed using principal component analysis, which aggregates household assets such as tables, chairs, solar panels, refrigerators, televisions, mobile phones, animal-drawn carts, and beds;
- Physical health problems measured by six questions borrowed from the WHODAS 2.0 questionnaire,[135] in which a higher number indicates physical health challenges; and
- Savings, a binary variable indicating whether the household currently has savings.

To further analyse the production dynamics of agriculture cooperatives, we consider three dummy variables that indicate whether respondents are producing the most common crops cultivated in Dollo Ado: (i) maize for human consumption, (ii) maize for animal consumption, and (iii) onions.

Regression results

In the following paragraphs we describe the results of the regression analysis presented in Appendix 4 to assess the above-identified outcome variables. A less technical discussion of this analysis is provided in the next section, entitled 'Explaining the results.'

a. Monthly income

The regression tables show that, on average, cooperative members live in households with an income that is about 1,810 ETB ($56 USD)[136] lower per month than the comparison group. This indicates that, at 3,588 ETB ($111), cooperative members' mean monthly household income is sizeably lower than the mean monthly household income measured for the comparison group (5,398 ETB ($167)), *ceteris paribus*.[137]

Although we measure a significantly lower monthly income for cooperative refugee farmers than for non-cooperative member refugee farmers, cooperative members might still be financially better off than before joining the cooperative. In contrast to the regression finding, 87% of cooperative members say that they are either financially 'better off' (70.2%) or 'much better off' (16.8%) than before joining the cooperative. Only 2.8% of the cooperative members state that their financial situation developed negatively. This suggests that participating in the agriculture cooperative can bring financial benefits to those who are able to do so. However, working in the agriculture cooperatives might not be as profitable as farming outside of the cooperative. We explore possible reasons for this below. In the absence of baseline data, we do not know what the monthly income for either group was before the cooperatives were established. Consequently, we cannot test whether the measured gap between the two groups was larger prior to cooperative members gaining membership, as our qualitative evidence suggests is possible.

b. Food consumption

HFIAS and HFIAP: The regression analysis shows that there is no significant difference between cooperative members and the comparison group. The comparison group has a HFIAS score of 9.0 (out of 27), versus the cooperative score of 10.2. The difference is small and statistically insignificant when control variables are included in the regression.

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[131] Data is winsorised.

[132] Jennifer Coates, Anne Swindale, and Paula Bilinsky, Household food Insecurity Access Scale (HFIAS) for Measurement of Household Food Access: Indicator Guide (Washington, D.C.: Food and Nutrition Technical Assistance Project, Academy for Educational Development, 2007).

[133] World Food Programme, Food Consumption Score Nutritional Analysis (FCS-N) Guidelines (Rome: United Nationals World Food Programme, Food Security Analysis (VAM), 2015).

[134] Data is winsorised.

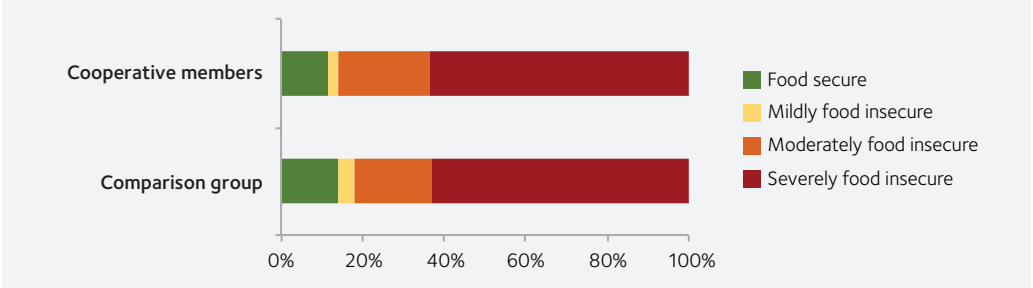
[135] TB Üstün, N Kostanjsek, S Chatterji, and J Rehm, Measuring Health and Disability, Manual for WHO Disability Assessment Schedule, WHODAS 2.0 (Geneva: World Health Organisation, 2010).

[136] The difference is sizeable if we compare it to the distribution of household income in the comparison group. 1,810 ETB ($56) corresponds to about 15% of the standard deviation (11,420 ETB ($356)) of household income among households in the comparison group.

[137] A median regression – which is less sensitive to problems of outliers – leads to similar results.

The HFIAP is a categorical indicator calculated based on the same set of questions used in the HFIAS, which allows us to comment on households' level of food insecurity. Households can be categorised into four different levels: food secure, mildly food insecure, moderately food insecure, and severely food insecure. Figure 7 shows that the prevalence of food insecurity is similar between the two groups. Over 60% of households in both groups reported severe food insecurity.

Figure 7: Household food insecurity access prevalence rate among surveyed farmers



FCS: The regression analysis shows no significant difference between the FCS for cooperative and comparison households. The size of the difference is less than 1% of the standard deviation of the FCS in the comparison group. We measure a mean FCS of 69.5 points (out of 112 points) for refugee cooperative farmers, and a mean FCS of 72.3 points in the comparison group. Both figures are higher than the acceptable food consumption threshold score, which is set at 35 points.[138]

c. Consumption expenditures

The difference in overall consumption expenditures between the two groups mirrors the results for household income. The households of cooperative members report lower consumption expenditures than the households of non-members. The average comparison household spends about 3,350 ETB ($104 USD) per month on consumption, while the average cooperative household spends about 2,575 ETB ($80), which amounts to 775 ETB ($24) less.[139]

d. Asset score

Looking at a score that captures asset ownership of households in our sample, we cannot detect any significant difference between the two groups.

e. Physical health

We computed a physical health score based on the WHODAS 2.0 questionnaire. The score ranges between 0 points (if the respondent was not experiencing any physical health problems or pain at the time of the survey) and 18 points (if the respondent reports severe physical health problems in all questions). The regression table shows that the average score for cooperative households (3.4) is 0.8 points higher than for the mean score of 2.6 measured for the comparison group. This difference is statistically significant without controls, but statistically insignificant and smaller in size once we include the control variables discussed above.

f. Savings

In general, very few households have any savings: 12% of cooperative member households have savings versus 8% for household in the comparison group. This difference is not statistically significant if the regression includes the set of control variables.

Explaining the results

As discussed, a large majority of cooperative members reported being financially better off at the time of the survey than before they joined the cooperative. Using regression analysis, we find that refugee households that farm in agriculture cooperatives have lower monthly incomes and lower monthly consumption expenditures than the households of refugee farmers who are not part of a cooperative. We seek to answer the question: What factors could explain the differences in income and consumption between farmers who are members of cooperatives and those who are not? We examine four potential explanations.

[138] World Food Programme, "Food Consumption Score."
[139] This difference is large in absolute value: it is about one-third of the standard deviation of consumption expenditures in the comparison group (2,388 ETB).

The first explanation to be considered is that the **intervention targeted the most economically vulnerable people when selecting for cooperative membership**, aiming to give poorer households access to agricultural work. Household vulnerabilities were indeed considered, primarily related to a household's level of poverty, however they were given less weight than a candidate's agricultural experience and willingness to participate in the selection process. This could mean that households in which at least one other member was already working were less likely to be selected for the cooperative than were households with no economically active members. However, the survey results suggest that the differences in income of other household members (i.e. those that are not involved in agriculture) do not explain overall differences in household incomes between the two survey groups. When asked about the monthly incomes of other adult household members, interviewees from both groups reported a very low mean monthly income: other household members of cooperative farmers contribute a mean of 181 ETB ($6 USD; median 0), and other household members of non-cooperative farmers contribute a mean of 135.5 ETB ($4; median 0). Therefore, this explanation seems unlikely.

While other household vulnerability related differences between the cooperative members and the comparison group can be seen, for example, in the number of single female-headed households (4.7% of cooperative households were headed by a single woman, whereas this was the case for only 0.9% of households in the comparison group), we control for factors that are likely to influence such vulnerabilities. However, we cannot assess conclusively to what degree the differences between the cooperative members and the comparison group are driven by pre-existing or unidentified household vulnerabilities.

Differences in income between cooperative and noncooperative households are largely driven by differences in the types of crops planted.

A second explanation is that the comparison group is not ideal, as highlighted in the balance table. Although we control for a long list of potential factors that might have influenced the selection process, the significant differences between the cooperative members and non-members could be due to other unobservable or unidentified characteristics.

The third possible explanation is that differences in soil quality and the location of plots could be a source of differences in performance between non-cooperative member farmers and cooperative member farmers.[140] During focus group discussions farmers expressed that they had challenges growing on particular plots of land due to problems with soil, however, 82.6% of the comparison group survey respondents say they are satisfied with the quality of the soil where they cultivate, and 80.4% of the cooperative members say the same.

Finally, the strongest explanation for the differences in income between cooperative and non-cooperative households is that they are driven by differences in the types of crops planted. We show the relevance of this explanation in Table 26 (Annex 4). First, the likelihood of planting and harvesting maize for human consumption is 21.8 percentage points higher for refugee cooperative members than for non-member refugee farmers: only 14% of all households in the comparison group cultivate maize for human consumption, versus 35.8% among cooperative members.[141] Second, cooperative members are more likely to plant maize used for animal fodder than the comparison group: only 19% of the households in the comparison group plant maize for animal feed, versus 31% of cooperative members (i.e. they are 12 percentage points more likely to rely on this crop as a source of income).[142] Third, the vast majority of households in the control group (about 71%) rely on onions, a local cash crop, as a source of income. In contrast, only 43.3% of cooperative member households plant and harvest onions. This difference of 27.4 percentage points is statistically significant.

In Table 26 of Appendix 4 we introduce measures of soil quality and of the type of crops planted by farmers as supplementary control variables to assess whether these variables help explain the differences between cooperative members and non-members. While the dummy variable indicating reported quality of soil is positively and significantly associated with higher income and higher consumption expenditures, controlling for soil quality only results in a small reduction of the difference between cooperative and non-cooperative farmers in terms of income and consumption.

[140] Using location fixed effects, we control for potential differences between the camps and the adjacent croplands.
[141] The difference is sizeable, as it corresponds to two-thirds of a standard deviation in the comparison group.
[142] This difference is also sizeable, about one-third of a standard deviation in the comparison group.

Planting maize for human consumption is significantly negatively associated with household income (i.e. it is less profitable). However, we do not detect a significant correlation between planting maize for humans and consumption expenditures. As for maize used for animal fodder, we do not detect a significant correlation with income or consumption. Finally, planting onions is positively and significantly associated with improved incomes and consumption. Farmers planting onions reported a mean income that is 2,796 ETB ($87) higher than farmers that do not plant onions; furthermore, they have 508 ETB ($16) higher mean consumption expenditures than farmers that do not plant onions.

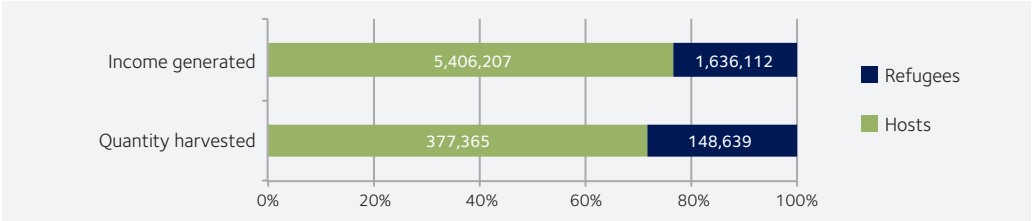
When we control for the type of crop harvested, the difference in household income between the cooperative and non-cooperative farmers becomes insignificant. Meanwhile, controlling for crop type and soil quality reduces the difference in household consumption expenditures between the two groups, but the difference remains statistically significant. This analysis provides suggestive evidence that the types of crops planted and, to a lesser extent, soil quality, partly explain the differences in income and consumption expenditures between cooperative members and non-members.

Crop selection as the key variable

Cooperative farmers seem to grow different types and quantities of crops from non-cooperative farmers. In particular, our regression analysis reveals that cooperative farmers are less likely to grow onions than non-cooperative refugee farmers; they are more likely to produce maize for both animal and human consumption. This is important because crop selection seems to affect income levels. Onions, a cash crop, sell for a significantly higher price (the reported median price per kg is 17 ETB ($0.53)), compared to the price per kg of maize for human consumption (about 6 ETB ($0.20), and maize for animal fodder (about 2 ETB ($0.06), which are the most common crops grown by refugee cooperative farmers.

The differences in the crops that are grown could be due to differences in plot location and soil characteristics, the uneven distribution of seeds by implementing partners, or other factors that influence seed procurement. In focus group discussions, some refugee cooperative members mentioned that there were problems with the availability of cash crop seeds.[143] For instance, in some cooperatives, the cash crops seem to be primarily planted by the host farmer cooperative members rather than refugee cooperative members, potentially due to power relations favouring the host cooperative members.[144] The idea that resources are distributed unequally between host and refugee members is further supported by preliminary UNHCR data from the October 2019 harvest. It shows that while host cooperative members harvested 72% of the agricultural output in terms of weight, they generated 77% of the income (see Figure 8 and Table 12).

Figure 8: Agriculture cooperative income generated (in ETB) and quantity of crops harvested (in tonnes), by migration status[145]



While the evaluation team is not in a position to say definitively whether power relations play a role in the lesser likelihood that refugee cooperative members plant cash crops, the inequalities between refugee and host cooperative members in terms of harvested quantity and generated income across all cooperatives should be examined more closely. Power differentials may offer the strongest explanation for why refugee sharecroppers who are outside the cooperatives seem to have a higher household income; they are not subject to the potentially uneven distribution of cash crop seeds that refugee cooperative members experience by virtue of being reliant on an implementing partner and/or cooperative executives.

[143] FGD with refugee agriculture cooperative members, Melkadida, 1 November 2019, Kobe, 29 October 2019, Hilaweyn, 4 November 2019
[144] FGD with refugee agriculture cooperative members, Hilaweyn, 4 November 2019
[145] UNHCR briefing, Melkadida

Table 12: Amount of harvest and income generated, by agriculture site for the October 2019 harvest season[146]

Site	Quantity harvested (tonnes)		Total (tonnes)	Income generated in ETB (USD)		Total income in ETB (USD)
	Refugee	Host		Refugee	Host	
Melkadida I (onion & maize)	64.089	154.755	218.844	1,186,360 (36,935)	2,666,750 (83,024)	**3,853,110 (119,960)**
Melkadida II (maize)	30.350	83.710	114.060	56,700 (1,765)	235,750 (7,340)	**292,450 (9,105)**
Melkadida III (onion)	Unreported	27.870	–	Unreported	978,666 (3,470)	–
Kobe (onion, maize, watermelon)	Unreported	Unreported	92.462	139,802 (4,353)	838,860 (26,116)	**978,662 (30,470)**
Hilaweyn I (onion, maize)	40.850	62.970	103.76	206,750 (6,437)	1,288,000 (40,100)	**1,494,750 (46,537)**
Buramino I (maize, watermelon)	Unreported					
Buramino II (onion, maize, watermelon)	5.300	5.926	11.226	46,500 (1,448)	121,920 (3,796)	**168,420 (5,244)**

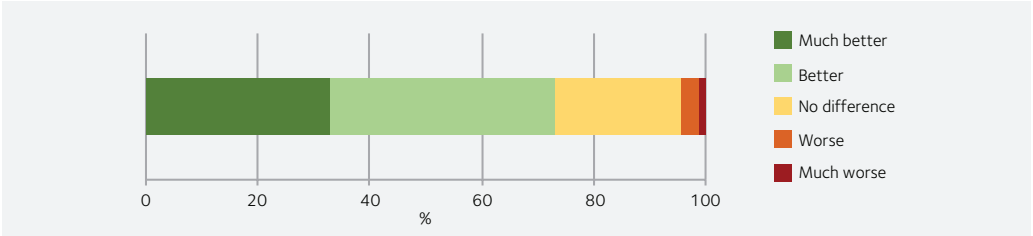
vi. Social outcomes

One of the explicitly stated goals of the agriculture intervention was to improve host-refugee relations. The consensus, overall, seems to be that the cooperatives have contributed to meeting this objective, although there are exceptional incidences of fraught interactions that complicate the discussion.

A large majority of refugee farmers reported that their relationships with local Ethiopians had improved since working in the cooperative.

An IP staff member in Hilaweyn claims that "between refugees and hosts, it's a good, perfect relationship. They work well together." Cooperative members also expressed positive views of the host community. When asked about how the cooperative has changed refugee members' relationships with the host community, a farmer in Melkadida said: "It is a nice relationship…The friendship between us is better now, and the number of us that know one another has increased. There are more and more friends throughout the farming cooperative." These positive developments are supported by our survey data: a large majority of refugee cooperative members reported that their relationships with local Ethiopians had improved since becoming a member. Over 70% of respondents said that their relationship had become 'better' or 'much better,' while less than 5% said that it had worsened (Figure 9).

Figure 9: Change of relationship with local Ethiopians after cooperative membership, reported by refugee agriculture cooperative members



[146] Ibid.

These sentiments seem to be reciprocated by host cooperative members. Describing how the relationships with refugees have changed since the establishment of the cooperative, a host member shared:

> *"Before the cooperative we had only a few interactions… refugees would occasionally come into our farms and work together with us; and we [hosts] went to the camps to buy things from them. After the cooperative, our interactions became more regular... He [a refugee] helps me often, and I help him with watering his plot. That man might invite me to his home for lunch, and sometimes I may invite him to mine. Sometimes when refugees are having a celebration, they will slaughter a goat and hosts will be called to join, too. We are interacting every day."*

Other members of the cooperative from the host community further explained how much the relationship has changed: "Before we began working with the refugees, there was not much of a relationship, there was even some conflict…but now we eat together, marry each other, understand each other, and work as a group." Another host member mentioned how people now understand better how hosts and refugees can "benefit together."

Although most cooperative members expressed positive views of the other group, some refugees in cooperatives also reported tensions with host community farmers (in addition to the aforementioned problems regarding cooperative management and resource distribution). A former cooperative member on one of the irrigation sites said:

> *"…a person from the host community came and told me to leave my plot of land. They said: 'You are a refugee. You have no right to have this land.' Two people came with sticks and threatened me! So I left the farm and did not go back. The host farmer who had the neighbouring plot to mine harvested the crops I had planted."*

This person explained that even though the vice-chairman of the cooperative, the IP, and ARRA got involved, they could not solve this particular conflict as the host members were supported by the local kebele office, which had final say in the matter.

In another irrigation site, a former cooperative farmer, a refugee woman, reported that when her husband had to go to Somalia to care for his father, she was told by the chairman of the cooperative (a member of the host community) to leave her plot. Again, the RCC and ARRA – power authorities responsible for supporting refugees – were unable to restore the woman's access to the land.

Image 30: Agriculture cooperative members gather harvested onions at an irrigation site in Melkadida.
© UNHCR/Eduardo Soteras Jalil, 2019

Refugee leaders in an RCC confirmed that particularly during the time when the cooperatives were being established, conflict occurred between host and refugee farmers leading to several refugees leaving the cooperative. In particular, the land allocation process was perceived by some to be unfair; refugees had the impression that "host farmers received better plots." Cooperative farmers also recalled incidents of host community members regularly grazing their animals on refugee cooperative members' land, which indeed occurred while the evaluation team was conducting the survey. We are not in a position to assess the extent to which these events were isolated incidents or point toward a general pattern. However, as mentioned above, stakeholders are aware of these challenges and have put in place, or are developing, mechanisms to minimise conflict in the cooperatives.

2. LIVESTOCK VALUE CHAIN PROJECTS

INTRODUCTION

Before the arrival of Somali refugees, the Dollo Ado area was mainly characterised by nomadic pastoralism, and livestock-related activities were among the few potential livelihoods opportunities. However, for the most part, livestock was not commercialised. The community was rearing goats, sheep, and camels for a combination of household consumption and as a saving mechanism.[147] When the Somali refugees arrived, many also started to own livestock on a similar basis. The IKEA Foundation and UNHCR recognised the potential to develop the livestock sector across an entire value chain (see Diagram 2). Since 2016, they have supported three types of livestock-related cooperatives – livestock trading, meat selling, and milk selling – and two kinds of business group – the community-based animal health workers (CAHWs) and slaughterhouses – in each of the camps. The most innovative aspect of this in the refugee context is the attempt to build opportunity through an entire value-chain.

Among all of these interventions there are more than 500 people currently earning incomes. It is not expected that this number will increase significantly in the coming years. The three cooperative types are registered and fully operational in every camp. The two business group types are well positioned for increased activity to ensure the continued functionality of the commercial end of the value chain. Incomes vary across the different livelihood activities, and there is some variation in income distribution among cooperatives of the same type across different camps. For example, meat sellers in the Kobe cooperative have a very different sales and profit-sharing arrangement to those in Bokolmanyo. However, on the whole, all livestock livelihoods activities are relatively stable, face few disruptions, and earn individuals consistent incomes.

From our wider research, we also know that there is market demand for livestock-related products. 70.9% of the host population and 45% of the refugee population stated that they were eating meat in their household in the last week.[148] 55.1% of the host population and 30.2% of the refugee population stated that they were consuming milk in the household in their last week.[149] This suggests that the cooperatives can continue to build on the successful market connections that have already been established.

[147] FGDs with livestock trading cooperative members, Kobe, 22 October 2019; Betts et al, "Refugee Economies in Dollo Ado."
[148] Betts et al, "Refugee Economies in Dollo Ado."
[149] Ibid.

LIVESTOCK PROJECTS AT A GLANCE

All of the five camps have established each of the following livelihoods cooperatives or business groups that manage and profit from participating in a particular set of activities:

Livestock trading cooperatives: Groups of pastoralists buy and sell livestock.

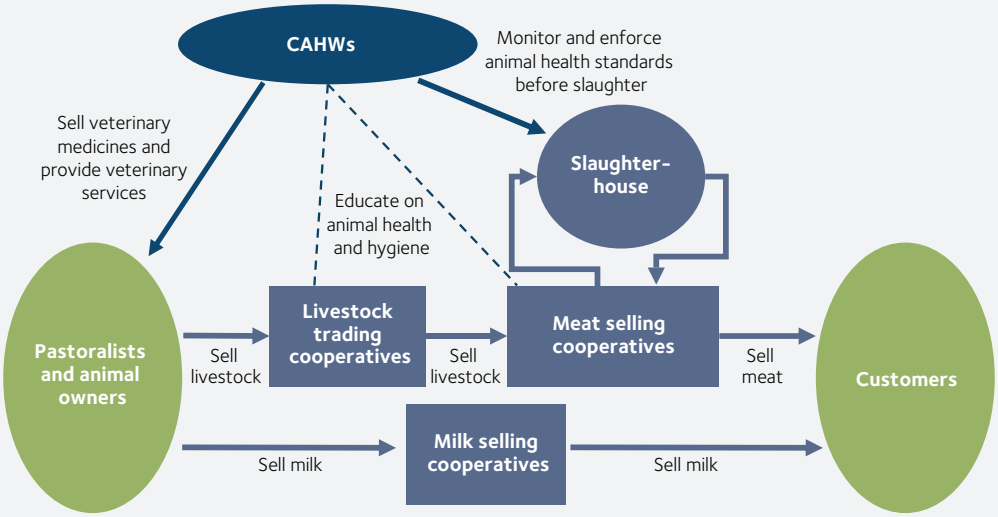
CAHWs business groups: Trained individuals with veterinarian skills to dispense medicine and inspect livestock to ensure health and reduce the spread of illness and disease, and to improve the overall hygiene standards of the livestock value chain.

Slaughterhouse business groups: Small groups of individuals tasked with slaughtering livestock for subsequent sale by independent and cooperative meat sellers.

Meat selling cooperatives: Groups ranging in size from 26 to 98 members who sell goat, sheep, chicken, and camel meat from stalls in designated places in the refugee and host community markets.

Milk selling cooperatives: Groups with approximately 17 to 27 women members, predominantly refugees, who sell goat, cow, and camel milk from a shopfront.

Diagram 2: Visualisation of the IKEA Foundation–supported livestock value chain



SUMMARY ASSESSMENT OF THE LIVESTOCK VALUE CHAIN

The livelihoods activities within the livestock value chain are widely considered to be successful and positioned to be self-sustaining in the future. Compared to the other livelihood initiatives in the camps, there have been far fewer mentions of impediments to the development of livestock-related activities in formal UNHCR reports and by participants. Frequently cited reasons for the success include:

- The implementing partner, Wa-PYDO, has been hands-on in management of the projects and has not encountered much disruption.
- The value chain inputs are relatively low-maintenance and low-tech, and by association, carry low liability and create few risks.
- Livestock management is familiar to both hosts and refugees, so significantly less capacity building has been necessary compared to other livelihoods projects.

The most important and visible outcomes of this intervention are (1) the incomes generated and associated improvements in quality of life for members and indirect beneficiaries, (2) significant improvements in public health, (3) contributions to more diversified food baskets for communities, and (4) contributions to the vibrancy of local, regional, and international livestock markets.

The remainder of this section discusses the individual livestock-based livelihoods projects. While the complete value chain can generally be appraised as well-developed and positioned for continued growth and stability, individual assessment adds nuance to the relative strengths and weaknesses of different parts of the value chains in different camps.

i. LIVESTOCK TRADING COOPERATIVES

INTRODUCTION

The five livestock trading cooperatives (effectively livestock 'wholesalers') vary in size between 17 and 62 members each, with relatively low representation of host community members and few women. Most cooperative members had experience in livestock trading or agriculture before they joined the cooperative. Members pay a monthly contribution to the cooperative in exchange for which they are fully licensed and able to operate as a group within the livestock markets that exist across the camps. Although some members report having difficulty paying the monthly contributions, participation in the cooperative allows members access to stable income-generating activities within the broader value chain, allowing them to supply animals for slaughter to the meat cooperatives, and improving access to collective facilities, such as the slaughterhouse and veterinary services.

PROJECT EVALUATION

Overall assessment

The livestock trading cooperatives have been relatively successful in fulfilling the objectives envisioned by the IKEA Foundation and UNHCR. They have improved members' livelihoods opportunities, and the cooperatives effectively supply animals for slaughter to the meat cooperatives, simultaneously improving other parts of the value chain. It is uncertain whether the cooperatives will ever be able to generate substantial profits that would allow for financial self-reliance; the incomes earned from activities are not commensurate with the efforts members currently invest in livestock procurement. Nevertheless, they are poised to continue doing well in the short term.

i. Infrastructure

The livestock trading cooperatives have benefitted from the construction of livestock marketplaces in each of the camps and the construction of meat selling shops and the slaughterhouses.[150] Additionally, in Melkadida a livestock fattening enclosure has been built, with the intention of helping to grow livestock more quickly and reliably.[151] The fattening shed will help livestock traders increase the value of their animals by providing them with additional fodder that makes them less vulnerable to seasonal fluctuations in natural grazing pastures. There are plans to develop more fattening enclosures in the other camps.[152]

ii. Membership

Table 13 shows the number of members in each of the livestock cooperatives, both in terms of sex and their migration status. There are overwhelmingly more male than female cooperative members. About two thirds of cooperative members are refugees. Membership in the cooperatives has generally been based around a core group of traders that previously worked together in a livestock selling group, with other members joining later.[153]

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[150] "Livestock Development," UNHCR Sub-Office Melkadida Digital Portal and Knowledge Base, http://melkadida.info/livelihoods/livestock/ (restricted access).
[151] Interview with Wa-PYDO staff, Melkadida, 9 October 2019
[152] Interview with government official, Dollo Ado camps, 29 October 2019
[153] FGDs with livestock trading cooperative members, Melkadida, Kobe, and Buramino, October 2019

Table 13: Livestock trading cooperative members, by migration status and sex

Location	Refugees		Hosts		Total
	Male	Female	Male	Female	
Bokolmanyo	18	2	2	0	**22**
Melkadida	21	10	5	2	**38**
Kobe	10	2	17	0	**29**
Hilaweyn	27	8	24	3	**62**
Buramino	15	6	3	0	**24**
Total	**91**	**28**	**51**	**5**	**175**

Members: Has the target number of members joined the cooperative? Cooperative members and leaders who were interviewed said that there was not a target for or limit on the number of individuals who can participate in the cooperative.[154] Current membership numbers are adequate for carrying out designated activities but the cooperatives seem to still be open to accepting new members, subject to approval by the leadership. Indeed, there are a large number of pastoralists who are not members of the cooperatives.

Selection criteria: Do participating members meet the selection criteria? Most cooperative members had experience in livestock trading or agriculture before they joined the cooperative. The initial cooperative members consisted mostly of a group of people that had already been working as livestock traders.[155] The members that joined after the cooperative had already been created were selected based on approval by the cooperative leadership. The new members were assessed in terms of their qualifications, and whether they had the financial means to match the savings contributions that existing members had made over time.[156]

Participation in the cooperative creates stable incomes for livestock traders.

Attractiveness of membership: Are people interested in joining and remaining in the cooperatives? Membership in the cooperatives seems to be attractive. The leaders report that membership numbers have grown since the cooperatives were founded, and that more people want to join than are able to; most of those that had been unable to do so had difficulties paying the membership fees and monthly contributions.[157] According to a livestock trader in Bokolmanyo who is not a member of the cooperative, the additional security offered by the cooperative, as well as the opportunities that come with a business license, seem to be the main factors that make the cooperative attractive.[158]

iii. Organisational structure and sustainability

The cooperative business structure is relatively simple: the leadership is made up of a chairperson and a vice-chairperson, and the rest are 'regular' members. The members work in teams, the number of which depends on the size of any given cooperative. Each team is assigned shifts during which they are responsible for and allowed to carry out livestock trading activities. Income generated from selling livestock is put into the cooperative savings to buy new animals and is divided among team-members as personal earnings. The animals that livestock traders most commonly trade are sheep and goats, while camels are generally purchased less often because they are expensive. There are significant fluctuations in livestock prices depending on the season, with, for example, goats having a higher price in the wet season than in the dry season.[159]

Cooperative structures: Are cooperatives registered? The cooperatives in all five camps are registered and licensed. Being licensed is particularly important for the livestock trading cooperatives, as they need the right to travel to animal markets far from the camps to purchase their livestock. The ability to move outside the camp is also important for grazing and herding.

Training: Have individuals received relevant technical and business training? Livestock trading cooperative members have benefitted from business management training provided by Wa-PYDO, which focused on helping the groups better manage their finances. This training

[154] FGDs with livestock trading cooperative members, Buramino, 24 October 2019, and Kobe, 13 October 2019; Interview with livestock trading cooperative vice-chairperson, Kobe, 13 October 2019
[155] Ibid.
[156] Ibid.
[157] Interview with livestock trading cooperative vice-chairperson, Kobe, 13 October 2019
[158] Interview with non-cooperative livestock seller, Bokolmanyo, 1 November 2019
[159] FGDs with livestock trading cooperative members, Buramino, 24 October 2019, and Kobe, 13 October 2019; Interview with cooperative vice-chairperson, Kobe, 13 October 2019

has been connected with improved savings practice in the Buramino cooperative.[160] The Kobe cooperative noted that they had not received the business management training yet.[161]

Furthermore, the Melkadida cooperative also received some training developed by Wa-PYDO on livestock fattening and dairy management.[162] It is expected that similar trainings will be delivered to the other cooperatives when fattening sheds are built there in the future.

Reliance on handouts: Are cooperatives purchasing their own inputs and paying for services? The livestock trading cooperatives purchase their own primary inputs – the various types of livestock – without financial support from UNHCR or the IP. They also pay for animal health services from the CAHWs staff whenever their animals need medicines.[163] Cooperative members in Kobe mentioned that they are going to apply for a loan so they can afford to purchase more expensive animals and generate enough income to enable continued purchase of costly but profitable livestock.[164] Significant support is still expected from the IPs for infrastructure investments, particularly for building the fattening sheds.[165]

Image 31: Livestock owners water their goats, sheep, and camels at the river in Buramino.
© RSC/Andonis Marden, 2019

Members do not feel the cooperatives are ready to be run independently right now, as most were only legalised in 2018. Nevertheless, most members expressed relative optimism with regard to their future growth prospects and self-reliance in the medium term. When asked what would happen if UNHCR and Wa-PYDO withdrew their support from the cooperative, one member in Buramino noted that "it would be difficult; we need to be stronger before we can be independent. Maybe we will be in four years, but [if they stopped supporting us right now] we would just continue on our own, one way or another, like we did before."[167]

Strategic planning: Have value chain analyses been conducted? Have market linkages been developed? The livestock trading cooperatives are closely linked to the other interventions in the livestock value chain – the meat selling cooperatives, CAHWs, and the slaughterhouse. The strategies for buying and selling animals do not seem to be the same across all the camps. While the cooperatives sell to a wide customer base, the meat cooperatives are among their most active clients. However, not all customers are loyal to any particular seller, as independent host community pastoralists also trade livestock on the market and can offer competitive prices.[168]

The animals are bought either from inside the camps or from markets in other areas of the Somali Region. Livestock are sold primarily within the camps, but if the markets are not performing, some cooperatives will try to sell in Dollo Ado town or Mandera. The chairman of the Buramino cooperative, which has 30 members, explained their approach:

> *"We divide into two groups and work in shifts. Our daily income is about 1,000 ETB [$30 USD, or about $1 per member] which we divide as follows: around 300 ETB a day (30%) is put into the cooperative bank account, and about 700 ETB (70%) is allocated to members to cover their personal expenses…We buy animals from Bokolmanyo, Filtu, and Hargeisa. We travel there by vehicle, buy them, and then walk back with the herd. Sometimes we may be away for 20-25 days at a time. Sometimes up to 30 days. It takes longer sometimes if we are waiting for livestock in the other markets to arrive. The schedule is not always dependable. We buy goats and sheep, and sometimes camels but they are expensive. Savings are held in order to protect members in case the market price drops and an individual loses money, or in case an animal dies…The biggest challenge is that we don't have enough capital to strengthen our business. Where we sell depends on the market – if it's not good, we hold on to them. [In addition to selling in the camps], we can travel to Dollo to sell. If it's bad there, we have to cross into Mandera."*[169]

[160] FGD with livestock trading cooperative members, Buramino, 24 October 2019
[161] FGD with livestock trading cooperative members, Kobe, 13 October 2019
[162] FGD with livestock trading cooperative members, Melkadida, 25 June 2019
[163] Interview with CAHW member, Bokolmanyo, 31 October 2019
[164] FGD with livestock trading cooperative members in Kobe, 13 October 2019
[165] Interview with Wa-PYDO staff, Melkadida, 9 October 2019
[166] FGD with livestock trading cooperative members, Buramino, 24 October 2019
[167] Ibid.
[168] Interview with Wa-PYDO staff, Bokolmanyo, October 2019
[169] Cooperative chairman during FGD with livestock cooperative members in Buramino, 24 October 2019

iv. Cooperative support

All livelihoods interventions in the whole livestock value chain are generally well supported by the stakeholders involved. Inputs and infrastructure needed to operationalise the various projects are relatively straightforward and correspondingly make it simple for stakeholders to provide effective support. While UNHCR does not have specifically dedicated technical support staff for these projects, the IP and government have actors and processes in place to ensure adequate management of the various stages in the process. Their capacity to carry this work forward in the short-term, even in the absence of the IKEA Foundation and UNHCR, appears promising.

UNHCR capacity: Have UNHCR staff had capacity to carry out the work? Are there enough support staff available? The UNHCR Livelihoods Unit manages critical aspects of the livestock projects, for instance providing all inputs and brokering arrangements with local communities and the authorities to establish the necessary physical infrastructure.[170] Currently, they are in the process of managing the construction of fattening sheds using the relationships that had been established with the communities; this process has been informed by insights from previous negotiations with project partners.

Nevertheless, there are no UNHCR support staff explicitly dedicated to livestock value chain interventions. UNHCR largely leaves the IP to manage the daily activities of the livestock interventions.[171] The projects can be considered successful in advancing a localisation agenda, as they are primarily managed by the local partner, Wa-PYDO. Together with ARRA, UNHCR undertakes monitoring and evaluation activities to ensure that Wa-PYDO's project reports and activities align with the agreed project partnership agreement (PPA).[172]

IP capacity: Is the implementing partner doing its job, as specified in project partnership agreements? As the sole IP working on the livestock interventions, Wa-PYDO's decision-making and managerial processes are relatively streamlined. They are generally well regarded among the relevant stakeholders (cooperative members, UNHCR, and ARRA), with appraisal that they are performing well and will continue to be able to do so in the future. UNHCR staff seemed to be content with their working relationship with Wa-PYDO, claiming that communications are good and transparent, that they feel funds are well spent, and that there are no concerns that Wa-PYDO will encounter delays in the project timelines.[173] An officer at ARRA's zonal branch expressed similar views.[174]

Government commitment: Have relevant government authorities committed to supporting the project? The livestock value chain plays a very important role in the local economy with many aspects of the developing interventions having been based on pre-existing commercial and regulatory structures. Therefore, the government is involved at multiple levels, including with registration and legalisation, hygiene inspections, tax collection, and conflict resolution.[175] Specifically, the registration process is managed by the regional offices in Jijiga. ARRA inspects the hygiene standards at the slaughterhouses. The *woreda* office collects taxes at the livestock market when animals are purchased – a practice that was already in place before the cooperatives existed. Furthermore, both ARRA and the *kebele* offices can become involved in conflict resolution, depending on the migration status of the individuals involved in disputes.[176]

v. Project outcomes at individual and household levels

All cooperative members interviewed by the evaluation team clearly expressed the view that their economic situations had improved as a result of membership. The primary household outcomes associated with active participation in the cooperatives included better access to educational opportunities and decreased dependence on food aid.

Income generation: How has participation in the project affected members' incomes? Cooperative members report that their incomes have improved since joining. However, increases are generally reported as being insufficient to afford both essential and non-essential goods that members need or would like to buy. One refugee member in Kobe explained, "we joined the co-op because we had no other opportunities, but the money we earn here is not yet enough."[177]

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[170] Interview with UNHCR staff member, Melkadida, 18 June 2019
[171] Interview with Wa-PYDO staff, Bokolmanyo, October 2019
[172] Interview with UNHCR staff, Melkadida, 5 November 2019
[173] Interviews with UNHCR staff, Melkadida, 25 October and 5 November 2019
[174] Interview with government official, Dollo Ado camps, 29 October 2019
[175] FGD with livestock trading cooperative members, Buramino, 24 October 2019
[176] Ibid.; Interview with government official, Dollo Ado camps, 29 October 2019; Interview with public health coordinator, Kobe, 22 October 2019
[177] FGD with livestock trading cooperative members, Kobe, 22 October 2019

Although our team were not able to verify the following figures, UNHCR data show that from September to December 2018, among all 134 members of the livestock trading cooperatives, total revenues of 940,000 ETB ($21,190 USD) were generated, resulting in 265,000 ETB ($8,230) profit across all operations. This works out as a maximum of approximately 2,000 ETB ($62) per member over four months if no funds were deposited in the cooperatives' savings accounts.[178] According to preliminary UNHCR data for January to August 2019, the livestock cooperatives generated a revenue of 4.62 million ETB ($143,500), of which they retained 511,200 ETB ($15,870) as profits.[179]

Members have divided perspectives on whether they could continue as a cooperative without a UNHCR subsidy. Across the camps, for instance, there was excitement that Wa-PYDO had recently built the fattening structure in Melkadida, enabling that cooperative to "buy thin animals and then fatten them to increase profit."[181] The downside of this support is ongoing dependency. One member explained: "It's true that we have been dependent on Wa-PYDO. If they withdraw support, we wouldn't be able to continue saving and supporting ourselves independently."[182] Others are more optimistic, suggesting that they would continue their activities as they have long done, irrespective of whether they received direct support from UNHCR and Wa-PYDO. The vice-chairman of the Kobe cooperative also noted that they could turn to other support structures:

> *"In the future, we expect to be stronger. We want to get a loan in the near future…and because we are a registered group, we have been told that we'll be able to. Wa-PYDO told us to submit our proposal to ReST-CPDA's microfinance programme. The entire co-op would receive the loan."*[183]

vi. Project outcomes at public level

As the foundational intervention in the livestock value chain, the livestock trading cooperative underpins many changes in market dynamics in the past years. A member of the Kobe cooperative explains the IKEA Foundation's investments have helped improve the animal markets within the camps:

> *"The markets have become large. Life has changed for refugees and hosts. Many people have opened shops. More people are earning more money and the demand for goats has increased significantly. Goats have become more expensive than before. There were few goats brought to the market in the past."*[184]

Image 32: Camels walk through a prosopis thicket in Dollo Ado near the border with Somalia.
© UNHCR/Eduardo Soteras Jalil, 2019

[178] "Microfinance and Business Development," UNHCR Sub-Office Melkadida Digital Porgal and Knowledge Base, http://melkadida.info/livelihoods/microfinance/ (restricted access).
[179] UNHCR Melkadida Portal, "Livestock Development."
[180] UNHCR Melkadida Portal, "Microfinance."
[181] Interview with Wa-PYDO staff, Melkadida, 9 October 2019
[182] Ibid.
[183] Interview with livestock trading cooperative vice-chairperson, Kobe, 13 October 2019
[184] FGD with livestock trading cooperative members, Kobe, 22 October 2019

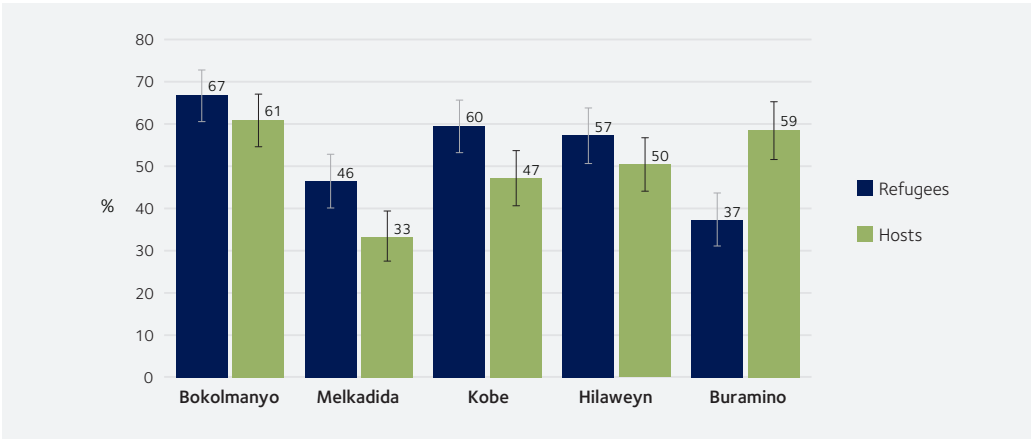
ii. CAHWs BUSINESS GROUPS

INTRODUCTION

Community-Based Animal Health Workers (CAHWs) have been established with the support of Wa-PYDO in all five camps. The CAHWs are a key component in the livestock value chain in that they help fulfil public health and safety needs. Their main task is to inspect and treat live animals in and around the camps. CAHWs sell medicine to livestock owners and traders from all over the region and will directly treat animals in each camp. They also inspect the animals for any signs of infection at the slaughterhouse prior to the slaughtering process, as well as check the quality of the meat afterwards. The number of members tends to be small, with the larger business groups having 11 members and smaller groups consisting of seven to nine members. Due to their small size and the nature of their activities, CAHWs are set up as business groups rather than cooperatives.[185]

Earlier data collected by the Refugee Economies Programme highlights the potential demand for animal health services. 53.5% of all refugee households and 49.6% of host households across all camps own animals that will likely require veterinarian services at some point in their lives. Figure 10 shows the percentage of households that own animals, broken down per camp.

Figure 10: Percentage of households that own animals, by location and migration status[186]



[185] Interview with CAHW members, Bokolmanyo, 31 October 2019, Melkadida, 11 November 2019
[186] Betts et al, "Refugee Economies in Dollo Ado."

PROJECT EVALUATION

Overall assessment

Overall, CAHWs have successfully advanced the vision set out by the IKEA Foundation and UNHCR. The business groups have become relatively self-reliant by establishing financially sustainable business practices whilst providing key services to livestock traders and meat sellers. They have effectively contributed to the goal of improving the health of animals in the livestock value chain; their contribution has led to better food safety standards and perceived improvements in quality of meat sold. Increasing enforcement of government livestock sanitation regulations has led customers and clients to more frequently consult the CAHWs.

i. Infrastructure

The CAHW business groups required relatively little investment in infrastructure development. The main infrastructure they rely on is the shops that have been built, which provide visible and known locations for providing services and selling medicine to livestock traders and other customers.

ii. Business group membership

CAHW membership numbers are quite small, with modest variation across the camps. Table 14 reports the number of members in each group, showing that a majority of participants are men, both among the refugee and host community members.

Interviewees made no comments regarding the attractiveness of the membership, but it is assumed that, given their relative success in achieving growth and enduring livelihood improvements, it is fairly attractive. Members who are reported to have left a CAHW business group did so out of necessity, either because they moved back to Somalia, to another place in Ethiopia, or to a third country for resettlement.[187]

Table 14: CAHW business group members, by migration status and sex

Location	Refugees		Hosts		Total
	Male	Female	Male	Female	
Bokolmanyo	5	1	3	0	**9**
Melkadida	5	0	3	0	**8**
Kobe	7	1	3	0	**11**
Hilaweyn	5	0	2	1	**8**
Buramino	5	0	1	1	**7**
Total	**27**	**2**	**12**	**2**	**43**

iii. Business group structure

CAHW business groups do not enjoy the same rights as registered cooperatives, which has resulted in sustained challenges for their procurement of new supplies.[188] At the time of the evaluation, Wa-PYDO, a legally registered entity, had to facilitate the purchase and delivery of business inputs because refugee members are unable to travel outside the camps since the businesses are not registered.[189]

The relatively small number of members in the business groups has facilitated easy cooperation and coordination among the members. Each member works every day, making sure that someone is always tending the shop in each camp, while another provides services at the slaughterhouse, and the rest work in the community. The number of people working in the shop or slaughterhouse depends on the size of the business group; in smaller groups, only one person typically works at the slaughterhouse, while bigger CAHWs allocate two staff. The person working at the slaughterhouse has received special training in meat inspection (see discussion below). The work in the community mainly consists of treating animals that had been previously identified as being sick, or seeking out people whose animals might need treatment. The CAHWs have provided services to a total of 26,050 customers in the refugee camps and adjacent host communities since being founded.[190] In 2018, 5,549 households benefited from CAHWs services, a breakdown of which can be seen in Figure 11. The types of animals treated are shown in Figure 12, conveying the prevalence of sheep and goat rearing in the Dollo Ado region.

[187] Interview with Wa-PYDO staff, Bokolmanyo, October 2019
[188] Interview with CAHW member, Bokolmanyo, 31 October 2019
[189] Ibid.
[190] "Thematic Update: Livestock Development." UNHCR Sub-Office Melkadida, 2018, http://melkadida.info/wpcontent/uploads/2018/04/Livelihoods-Livestock-Thematic-Update-2017-SOMEL.pdf (restricted access).

Figure 11: Number of households that benefitted from CAHW services in 2018

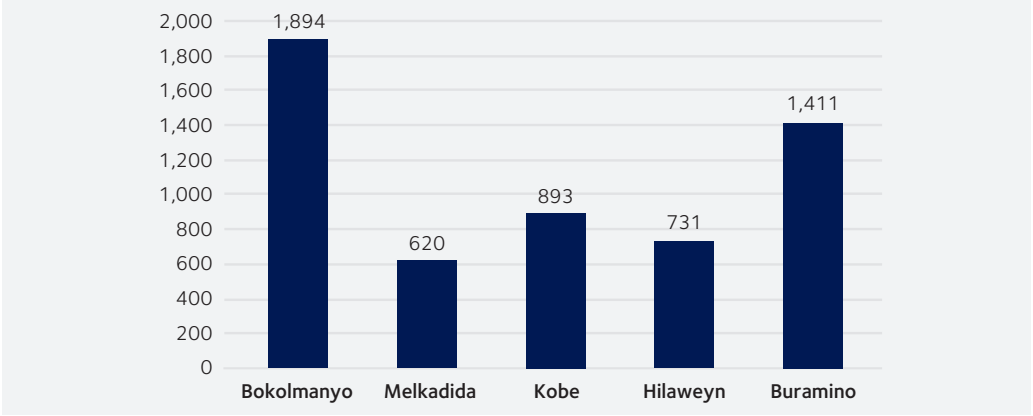
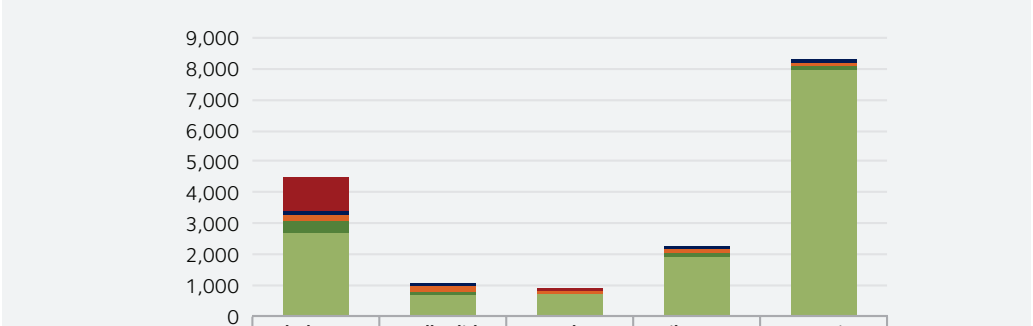


Figure 12: Number of animals treated by CAHWs in 2018



	Bokolmanyo	Melkadida	Kobe	Hilaweyn	Buramino
Chicken	1,078	0	37	0	0
Camel	132	9	9	20	125
Cattle	173	170	93	142	85
Donkeys	402	107	30	120	103
Sheep and goats	2,693	693	692	1,916	7,985

A total of 25 CAHW business group members have been trained and equipped for delivery of improved animal health services in Bokolmanyo, Kobe, and Melkadida. 15 members received training on meat inspection and ensuring compliance with minimum hygiene requirements.[191] In addition to these trainings, CAHWs also receive refresher courses: 16 members throughout all five camps benefitted from these courses in 2018.[192]

The business groups originally received some medicines and had a shop constructed for them. Apart from these inputs, they are now funding the purchase of medicines themselves and consider themselves fairly self-reliant. When asked what would happen if support from the implementing partner ceased, a health worker said that work would continue as it had done so far.[193] The five CAHW business groups also exhibit strong cooperation across camps, with one interviewee reporting that they help each other out with equipment and share information when they come across a new disease.[194] The interviewee said that they also call partners outside the camps in Jijiga, Dollo, or Addis Ababa to inform them of such issues.

iv. Project support

See the related section in the Livestock Trading Cooperative evaluation. Content discussed there is applicable to this project as well.

v. Project outcomes at individual and household levels

Members of the CAHW business groups report that their incomes have improved as a result of the work they have done. One of the members shared that he was able to accrue small savings that enabled him to better support his children.[195]

[191] Ibid.
[192] UNHCR Melkadida Portal, "Livestock Development."
[193] Interview with CAHW member, Melkadida, 5 November 2019
[194] Interview with CAHW member, Bokolmanyo, 31 October 2019
[195] Interview with CAHW member, Melkadida, 5 November 2019

In terms of less tangible outcomes at the individual and family level, members seem to also benefit in terms of improved self-esteem as a result of working in a business group. One interviewee said that being a CAHW business group member in Melkadida has "helped (his) reputation in the community" which has "changed a lot for [his] family."[196]

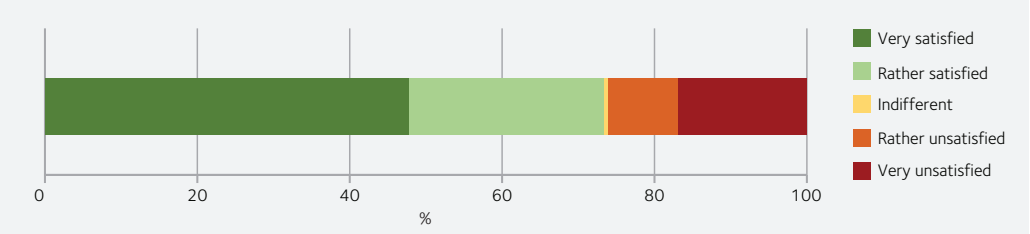
vi. Project outcomes at public level

The CAHWs intervention makes invaluable contributions to public health. The business group inspects and treats (potentially) sick animals, ensuring that meat sold throughout the camps is safe to consume. It is difficult to isolate and attribute responsibility for public health improvements, as there have been simultaneous advances in related intervention areas, especially WASH and shelter.[197] However, in 2017, two seasonal vaccination campaigns were carried out by the CAHWs in the Dollo Ado and Bokolmanyo *woredas,* during which 153,940 heads of livestock were vaccinated against sheep pox, goat pox, Lumpy Skin disease, and Contagious Caprine Pleuropneumonia.[198]

Image 33: CAHWs shop sign in Hilaweyn camp. © RSC/Raphael Bradenbrink, 2019

A number of anecdotes illustrate the value that CAHWs have had in both the refugee and host communities. One health worker reported a drastic reduction in the number of sick animals brought to slaughter since the beginning of the intervention.[199] He attributes this to a combination of health inspections and improved training for meat sellers. Indeed, of the 191 meat sellers interviewed by the evaluation team, only 26 (14%) reported having had any complications at the slaughterhouse within the last three months due to their animals being sick.[200] 70% of these individuals had this happen on only one occasion. The low proportion of livestock 'rejections' supports the claims made by CAHWs that upstream training and health inspections have a positive impact on the overall value chain.

Figure 13: Level of satisfaction with CAHWs working at the slaughterhouse, reported by meat sellers



A large majority (over 70%) of meat sellers interviewed by the evaluation team across the five camps said that they were either 'satisfied' or 'very satisfied' with the CAHW services offered at the slaughterhouse (Figure 13). In other words, CAHWs are well regarded for the impact of their work, both among the general population and by individuals working in the livestock value chain.

One persisting public health challenge has to do with animal owners' decision-making when they learn that their animals are sick. If livestock traders or meat sellers are notified by a CAHW that their animal is not fit for slaughter, the owner is expected to keep it until it has recovered. No central location exists to nurse sick animals back to health. One health worker reported that instead of waiting for an animal to recover, owners occasionally sell sick animals through unregulated channels, possibly because it would be too costly to pursue treatment with the health workers.[201]

[196] Interview with CAHW member, Melkadida, 25 June 2019
[197] Interview with public health coordinator, Kobe, 22 October 2019
[198] UNHCR Melkadida, "Livestock Development Update."
[199] Interview with CAHW member, Bokolmanyo, 31 October 2019
[200] Original survey data collected for the evaluation, October–November 2019. See 'Meat selling cooperatives' section for more detail.
[201] Interview with CAHW member, Bokolmanyo, 31 October 2019

iii. SLAUGHTERHOUSE BUSINESS GROUPS

INTRODUCTION

A core component of the livestock value chain are the slaughterhouses that have been constructed and staffed in all five camps. Following a UNHCR participatory assessment in 2016, it was recognised that livestock were often being slaughtered in unhygienic conditions.[202] Wa-PYDO subsequently built slaughterhouses for each of the camps and provided necessary facilities and inputs, such as washrooms, meat hooks, and transportation caskets. These facilities are meant to improve slaughtering practices and hygiene in regulated environments. The physical size of the slaughterhouses differs slightly across camps, as some have been expanded to accommodate for the slaughter of larger animals (cows and camels).[203] As is the case with the CAHWs, the slaughterhouse businesses are organised as business groups rather than as cooperatives due to their small size and the nature of their activities.

Image 34: The slaughterhouse in Melkadida camp.
© RSC/Raphael Bradenbrink, 2019

PROJECT EVALUATION

Overall assessment

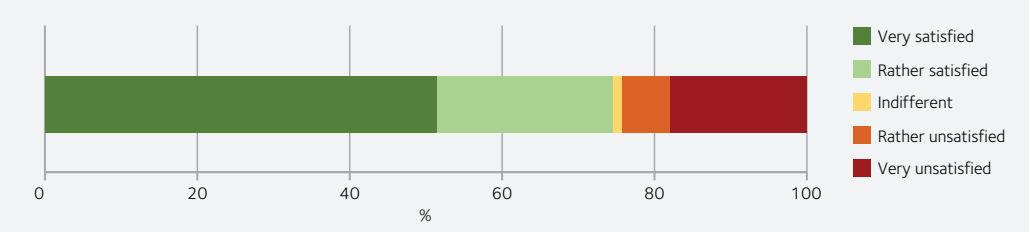
The slaughterhouses have successfully established themselves as one-stop shops for hygienically processing animals. They offer a facility where animals can be checked, taken to a bleeding room, butchered, and transported for sale. The 26 business group members charge different fees for their services depending on the animal. Business groups make an average of 9,000 ETB/month ($280 USD) in revenue based on slaughtering an average of 36 animals per day that they operate. In 2017, three slaughterhouses generated over 500,000 ETB ($15,500) in income slaughtering 8,572 sheep and goats, 100 cattle, and 220 camels in Bokolmanyo, Kobe, and Melkadida camps.[204]

i. Infrastructure

Slaughterhouses were built in each of the camps with complete facilities to improve hygiene and waste management. The buildings are fitted with toilets, septic tanks, water tanks, pipes and taps, and, in some cases, concrete camel slaughtering slabs. The slaughterhouses have had a notable impact on slaughtering practices in the camp, providing a clean and hygienic environment for animal slaughter and meat storage, as well as a place for livestock traders to access CAHWs.[205] Members of the meat selling cooperatives express overall satisfaction with the services provided by the slaughterhouse business groups (Figure 14).

[202] Interview with UNHCR staff, Melkadida, 18 June 2019
[203] Interview with IP staff member, Melkadida, 2019
[204] UNHCR Melkadida Portal, "Livestock Development."
[205] Ibid.

Figure 14: Level of satisfaction with slaughterhouse services, reported by meat sellers



ii. Business group membership

The slaughterhouse business groups had a total of 26 employees across all camps at the end of 2018. Bokolmanyo has five, Melkadida nine, Kobe three, Hilaweyn three, and Buramino six.

iii. Business group structure

Many of the different components of the livestock value chain come together at the slaughterhouse. The meat sellers bring in animals they have purchased in the livestock market to be inspected by a CAHW member. The meat cooperative members pay a fixed amount of money per animal to the slaughterhouse depending on the type of animal. The animal is kept in an enclosure overnight and is slaughtered the next day by one of the butchers. The meat is then delivered to the market, which comes with an associated service fee per animal. A livestock numbering system is in place to ensure that the meat seller receives the meat of the animal they brought in.

iv. Project support

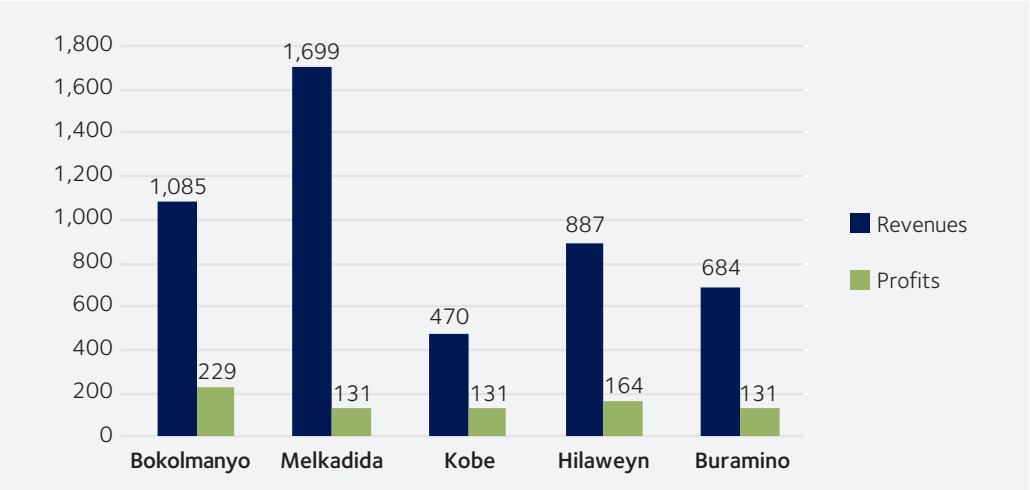
See the related section in the Livestock Trading Cooperative evaluation. Content discussed there is applicable to this project as well.

v. Project outcomes at individual and household levels

All of the slaughterhouse operatives receive a salary. They make a majority of their income from the meat sellers in Foundation-supported cooperatives. In 2017, they generated over 500,000 ETB ($15,500) in income slaughtering 8,572 sheep and goats, 100 cattle, and 220 camels in the Bokolmanyo, Kobe, and Melkadida camps.[206]

Data for the last four months of 2018 show that the slaughterhouses generated 147,380 ETB ($4,577) in revenues in that time period, and profits of 24,000 ETB ($745).[207] This is broken down by camp in Figure 15, showing that the slaughterhouses manage to turn profits, albeit quite small, in all camps.

Figure 15: Revenues and profits of slaughterhouses, September–December 2018 (in USD)



[206] Ibid.
[207] Ibid.

vi. Project outcomes at public level

Slaughterhouses have had positive impacts on public health. Prior to their establishment, and before CAHWs provided oversight, people slaughtered animals in open spaces, such as in front of their homes, and would often leave carcasses out to rot. According to an ARRA public health worker in Kobe, these practices contributed to the spread of disease.[208] The slaughterhouse infrastructure has ensured that slaughtering happens in a centralised, regulated space and that animal remains and other waste are disposed of properly and quickly. A majority of meat sellers (approximately 75%) who were surveyed report that they are 'satisfied' or 'very satisfied' with the hygiene practices of the slaughterhouse (Figure 16).

Figure 16: Satisfaction with the levels of hygiene at slaughterhouses, reported by meat sellers

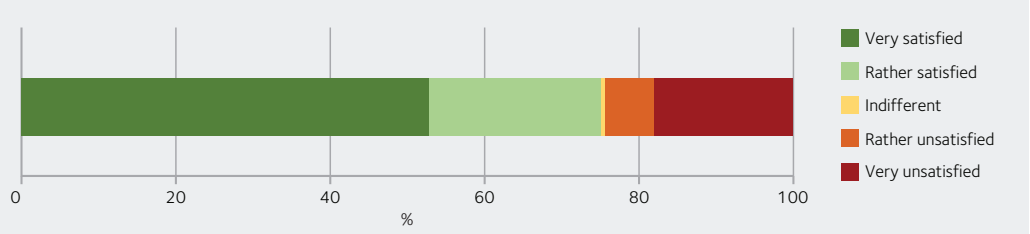


Image 35: Members of the meat selling cooperative tend their stalls in Melkadida camp.
© RSC/Raphael Bradenbrink, 2019

[208] Interview with public health coordinator, Kobe, 22 October 2019

iv. MEAT SELLING COOPERATIVES

INTRODUCTION

The meat selling cooperatives are the final link in the IKEA Foundation-supported livestock value chain. Cooperatives range in membership size from 26 and 98 individuals, with relatively low representation of host community members, who make up about a third of all members. Five meat selling cooperatives have been registered across the Dollo Ado camps in the past two years, formalising smaller groups of butchers that previously cooperated to earn their living. The meat selling cooperatives perform similar functions across the five camps but are structured slightly differently. Most of the cooperatives sell predominantly goat meat, and diversify to include sheep, lamb, cow, and also camel meat; some cooperatives (markedly, Kobe) sell a higher proportion of camel meat than do others. The type of meat sold has implications for procurement costs (e.g. camels are the most expensive and thus difficult to purchase animals) which has downstream implications for cooperative membership structures and financial management.[209]

The meat selling cooperatives showcase the most challenging aspect of the livestock value chain. The members are dependent on the performance and success of pastoralists, livestock traders, CAHWs, the slaughterhouse, and transporters, exposing them to a significant amount of risk and precarity. Although there have been some challenges and conflicts in the cooperatives over the past two years, the members and Wa-PYDO have worked collaboratively to resolve individual incidents and structural issues.

This project evaluation draws on a combination of primary and secondary qualitative and quantitative data. As discussed in greater detail in the Methods section, our team surveyed 191 refugee meat selling cooperative members using a quantitative tool. These figures are broken down by camp and sex in Table 15.

Table 15: Refugee meat selling cooperative members surveyed, by camp and sex

	Bokolmanyo	Melkadida	Kobe	Hilaweyn	Buramino	Total
Male	33	43	39	17	20	**152**
Female	7	0	25	4	3	**39**
Total	**40**	**43**	**64**	**21**	**23**	**191**

PROJECT EVALUATION

Overall assessment

In general, the meat selling cooperatives are regarded as successes so far, with the expectation that they will manage to develop sustainably in the coming years. They have stable memberships and many of the challenges confronted at the beginning of the cooperatives' establishment have been resolved with the support of all stakeholders. There is an increasing demand for meat products, particularly as refugees and host community members have built higher disposable incomes, so prospects for stable business activities and eventual growth are positive.

[209] FGDs with meat selling cooperative members, Hilaweyn, 21 June 2019, Melkadida, 25 June 2019, and Kobe, 21 June 2019

i. Infrastructure

While the meat selling cooperatives are reliant on a number of upstream resources, the groups themselves have relatively limited needs for infrastructure. They rely on shaded meat markets, hygienic screened cages, and a few other materials, all of which have been paid for by the IKEA Foundation and distributed by Wa-PYDO.[210]

What has been built and installed? The core infrastructure for these cooperatives is the five shaded meat selling spaces situated in the camp and host community markets. There have also been butcher shops built in all camps, which allow for preparation of camel meat behind fly screens, in a secure structure. The most iconic infrastructure of the cooperatives is the portable meat sheds from which cooperative members sell their meat daily. The sheds (see Image 36) are seen throughout the camps, most prominently at the marketplaces. At time of interview, the Kobe cooperative also had been provided with a fridge by Wa-PYDO.[211] Wa-PYDO staff said that as the first and best financially managed of the cooperatives, the Kobe cooperative would put the additional input to good use; the fridge is of particular value for meeting the need to store the relatively high volume of camel meat that the cooperative purchases.[212]

Image 36: A refugee meat seller in Hilaweyn prepares goat in a 'portable meat shop' provided for cooperative members.
© RSC/Raphael Bradenbrink, 2019

Has the infrastructure facilitated the project's intended objectives? The shaded markets and portable meat sheds have successfully created spaces that the communities are familiar with and go to as and when they can afford to buy meat products. The butchers' shops have facilitated easier, more hygienic, and less wasteful management of camel meat processing. The refrigerator at the Kobe cooperative has been very helpful for reducing spoilage of meat, and indeed is occasionally used as a community asset (e.g. for restaurants that need to keep goods refrigerated) when space avails.[213] The absence of refrigerators (and an associated power supply) in the other four cooperatives is an impediment to business expansion.

ii. Membership

Cooperative membership has been consistent since the time the groups were registered with the regional government. A large majority have maintained the same members that joined at the outset, with some adding members as capacity and market activity has increased.[214] The cooperative in Kobe is exceptional in its large membership numbers (98, at present), while most others hover between 26 and 52 members. The dependability of an active membership has sustained consistent growth in livelihood activities.

Members: Has the target number of members joined the cooperative? The number of members per cooperative and breakdown by sex and migration status is shown in Table 16. These numbers satisfy the requirements for registration and guarantee sustainable financial income for functioning cooperatives. While the number of host community cooperative members is not on par with the 50:50 target set for the agriculture cooperatives, it nevertheless creates a sense of inclusion that in turn creates benefit for the host community (who in some instances, have had their own meat markets established, for example in Melkadida). While individuals are still welcomed to apply (in Kobe, a recent influx of Eritrean refugees resulted in the addition of six new meat sellers), most are at capacity and do not actively seek to recruit more members. It is not expected that meat selling cooperatives are going to grow significantly in size in the short-term.[215]

[210] Interview with UNHCR staff, Melkadida, 18 June 2019
[211] FGD with meat selling cooperative members, Kobe, 21 June 2019
[212] Interview with Wa-PYDO staff, Kobe, 21 June 2019
[213] Ibid.; Confirmed in an interview with a restaurant owner and meat buyer, Kobe, 29 October 2019
[214] FGD with meat selling cooperative members, Kobe, 21 June 2019
[215] Interview with Wa-PYDO staff, Kobe, 21 June 2019

Table 16: Number of meat selling cooperative members, by migration status and sex

Location	Refugees		Hosts		Total
	Male	Female	Male	Female	
Bokolmanyo	25	7	6	0	**38**
Melkadida	1	47	0	4	**52**
Kobe	31	43	23	1	**98**
Hilaweyn	5	14	5	5	**29**
Buramino	3	22	0	1	**26**
Total	**65**	**133**	**34**	**11**	**243**

Selection criteria: Do participating members meet the selection criteria? The cooperatives' byelaws on membership are simple and considered to be straightforward, with some space for subjectivity. They state that individuals must have demonstrated interest in meat selling activities, that they make an initial financial contribution to the cooperative, and that they agree to the terms of operations. The cooperatives' executives have primary decision-making power over the selection process and are reported to consult the broader membership when they are considering new applicants.[216]

Initial membership of the cooperatives was constituted by a core of individuals who were practicing butchery; these individuals often assumed leadership roles in the new cooperatives. Additional members were selected among the cohort of applicants who expressed interest in participating in activities. Survey results support this account: over 80% of respondents from the cooperatives reported having either had experience in meat selling or some other food-related business prior to joining the cooperative. A breakdown of members' previous experience can be seen in Table 17.

Table 17: Activities of meat sellers before joining the cooperative, by sector

Type of activity (by sector)	Percentage
Meat selling	63.5%
Food business	19.0%
Agriculture or animal husbandry	6.3%
Education	5.3%
Trade	2.6%
Technical services	1.1%
Manual labour	0.5%
No work	0.5%
Other	1.1%

Cooperatives currently consider new applicants on a case-by-case basis, giving priority to practicing butchers who did not join from the outset. These applicants are judged on their knowledge and experience buying, butchering, or selling meat, and are considered for membership only if they fulfil the finance-related selection criteria. Considering the limited number of spaces in the market stalls, this merit-based approach is generally regarded as fair.[217]

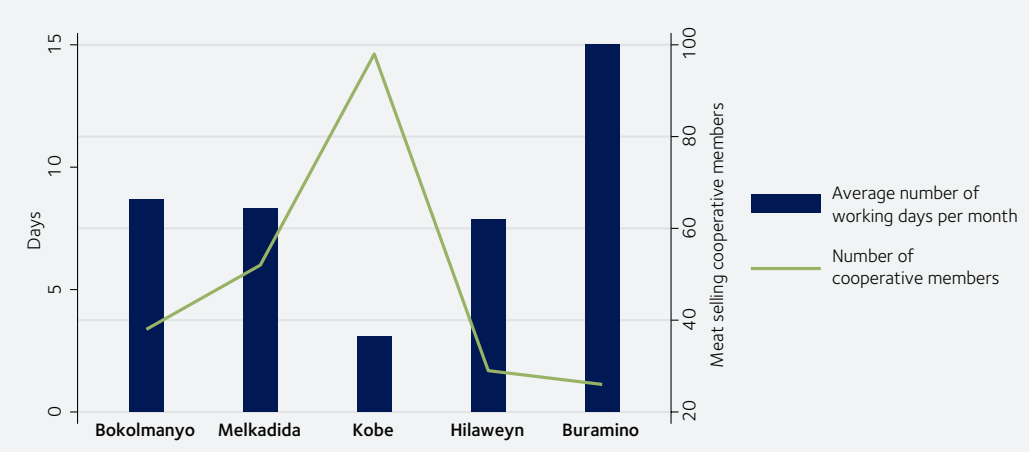
In the survey, the vast majority of cooperative members indicated that they had faced no challenges joining the cooperative (80%), with 8% reporting that their main challenge had been family obligations (66% of respondents who gave this answer were women), and 4% said that they felt their lack of experience had been a disadvantage. Other challenges reported in the survey were negligible.

Attractiveness of membership: Are people interested in joining and remaining in the cooperatives? The evaluation team's census across all camps revealed that the vast majority of people with butchery skills have been absorbed into the cooperatives.[218] Nevertheless, cooperative leaders report that there are still occasional expressions of interest to join.

[216] FGDs with meat selling cooperative members, Hilaweyn, 21 June 2019, Melkadida, 25 June 2019, and Kobe, 21 June 2019
[217] Ibid.
[218] Informants for the census included active cooperative meat sellers, IPs, RCC members, and members of the public. That very few meat sellers operate outside of cooperative structures had implications for the evaluation team's ability to construct a viable comparison group; it would not have been possible to gather statistically significant quantitative data.

Some interviewees shared that they were reluctant to join the cooperatives despite the fact that they met the selection criteria. For instance, a woman butcher in Kobe said that she was reluctant to join the cooperative because it would decrease the amount of days she could work; allocated shifts can limit individuals to working at the market for only 2-3 days per week.[219] The number of days cooperative members spend working in the market is especially low in Kobe, where interviewees reported spending an average of about three (3.1) days working in the market within the last month, as opposed to 15 in Bokolmanyo and between eight and nine in the other three camps (see Figure 17). The low number of shifts in Kobe can be explained by the fact that they have the highest number of members, almost double that of the next largest cooperative. The low number of shifts worked also explains why the median income in Kobe is the lowest among the five cooperatives and yields the lowest median income. 11% of all cooperative members said that not having enough work was one of the main challenges they faced in the cooperative, with a majority of these respondents living in Kobe (43%). Assuming that the number of shifts that can be worked per day are limited, it is implied that members of cooperatives with lower membership benefit from either being able to work more shifts during which they can earn profits, or that cooperative profits have to be shared with fewer members.

Figure 17: Average number of working days per month and number of meat selling cooperative members, by location



iii. Organisational structure and sustainability

The meat selling cooperatives in all five camps have defined roles within the livestock value chain as well as clear business models. Both features facilitate stable participation in market activities and future growth as the cooperatives mature.

Cooperative structures: Are cooperatives registered? All five cooperatives are registered with the regional government offices responsible for cooperative oversight. This enables the cooperative members to legally pursue all business-related activities within the regulations allowed by the Ethiopian government.

Staffing and leadership: Have executive and administrative roles been developed to manage strategic decision-making for the project? All meat selling cooperatives have individuals in relevant executive roles to carry out all leadership duties. Host community members occupy the chair and treasurer roles, as required in the byelaws, and refugees tend to occupy the other executive roles. There are no noted gaps in the cooperatives' staff rosters that inhibit their functionality and development. A benefit of the IKEA Foundation's support for developing a complete livestock value chain has been that the other links (livestock traders, CAHWs, and slaughterhouse staff) as well as support from Wa-PYDO ensure that critical human resources are in place and sufficiently interlinked. This has contributed to the ongoing success of the project.

Training: Have individuals received relevant technical and business training? As noted, most cooperative members joined the project already having relevant butchery skills; those with less experience reported learning the skills from their peers while carrying out their duties.[220] More formally, UNHCR reports that with the support of Wa-PYDO, in 2018, 226 members across all of the camps received technical training.[221] Business training has been the most critical area

[219] FGD with non-members of meat selling cooperative, Kobe, 29 October 2019
[220] FGDs with meat selling cooperative members, Hilaweyn, 21 June 2019, Melkadida, 25 June 2019, and Kobe, 21 June 2019
[221] UNHCR Melkadida, "Livestock Development Update."

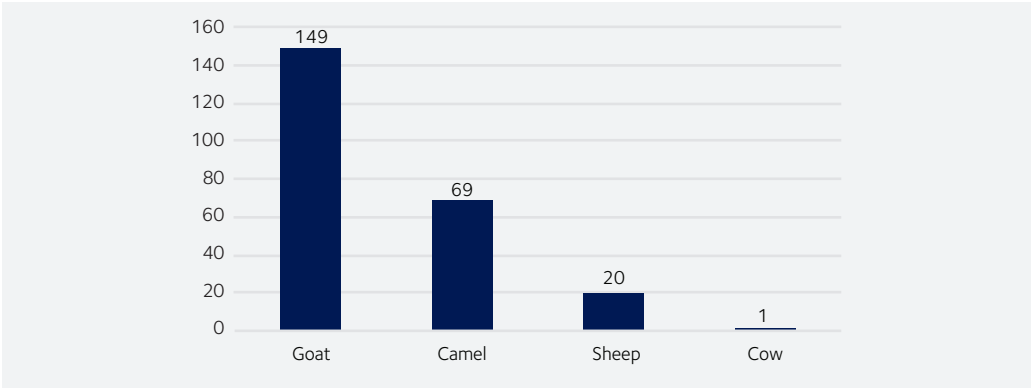
in which cooperative members have needed to be skilled up. In 2018, Wa-PYDO continued to offer basic business skill training – incorporating financial management and bookkeeping skills – to 30 refugees per camp (150 in total) among cooperative members working as meat and milk sellers.[222] It is not apparent that additional training is needed at this stage.

Reliance on handouts: Are cooperatives purchasing their own inputs and paying for services?

The meat selling cooperatives have made good use of the facilities that the IKEA Foundation paid for as a launchpad for developing and sustaining a relative degree of self-reliance. On balance, they have become fairly independent and demonstrate ability to manage their own financial flows in order to purchase the inputs and services they need.

Livestock are the primary inputs required for their operations; all cooperatives purchase animals without financial support or subsidy from outside actors. Different types of livestock benefit from different purchase arrangements: camels, the most expensive of the animals sold at market, are often bought by a group of members to share the financial burden. A common bank account, or contributions made from multiple cooperative members, increases purchasing power, which has anecdotally resulted in an increased number of camels being purchased in recent years.[223] Comparatively, purchasing goats was a frequent and accessible practice among butchers even before the establishment of the cooperative, because individuals are often independently able to purchase them. This is illustrated by the high number of goats purchased by surveyed cooperative members (n=149) in the month prior to the evaluation (Figure 18).

Figure 18: Number and type of animals bought by meat selling cooperative members in the last 30 days



These procurement dynamics partially account for the differences in cooperative structures across the camps. The better financially endowed cooperatives are more capable of purchasing camels and working collectively to contribute to the cooperative savings account. By comparison, cooperatives that are less wealthy tend to have members that function more individualistically, leading to privatised savings. While the latter is less emblematic of the interdependence expected among cooperative memberships, it is conceived as a necessary stepping stone to developing the collective good: as individual members' revenues and savings increase, the cooperative members will be able to pool resources and buy more expensive and higher-profit livestock. Irrespective of where each of the individual cooperatives are in their development, they are all self-reliant with regard to purchase of livestock.

Cooperatives also exhibit financial independence when it comes to paying for services. They have established relationships with the CAHWs and slaughterhouse staff and pay agreed fees for a variety of services needed before members sell butchered animal meat.[224]

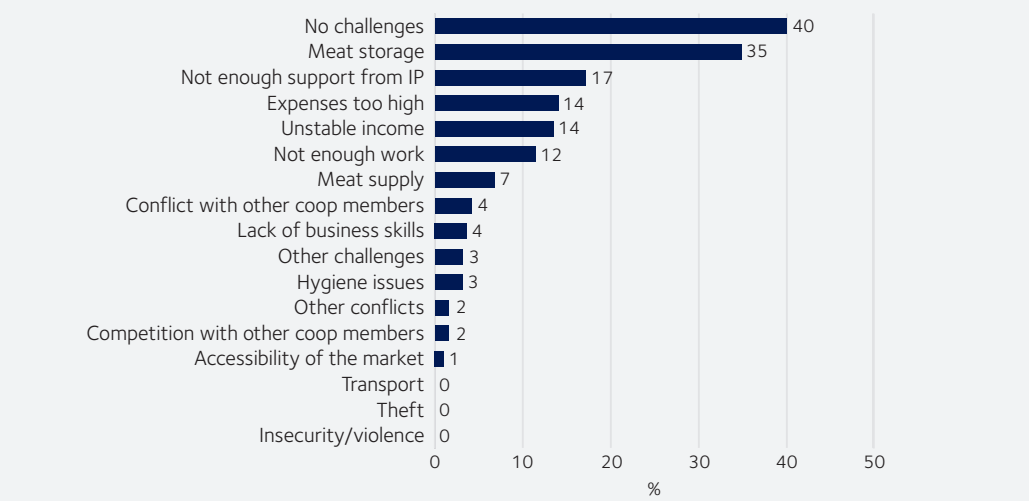
With the exception of the cooperative in Kobe, which already has a refrigerator, members of the other cooperatives express the view that they would derive most benefit from owning a fridge and the associated energy-generating equipment.[225] Some seem to be waiting for Wa-PYDO to provide this equipment for them while

Image 37: 'Portable meat shops' have been provided through IKEA Foundation support to improve hygiene in markets. © RSC/Raphael Bradenbrink, 2019

[222] Ibid.
[223] FGD with meat selling cooperative members, Kobe, 29 October 2019
[224] Interview with CAHW member, Bokolmanyo, 31 October 2019
[225] FGD with meat selling cooperative members, Hilaweyn, 21 June 2019, Melkadida, 25 June 2019

others claim that they are working to increase cooperative savings in order to make these purchases themselves. This is reflected in the challenges cooperative members reported during the survey. While a large number of respondents (40%) reported not facing any challenges, 35% said that meat storage was among their biggest challenges, followed by 17% who said that they did not receive enough support from the implementing partner (Figure 19).

Figure 19: Challenges faced by meat selling cooperative members



Strategic planning: Have value chain analyses been conducted? Have market linkages been developed? The value chain and market linkages within the Dollo Ado region have been well designed from the start and have developed to be consistently functional. Meat sellers themselves have not expressed a need or desire to develop market linkages further afield: butchered meat is prone to spoil within a short timeframe, particularly without refrigeration, and so focus remains on sales in local markets. Meat sales are reported to have increased significantly in the past two years and the price per unit has decreased.[226]

iv. Project support

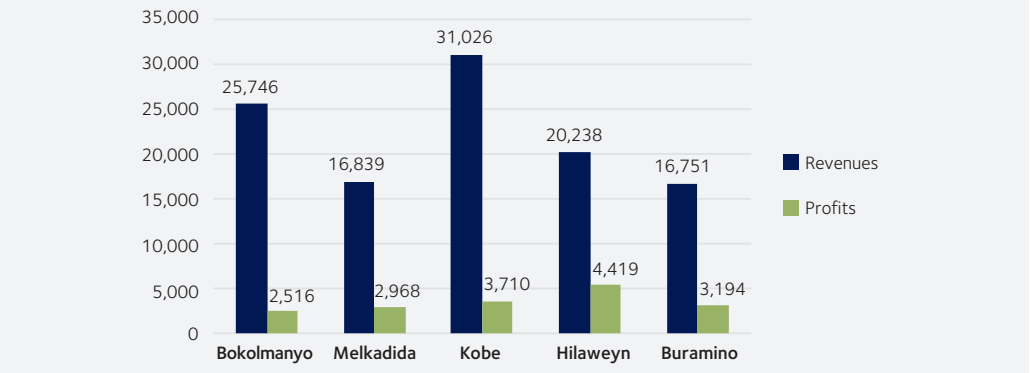
See the related section in the Livestock Trading Cooperative evaluation. Content discussed there is applicable to this project as well.

v. Project outcomes at individual and household levels

Overall, the cooperatives are considered to have had a beneficial impact at individual and household levels. Most cooperative members reported an increase in income compared to their previous situation, which in turn improved access to education and food at the household level. From September until December 2018, the meat cooperatives across the camps had total revenues of 3.43m ETB ($106,500 USD), and profits of 552,000 ETB ($17,150) among all 243 members.[227]

Income generation: How has participation in the project affected members' incomes? The cooperatives have been successful at creating consistent revenues and profits in all camps. Over the last three months of 2018, most revenues in absolute terms were generated in Kobe (almost 1 million ETB; $31,000), but the highest profits have been attained in Hilaweyn (168,000 ETB; $5,419).

Figure 20: Revenues and profits of meat selling cooperatives, October–December 2018 (in USD)[228]



[226] Interview with Wa-PYDO staff, Bokolmanyo, October 2019
[227] UNHCR Melkadida Portal, "Livestock Development."
[228] Ibid.

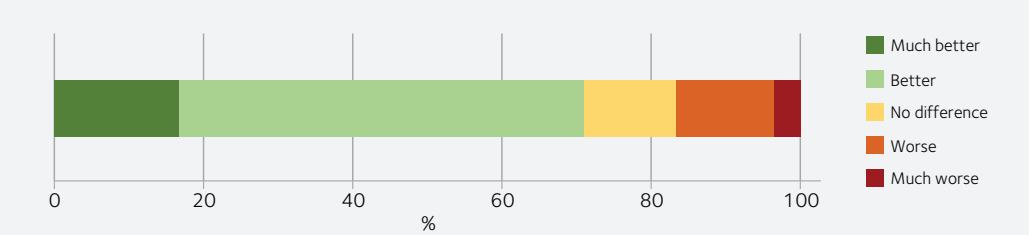
Preliminary UNHCR data indicate that the meat selling cooperatives have continued their economic success over the last year (2019), generating 7.78m ETB ($241,600) in revenues, with 961,580 ETB ($29,860) in retained earnings between January and August.[229]

Different cooperatives have different financial management systems, and so there is some complication in interpreting the ways that cooperative members divide the income gained from meat selling activities. Some cooperatives allow for private profit, where the meat seller keeps most of the money that they earn during their shift and deposits a smaller fraction in the cooperative bank account. Others require that members contribute a larger share of their earnings into the cooperative account, after which, collective profits are distributed among members.[230]

Most cooperative members reported an increase in income compared to their previous situation, which in turn improved access to education and food at the household level.

In our survey, most cooperative members report an increase in income as a result of membership, even though there is some variability in the amount of income that has been earned in different cooperatives. This is partly due to the amount of time that members are able to work and the organisation structures of the individual cooperatives. Figure 21 shows the percentage of cooperative members that reported improvements in their financial situations since becoming a member.

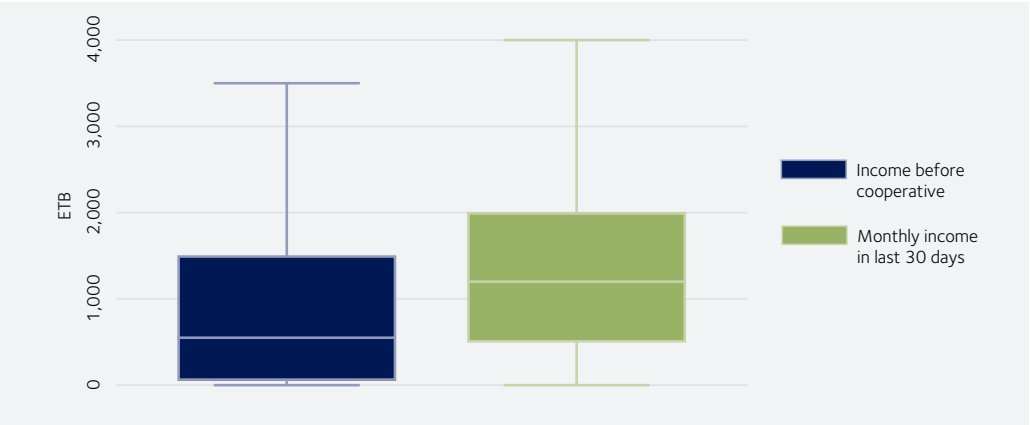
Figure 21: Change in financial stability after joining cooperative, reported by meat sellers in cooperative



Over 80% of cooperative members interviewed reported that being in the cooperative had made their financial stability 'better' or 'much better.' Fewer than 10% said that their situation had worsened since they had become a cooperative member.

This assessment is further supported by looking at the self-reported household income of cooperative members.[231] The median household income in the 30 days prior to the evaluation was reported to be around 1,200 ETB ($37) per month, while the median self-reported income before joining the cooperative was 500 ETB ($15.50) per month (see Figure 22).

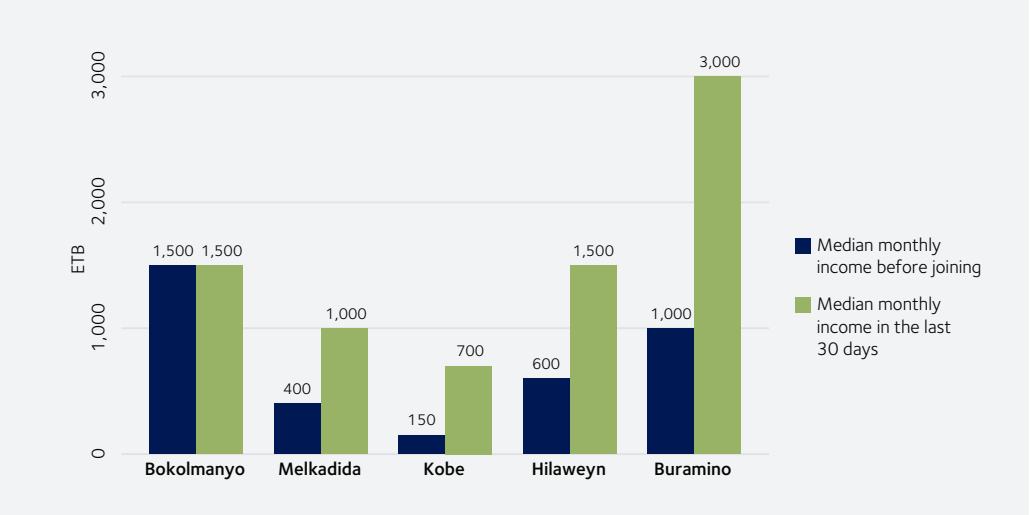
Figure 22: Meat selling cooperative members' current income levels compared to incomes before cooperative membership (in ETB), figure excludes outside values



[229] Ibid.
[230] FGDs with meat selling cooperative members, Hilaweyn, 21 June 2019, Melkadida, 25 June 2019, and Kobe, 21 June 2019
[231] The data used to determine incomes prior to joining the cooperative is based on answers to a recall question, in which interviewees were asked to estimate their average monthly income before they became cooperative members. While these figures indicate general improvements in members' income, recall questions can yield less reliable data, particularly in refugee contexts, where incomes tend to be irregular.

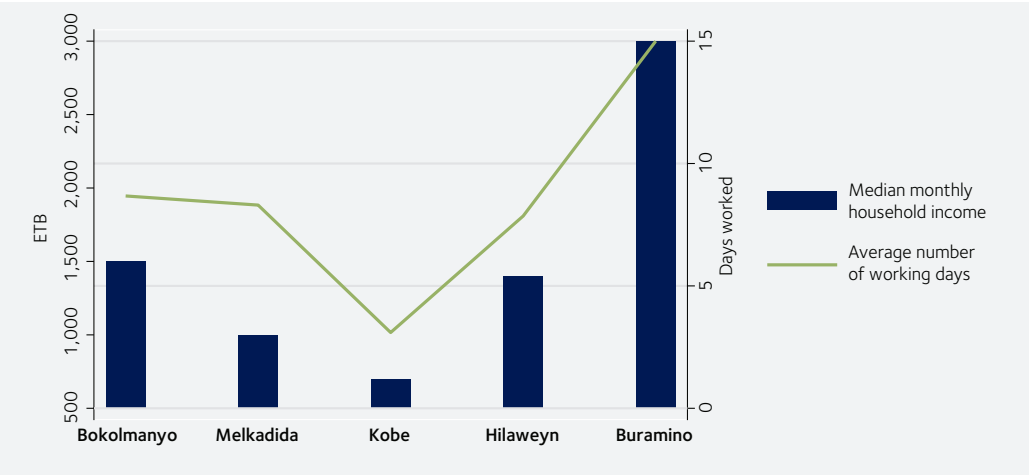
By comparing self-reported income changes in different camps, we see that median incomes have increased for individuals in all cooperatives apart from Bokolmanyo, where the median income has stayed the same (Figure 23). What is most remarkable is the large difference in median incomes between camps, most notably the low reported incomes in Kobe (700 ETB; $21.75) versus those in Buramino (3,000 ETB; $93).

Figure 23: Median self-reported household income among meat selling cooperative members, by camp



Related to a suggestion above, the large differences in self-reported incomes between the camps could have to do with the number of days that cooperative members work and the total cooperative membership (Figure 24).

Figure 24: Member income (in ETB) vs. average number of days worked per month

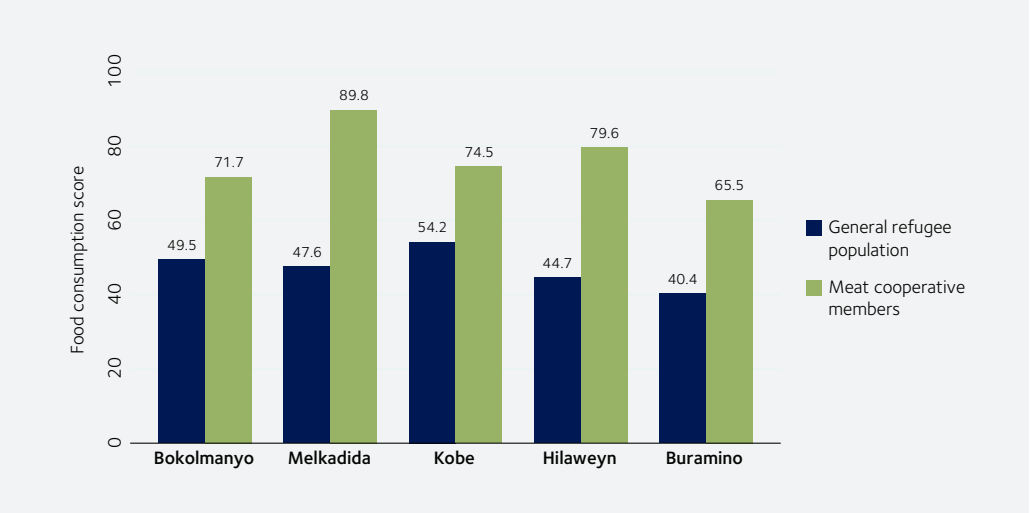


Expenditures and consumption: How has membership affected members' household assets and savings, and access to, e.g., education, nutrition, healthcare, etc.? Cooperative members reported that being in the cooperative had a beneficial impact on their household well-being. Many noted that they are now able to better support their families and could afford additional educational opportunities for their children. Indeed, 17% of cooperative members had at least one of their children attending a private school or private classes. Additionally, 55% of respondents report that at least one child in their household received education (at an average cost of 200 ETB ($6) per month).

Many beneficiaries also mentioned that being in the cooperative had improved the quality and quantity of the food that they were able to afford, and increased the diversity of food they consumed. The average Food Consumption Score (FCS) among cooperative members across all camps is 76.8, compared to 47.4 for the general refugee population.[232] Figure 25 shows the mean FCS among cooperative members in each camp and compares it to the general refugee population; we see that cooperative members have a significantly higher FCS.

[232] Betts et al, "Refugee Economies in Dollo Ado."

Figure 25: Comparison of mean FCS score of general refugee population and meat selling cooperative members



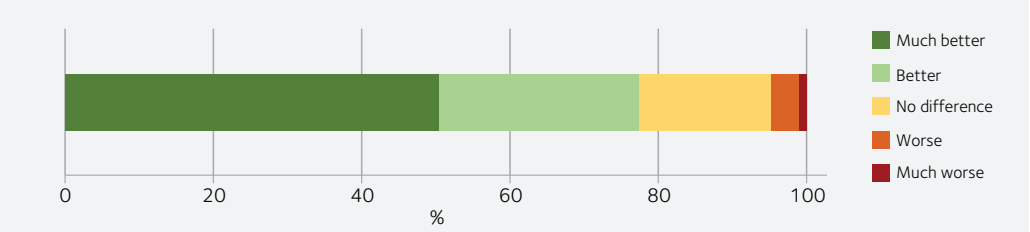
Survey data indicate that the FCSs of all cooperative members are in a range considered acceptable (greater than 35).[233] The large difference in FCSs between cooperative members and the general refugee population implies that cooperative membership has enabled individuals to have better access to food and improve their nutritional diversity.

Less-tangible outcomes: How has membership affected less-tangible, non-financial outcomes at the individual level? E.g. protection, self-esteem, aspirations, etc. Membership in the cooperative was also reported to have beneficial outcomes for less tangible metrics. Cooperatives act as a social security system through which members can get support from fellow workers. Most cooperatives reported that they have reserves in place to provide financial support to members in cases of hardship.[234]

Host and refugee communities are reported to have increased and improved interactions as the project has matured.

Cooperative membership also confers social status on individuals and is reported to improve household relationships. During a focus group discussion in Kobe, beneficiaries reported that their families had originally been reluctant about encouraging them to work in the meat selling cooperative, as it was considered "unclean." However, once families recognised the benefits derived from cooperative activity and the prestige associated with the work, they became much more supportive of the cooperative members' activity.[235] Close to 80% of cooperative members said that their relationship with their family had improved (become 'better' or 'much better') as a consequence of being in the cooperative.

Figure 26: Impact of cooperative membership on family relationships, reported by meat sellers in cooperative



[233] World Food Programme, "Food Consumption Score."
[234] FGDs with meat selling cooperative members, Hilaweyn, 21 June 2019, Melkadida, 25 June 2019, and Kobe, 21 June 2019
[235] FGD with meat selling cooperative members, Kobe, 29 October 2019

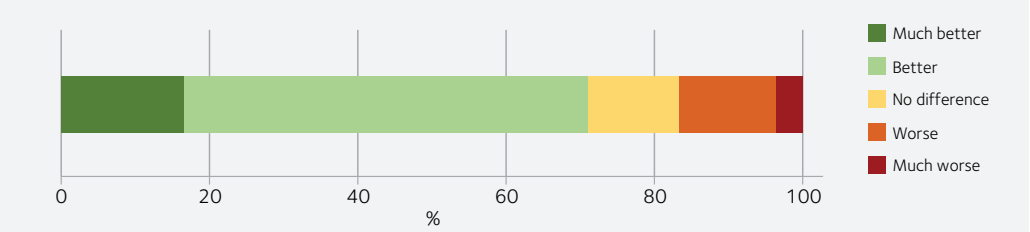
vi. Project outcomes at public level

Project outcomes at the public level are difficult to isolate for only the meat selling cooperative, as it interacts closely with other elements of the livestock value chain. The existence of a single meat selling cooperative per camp has been associated with improved oversight of hygiene standards and improved meat quality. Additionally, host and refugee communities are reported to have increased and improved interactions as the project has matured.

Image 38: Meat is cut and presented for sale at market in Melkadida camp. © RSC/Raphael Bradenbrink, 2019

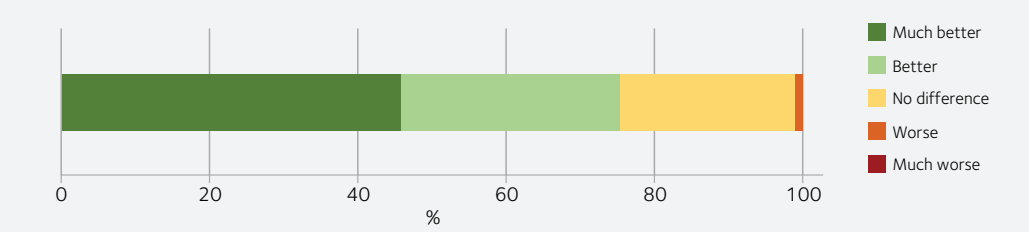
What have been the outcomes associated with the project at the public level? E.g. public health, social relations, market development, etc. The cooperatives have improved public health outcomes in the camps. Bringing all meat sellers under the umbrella of the cooperative has made it easier for CAHWs to identify diseased animals and detect infected meat. Additionally, the public are likely to benefit from consumption of better quality meat. A majority of cooperative members agreed that the meat they are currently selling is of superior quality to what they sold before they joined the cooperative. Over 70% of meat cooperative respondents report that the quality had either become 'better' or 'much better' (Figure 27).

Figure 27: Self-reported change in the quality of meat sold by cooperative members since they joined



Lastly, the intervention is reported to have improved social relations both among members of the cooperative, and between meat sellers and individuals in the host community. Of the refugee cooperative members surveyed, 75% said that cooperative activity has led to 'better' or 'much better' relationships with host community members, while only 1% said that relationships had worsened (Figure 28).

Figure 28: Change in relationship with host community after cooperative membership, reported by meat sellers in cooperative



v. MILK SELLING COOPERATIVES

INTRODUCTION

There are five milk selling cooperatives that operate in the Dollo Ado camps.[236] When the cooperatives were established they capitalised on an existing market, formalising loosely structured business groups of milk sellers. Their current business models are fairly simple, relying primarily on relationships with local pastoralists who sell milk to the cooperative members in bulk, which is subsequently re-sold in the refugee camp markets.

Given the limited number of transactions in the exchange, and the few assets needed to facilitate milk sales, this cooperative model is relatively uncomplicated and has successfully created secure livelihoods for 103 refugee and 10 host community members. The cooperative structures and financial practices are fairly common across all five groups: individuals sell milk by the glass or litre to customers, and they either keep the profit earned for private use with some occasional contributions to a cooperative savings account (e.g. in Bokolmanyo) or the profit goes to the cooperative and members are paid a dividend (e.g. in Hilaweyn).[237]

This cooperative model is relatively simple and has created stable incomes for 103 refugee and 10 host community members.

Profits are relatively small compared to other livelihoods interventions, as it is not possible to charge a big mark-up on the price at which milk is purchased from pastoralists. However, income flows from milk are generally consistent, and as a large majority of the members are women whose household incomes are augmented by money earned by male household members, the profits from selling milk are sufficient to cover basic household and individual needs.[238]

It is worth a brief mention that while the milk selling cooperatives are part of a livestock value chain, it relies more markedly on pastoralists who are not incorporated into the livestock value chain that has been developed and supported by the IKEA Foundation (see Diagram 2). There are opportunities for synergy between the milk sellers and the IKEA Foundation-supported value chain, for example by buying the milk of animals kept in the Foundation-funded fattening sheds and from livestock trading cooperative members who keep their animals in the livestock markets.

PROJECT EVALUATION

Overall assessment

The milk selling cooperatives function well and offer stable incomes for the women who are members. Their profits are consistent, albeit marginal, and serve to supplement income that members earn from other business activities, as well as income earned by other family of the household.[239] The IKEA Foundation's investments have been used to build members' capacities, reduce food waste, and to expand the cooperatives' market reach. The cooperatives have made

[236] UNHCR Melkadida Portal, "Livestock Development."
[237] FGDs with milk selling cooperative members, Hilaweyn, 20 June 2019; Bokolmanyo, 31 October 2019
[238] Ibid.
[239] Ibid.; Interview with Wa-PYDO staff, Bokolmanyo, October 2019

good use of business management training and physical inputs, such as refrigerators, that have been provided free of charge. These opportunities have laid a foundation for a set of promising, self-sustaining milk selling groups. By drawing on existing knowledge and building on existing local demand, the milk selling cooperatives are likely to experience continued growth in much the same way as has been realised for other livestock businesses.

i. Infrastructure

The milk selling cooperatives are not heavily reliant on infrastructure and utilities to run their businesses. They operate within existing marketplaces and benefit from the availability of refrigerators and solar charging equipment funded by the Foundation. Many members sell milk from their independent market stalls, while others sell from a cooperative storefront.

What has been built and installed? The milk selling cooperatives in all camps have benefitted from the construction of a storefront, which is often built in proximity to the shaded marketplace where the meat selling cooperatives work. The cooperative store houses a refrigerator, milk churns, strainers, and other tools and materials that the IP have supplied. The refrigerator is powered by a small solar panel installed on top of the roof.[240]

Has infrastructure facilitated the project's intended objectives? The success of the milk selling cooperatives does not rely on highly technical skills, nor has it been necessary for members to rely on advanced infrastructure or utilities. Nevertheless, the material investments that the IKEA Foundation has made have helped to expand business activities and seem to have stabilised the incomes that members earn.[241]

The refrigerators powered by solar energy have facilitated longer-term, sanitary storage of milk products. They enable cooperatives to react to daily fluctuation in demand, offer a fresh (and thus more profitable) product for longer periods of time, and reduce the amount of milk spoiled. A cooperative member from Hilaweyn describes the challenges of the cooperative prior to the support received: "Before we had the refrigerator we used to boil the milk for ten minutes, [on the open stove using firewood] it was difficult to get the timing right. And often the milk turned bad."[242]

In Bokolmanyo, the IKEA Foundation funded the construction of a new marketplace, giving the milk selling cooperative a central storefront as well as a solar powered refrigerator. There have been ongoing issues with the location of the new market in Bokolmanyo, as customers still tend to prefer the old market.[243] As a result, most of the milk sellers have moved back to the old market, despite the IP discouraging this. The disagreement resulted in some of the original Bokolmanyo cooperative members leaving the cooperative.[244] Today most of the milk sellers operate in the old market, resulting in limited use of the new infrastructure, and demonstrating that by and large, it is a luxury that can be done without if needed.[245]

Image 39: Somali women in the milk selling cooperative measure milk using equipment provided by UNHCR. © UNHCR/Diana Diaz, 2017

ii. Membership

Milk cooperatives operate in each of the Dollo Ado camps. All of the registered members are female and more than 90% are refugees. The cooperatives were established based on pre-existing milk selling groups with some additional individuals joining later.

Members: Has the target number of members joined the cooperative? At the time of establishment, the milk selling cooperatives incorporated all independent milk sellers that were interested in joining. In Bokolmanyo, for instance, the cooperative membership is formed of a pre-existing business group and a set of women who were not previously selling milk. All the members are women in accord with Somali social norms. Membership figures, broken down by migration status, appear in Table 18.

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[240] Interview with Wa-PYDO staff, Bokolmanyo, October 2019
[241] FGDs with milk selling cooperative members, Hilaweyn, 20 June 2019, Kobe, 21 June 2019, Bokolmanyo, 31 October 2019; Interview with UNHCR staff, Melkadida, 18 June 2019
[242] FGD with milk selling cooperative members, Hilaweyn, 20 June 2019
[243] FGD with milk selling cooperative members, Bokolmanyo, 31 October 2019
[244] Ibid.
[245] Ibid; Interview with Wa-PYDO staff, Bokolmanyo, October 2019

Table 18: Milk selling cooperative membership, by migration status

Location	Refugees	Hosts	Total
	Female	Female	
Bokolmanyo	25	2	**27**
Melkadida	22	2	**24**
Kobe	22	0	**22**
Hilaweyn	20	3	**23**
Buramino	14	3	**17**
Total	**103**	**10**	**113**

Selection criteria: Do participating members meet the selection criteria? The selection process for cooperative members was not rigorous. The cooperatives developed from pre-existing groups of individuals that already sold milk as their income. Technically, anyone who can fulfil the criteria can still join the cooperative. Candidates have to match the savings that existing members have already deposited in the group bank account, pay an administrative fee for joining, and get the approval of the cooperative. At this point, current cooperative members do not express interest in growing their memberships because profits are already relatively low.[246]

Attractiveness of membership: Are people interested in joining and remaining in the cooperatives? The retention rate of milk selling cooperative members across camps has been variously affected by specific local challenges and changes in life circumstances, rather than by problems with the appeal of the business model. It was commonly reported that some cooperative members across all camps had returned to Somalia or had been resettled to a third country.[247] The exceptional situation with the 'new market' in Bokolmanyo led members to leave the cooperative because of the inconvenient location of the marketplace and the resulting loss in income; membership decreased from 35 members when the cooperative began in 2017, down to 17 at present.[248] Challenges aside, the cooperative chairwomen in Hilaweyn reported that people regularly express interest in joining the cooperative in the hope of making some small income and to benefit from the cooperative's social safety net.[249]

iii. Organisational structure and sustainability

The milk selling cooperatives in all five camps have clear business models based on purchasing, storing, and reselling raw milk. Some also use the milk to produce value-added products such as yoghurt. While they are not directly linked to the IKEA Foundation-supported livestock value chain, the cooperatives are in many ways similar to the meat cooperatives. The milk selling cooperatives indirectly benefit from the measures taken to improve livestock health. Because most of the milk is purchased from host community pastoralists coming to the camp, the women do not have to leave the market. The simple business structure, consistent product demand, and the lack of need for out-of-camp movement facilitates stable and secure cooperative activities.

Cooperative structures: Are cooperatives registered? Apart from the milk selling cooperative in Kobe, all others were successfully registered with the regional government in 2018. The cooperative in Kobe was in the process of being registered at the time of the evaluation.[250]

Staffing and leadership: Have executive and administrative roles been developed to manage strategic decision-making for the project? Given the limited size of the cooperatives, all members can easily engage in group decision-making. Cooperative members have typically known each other for some years. They report that they relate well with one another and have established ways of working together, without major intra-cooperative conflicts.[251] As it is a less complicated project, it requires less external strategic guidance and planning than other Foundation-funded cooperatives.

Training: Have individuals received relevant technical and business training? Relatively limited training was necessary for milk selling cooperative members due to the simplicity of the intervention and the pre-existing skills among constituent members. Nevertheless, in 2018,

[246] FGDs with milk selling cooperative members, Hilaweyn, 20 June 2019, Kobe, 21 June 2019, Bokolmanyo, 31 October 2019
[247] Ibid.
[248] FGD with milk selling cooperative members, Bokolmanyo, 31 October 2019; Interview with Wa-PYDO staff, Bokolmanyo, October 2019
[249] FGD with milk selling cooperative members, Hilaweyn, 20 June 2019
[250] Interview with Wa-PYDO staff, Melkadida, 9 October 2019
[251] FGDs with milk seller cooperative members, Hilaweyn, 20 June 2019, Kobe, 21 June 2019, Bokolmanyo, 31 October 2019

Wa-PYDO trained 97 milk sellers on good milk hygiene and preservation practices.[252] About another 30 individuals in each camp who were working as butchers and milk sellers were given training on basic business skills, leading to improved financial management and bookkeeping expertise.[253] Although interviewees did not have much to comment on with regard to Wa-PYDO's training, it was mentioned that some of the training sessions contained information that was not applicable to their work, including discussion of exporting milk beyond the local market.[254]

Reliance on handouts: Are cooperatives purchasing their own inputs and paying for services? In all camps, the milk selling cooperatives seem to be developing capacity for self-reliance. At this point, their business model does not need a lot of supplementary support and it is not reliant on additional external inputs. The supplies and refrigerators received by the cooperatives have low operating costs, as they run on solar energy. The cooperatives buy their own milk, have their own jerry cans, and can sell in existing private shops, the cooperative shopfront, or in miscellaneous spaces around the markets and camps.

Image 40: Solar-powered refrigerators have been provided to milk selling cooperatives.
© RSC/Raphael Bradenbrink, 2019

Strategic planning: Have value chain analyses been conducted? Have market linkages been developed? The cooperatives are well established and rely on an uncomplicated, local value chain that predated the formation of the cooperative. Nevertheless, there are a number of technical considerations around pricing that requires close attention in order to maximise profit, or avoid losses. For example, in Hilaweyn, every active cooperative member buys and resells approximately 30 litres of camel milk, five litres of goat milk, and three litres of cow milk per day.[255] The milk prices are affected by seasonal fluctuation: in the rainy season 10 litres of camel milk can be purchased for about 200 ETB ($6) and sold at a profit of 40 ETB ($1.25). The purchasing price doubles in the dry season, and due to higher demand, comes with a 25% increase in the profit margin. During the day, fresh milk can be sold at an optimal market price, whereas older milk sells for a slightly lower price.[256]

In addition to the milk selling business activities, the cooperatives try to grow and diversify their independent businesses. The milk cooperative members capitalise on their business relationships with the host community pastoralists who distribute milk, selling them goods such as sugar, tea leaves, rice, and oil.[257] The milk selling cooperative in Bokolmanyo used money collected among the cooperative members to fund a small shop directly targeting pastoralists as customers.[258] The cooperative in Hilaweyn is currently planning to copy this model in order to diversify its income streams.[259]

iv. Project support

See the related section in the Livestock Trading Cooperative evaluation. Content discussed there is applicable to this project as well.

v. Project outcomes at individual and household levels

In all the camps, cooperative members benefit from small but stable incomes generated by selling milk. Cooperative members, particularly in Kobe, have successfully installed a social safety net supporting cooperative members in need.[260] Due to the very limited number of host community members in the cooperatives, opportunities for direct refugee-host interactions are largely limited to business exchange with local pastoralists.

[252] UNHCR Melkadida, "Livestock Development Update."
[253] Ibid.
[254] FGD with milk selling cooperative members, Bokolmanyo, 31 October 2019
[255] FGD with milk selling cooperative members, Hilaweyn, 20 June 2019
[256] FGDs with milk selling cooperative members, Hilaweyn, 20 June 2019, Kobe, 21 June 2019
[257] FGDs with milk selling cooperative members, Hilaweyn, 20 June 2019, Kobe, 21 June 2019, Bokolmanyo, 31 October 2019
[258] FGD with milk selling cooperative members, Bokolmanyo, 31 October 2019
[259] FGD with milk selling cooperative members, Hilaweyn, 20 June 2019
[260] FGD with milk selling cooperative members, Kobe, 21 June 2019

Income generation: How has participation in the project affected members' incomes? While the cooperatives are reported to be profitable, the overall income generated from milk sales is relatively modest and varies slightly across the camps. The chairwoman of the Hilaweyn cooperative suggested that their group is busier than others: "In Melkadida I believe they work in shifts of four women per day. Here [in Hilaweyn], all 23 members are selling milk every day in different spots around the market area."[261] The Hilaweyn cooperative reports that they can make about 40-50 ETB ($1.25-1.50) profit from selling 10 litres of camel milk. The same profit can be made by selling five litres of goat milk. It is estimated that a milk seller in the Hilaweyn cooperative can earn personal profit of approximately 50-60 ETB (or, less than $2) per day of work.[262] Members retain one-third of total profits and the remaining two-thirds are saved in the cooperative's bank account.

In Kobe, the members of the cooperative decided that their collective savings should be used to create a maternity social security fund, enabling members to take up to three months of supported leave following childbirth. The fund provides household inputs to members in need and provides a stipend of up to 500-1000 ETB ($15-30). One cooperative member in Kobe said: "I gave birth before joining the cooperative and it was very hard. I was only just surviving." Her colleague, a younger woman contrasted her experience with the support of the maternity fund: "...without help from the cooperative I would have been hungry."[263]

Expenditures and consumption: How has membership affected members' household assets and savings? The slight increase in income among cooperative members is likely to have a positive, albeit very small, impact on nutrition levels and household health.

Less-tangible outcomes: How has membership affected less-tangible, non-financial outcomes at the individual level? E.g. protection, self-esteem, aspirations, etc. As is reported in other types of cooperatives, members feel that their reputations improve by virtue of having a job. The member of the Hilaweyn cooperative shared: "I was jobless before. The cooperative changed my life. Now I am in a powerful position."[264] Other interviewees reflect the view that the cooperative functions as a social security network and that the money they earn creates stability and opportunity in their lives.

vi. Project outcomes at public level

While there are a number of milk sellers throughout the camps, the cooperatives constitute the biggest and best organised proportion of vendors. Therefore, the IKEA Foundation-funded milk selling cooperatives set the standard in terms of availability and freshness of milk sold in the camps. Additionally, the cooperatives inform and broaden market trends: an emerging dairy value chain seeks to develop yogurt and ice cream selling businesses that rely upon the milk supply provided by the cooperative.[265]

In comparison to most other IKEA Foundation livelihoods projects, the milk selling cooperatives provide limited opportunity for direct refugee-host interactions, as few cooperative members are from the host communities, and the point of sale is almost exclusively in the refugee camps. Therefore, the social integration aspect of the IKEA Foundation mission is limited in this project, at this time. However, it can be noted that cooperatives have established working business relationships with local Ethiopian pastoralists, contributing to the integration of the Dollo Ado camps into the wider regional economy.

[261] FGD with milk selling cooperative members, Hilaweyn, 20 June 2019
[262] This is calculated based on reported approximations that a milk seller can sell 35 litres of camel milk a day (i.e. a total daily profit of 140-175 ETB), less contributions they have to pay to the cooperative.
[263] FGD with milk selling cooperative members, Kobe, 21 June 2019
[264] FGD with milk selling cooperative members, Hilaweyn, 20 June 2019
[265] Interview with UNHCR staff, Melkadida, 18 June 2019; Interview with Wa-PYDO staff, Bokolmanyo, October 2019

3. ENERGY AND ENVIRONMENT COOPERATIVES

The stated objectives of the IKEA Foundation's grant on renewable energy and environmental rehabilitation are to offer "increased access to sustainable energy sources for the refugee [and host community] populations in Dollo Ado using the most renewable source of energy,"[266] and to "[rehabilitate] the environment in and around the Dollo Ado refugee camps."[267] These goals were to be achieved by introducing clean, renewable energy sources for public and household lighting (e.g., solar streetlights and solar home systems) and cooking (through the production and sale of cookstoves that could burn prosopis-based charcoal briquettes), as well as additional measures to 'green' the camps and surrounding areas (e.g., via growing saplings and planting trees).

In order to operationalise this vision, UNHCR developed livelihoods-based cooperatives that could fulfil these objectives through a variety of activities related to instaling, maintaining, producing, and nursing the many inputs funded by the IKEA Foundation. The following evaluations have been conducted on the two primary livelihoods-oriented cooperative types in this thematic area: the energy cooperatives and the prosopis firewood cooperatives.

Image 41: Prosopis trees are cut down at a site near the Somali border. © UNHCR/Eduardo Soteras Jalil, 2019

[266] IKEA–UNHCR Agreement, 10.
[267] IKEA Foundation, Format B 2016–17 strategic plan, 3.

i. ENERGY COOPERATIVES

INTRODUCTION

Five energy cooperatives were established in late 2017 in an effort to incorporate a number of energy-related services into a profitable business model.[268] Cooperatives are registered in all camps and are composed of 12 to 21 members each, a majority of whom are men; most of the cooperatives had only been fully functioning for two to three months at the time of the evaluation. The cooperatives have a number of viable income streams, including maintenance of Foundation-funded solar street lamps that have been installed over the past seven years; installation and repair of solar home systems (SHS); and maintenance of eight solar mini-grid installations (five of which serve public health centres, and three of which are based in Bokolmanyo and Buramino, providing private electrical supply).

UNCHR's Energy Unit has an ambitious plan to increase access to energy by scaling up the cooperatives' business activities.

There is significant variation in the functionality and in turn profitability of each of the five energy cooperatives, at present. Those managing the commercial mini-grids in Bokolmanyo and Buramino are the most successful so far, while the other three cooperatives, in Melkadida, Kobe, and Hilaweyn, have yet to find their business footing. The business models being established by the former two cooperatives give hope for the latter three to follow in their wake. The interventions are ripe for development, however they require a great deal of financial resources and so will need concerted external support and investment for the foreseeable future.

There is a large need and growing demand for energy services, which has implications for cooperative developments in the future: according to previous data collected by the Refugee Economies Programme, at the end of 2018, 24.3% of refugee households had access to electricity in their homes, whether from a generator or solar panel, independently purchased or distributed by an IP or UNHCR.[269] UNHCR reports that approximately 47% of refugees have access to energy solutions, more broadly, including the solar mini-grids in health centres and public solar streetlights.[270] UNCHR's Energy Unit has an ambitious plan to increase access to energy by scaling up the cooperatives' business activities.

PROJECT EVALUATION

Overall assessment

The UNHCR Energy Unit has made inroads to developing a functioning infrastructure that can meet refugee and host community demands for energy. The energy cooperatives are critical actors in this development, incorporating various IKEA Foundation-funded energy projects into coherently managed – though as yet, under-developed – businesses. The cooperatives face formidable challenges to becoming sustainable enterprises: (1) three of the cooperatives need

[268] "Thematic update: Energy." UNHCR Sub-Office Melkadida, 2019, http://melkadida.info/wp-content/uploads/2019/03/03-Energy---SOMEL-Thematic-Update-2018.pdf (restricted access).
[269] Betts et al, "Refugee Economies in Dollo Ado."
[270] Written correspondence with UNHCR Melkadida staff, 3 February 2020.

to develop a stable source of income by way of operating commercial mini-grids, of which two have recently been installed, one in Melkadida and the other in Hilaweyn; (2) they need to improve working relationships with the governing bodies within each camp and *kebele* to establish themselves as regular service providers for the existing public energy infrastructure; and (3) they need to establish a rapport with potential customers to become the primary energy service providers. These foundations, paired with strategic business planning, would improve the likelihood of the cooperatives becoming self-sustaining. It is estimated to take at least two years for them to become financially independent due to the substantial technical and material inputs needed at this time.

i. Infrastructure

IKEA Foundation have supported the development of an expansive energy infrastructure, helping to improve refugee and host community members' lives. Lighting – both public and private – and access to electricity for charging devices and running utilities are reported to have improved individuals' sense of confidence and security, educational attainment, and helped develop additional business activities.[271] Furthermore, the energy cooperatives have taken on responsibility of managing this infrastructure, generating incomes for individuals who are members of the cooperatives.

What has been built and installed? The success of the energy cooperatives relies primarily on income from three infrastructure elements that have been made possible by the financial and technical support of UNHCR and the Foundation. (1) Most centrally, there are eight fully installed solar mini-grid sites (one in each of the camps' public health centres, and three commercial sites) with an additional three scheduled to be running soon in Melkadida, Kobe, and Hilaweyn.[272] (2) The cooperatives also nominally oversee maintenance of 1,409 solar streetlights that have been erected throughout all of the camps and *kebeles*.[273] (3) The final, primary revenue stream comes from opportunities to service nearly 5,000 home solar energy systems that have been distributed by UNHCR.

Has infrastructure facilitated the project's intended objectives? The commercial mini-grid systems have been the lynchpin of early success for the energy cooperatives. In both Bokolmanyo and Buramino, where this infrastructure exists, cooperatives have rapidly built customer bases that have earned them stable incomes. In Bokolmanyo, where there are two commercial mini-grids, 138 refugee households, a number of private businesses in the new marketplace, and implementing partner compounds have been electrified.[274] In Buramino, a commercial mini-grid was recently installed and demand for electrification of refugee households has been high and quickly expanding, with 128 households currently getting energy from the mini-grid.[275] In both contexts, there are clear pathways for growth. Furthermore, there are mini-grids in each of the camp's health centres; the infrastructure for these, funded by the IKEA Foundation, has led to a consistent supply of electricity that has allowed the ARRA-run facilities to move away from costly diesel generators. It has also satisfied an objective that at least 20% of IKEA Foundation investments are channelled for free public use.[276]

Image 42: Solar panels maintained by the energy cooperative power the ARRA-run health centre in Hilaweyn camp.
© RSC/Raphael Bradenbrink, 2019

The solar streetlights have been installed in waves over the duration of the IKEA Foundation's involvement in the Dollo Ado camps. Overall, camp and *kebele* residents appreciate the benefits derived from lighting at night. Streetlights increase residents' sense of security and freedom to move around after dark.[277] They are also said to have reduced crime in the form of theft

[271] FGD with SHS beneficiaries, Hilaweyn, 20 June 2019; Interview with mini-grid customer, BurAmino, 24 October 2019
[272] Interview with UNHCR staff, Melkadida, 12 October 2019
[273] "Renewable Energy," UNHCR Sub-Office Melkadida Digital Portal and Knowledge Base, http://melkadida.info/energy/ (restricted access).
[274] Interview with UNHCR staff member, Melkadida, 12 October 2019
[275] Interview with UNHCR staff member, Melkadida, 25 October 2019
[276] Interview with UNHCR staff member, Melkadida, 12 October 2019
[277] Interview with solar streetlight beneficiaries, Kobe, 21 October 2019

and SGBV.[278] However, there are a significant number of units that are currently out of order: according to staff at Save the Environment (SEE), in Kobe it is estimated that up to 30% of all solar streetlights are not functioning.[279]

The streetlights are meant to be maintained by the cooperatives, however there are not clear working arrangements in place in each camp for repair of broken units. While ARRA set up community funds and collected 10 ETB ($0.30) per household with the intention that money collected from beneficiaries would be used to pay cooperatives for sourcing replacement parts locally and carrying out the repairs, there are few instances in which this scheme is reported to be operational.[280] In other words, funds have been collected by the community energy committees but have not yet been disbursed to fix broken streetlights. It is unclear whether the committees have concrete plans in place to follow through on the planned repair schemes with the cooperatives.

Image 43: A solar-powered streetlight provided by IKEA Foundation stands in a refugee community in Kobe camp.
© IKEA Foundation/Åsa Sjöström, 2013

While the IKEA Foundation ultimately withdrew funding for the solar home systems and transferred responsibility for underwriting expenses to UNHCR, the Foundation's initial commitment catalysed the procurement and distribution of the units to nearly 5,000 households. Therefore, even though the project technically falls under UNHCR's expenditures, it is worth discussing in the cooperatives evaluation as it has successfully achieved its objectives of (1) providing an energy source for beneficiaries, and because (2) the SHSs can be maintained by the cooperatives on an ongoing basis, and in turn, generate a source of revenue. Recipient households report that they have primarily used the energy to light their homes and charge phones for household members and others living in their communities.[281] Interviewees report that to this extent they have felt an increased sense of security, greater social status associated with being able to share the asset with neighbours, and improvements in educational attainment for children who benefit from the additional study time enabled by night-time lighting.[282]

There is significant variation in the functionality and profitability of the five energy cooperatives.

ii. Membership

Cooperatives across all five camps have been well-staffed and membership has been relatively stable in spite of variable levels of activity. Members' expectation that mini-grids will be installed in the future seems to have a positive impact on stability of membership in the three cooperatives with lower levels of activity. In the Kobe cooperative, for example, most members also have a second job, but remain in the cooperative in anticipation that the soon-to-be installed mini-grid will "change their future."[283]

The UNHCR Energy Unit has worked to incorporate women into the cooperatives. There are no significant opportunities for expanding membership in the near future, except in Bokolmanyo, and possibly Buramino, where business operations are comparatively robust.

Members: Has the target number of members joined the cooperative? Each cooperative was originally intended to have just 12 members. Such is the case for all cooperatives except in Hilaweyn, where there are 13 members, and Bokolmanyo, where there are 21 members. The case of Bokolmanyo reflects the cooperative's operational success, which has translated into increased capacity to expand the number of active members. A breakdown of cooperative members by sex and migration status is shown in Table 19.

[278] FGD with SHS beneficiaries, Hilaweyn, 20 June 2019
[279] Interview with SEE staff member, Kobe, 21 October 2019
[280] Ibid.; Interview with UNHCR staff member, Melkadida, 12 October 2019
[281] FGD with SHS beneficiaries, Buramino, 24 June 2019
[282] FGD with SHS beneficiaries, Hilaweyn, 20 June 2019
[283] FGD with energy cooperative members, Kobe, 21 October 2019

Table 19: Energy cooperative members, by migration status and sex

Location	Refugees		Hosts		Total
	Male	Female	Male	Female	
Bokolmanyo	14	2	4	1	21
Melkadida	8	2	2	0	12
Kobe	8	1	2	1	12
Hilaweyn	8	1	3	1	13
Buramino	7	2	3	0	12
Total	**35**	**8**	**14**	**3**	**60**

Selection criteria: Do participating members meet the selection criteria? When members were being chosen for the cooperatives in 2017, ARRA and the RCCs selected individuals based primarily on three criteria: that individuals have mathematical knowledge, basic technical competency with electrical systems, and that they be interested in joining the cooperatives.[284] It proved difficult to find candidates with working knowledge of electricity; it is estimated that only three to four members of each cooperative had functional experience at the time the groups were established.[285] ARRA and the RCCs initially selected 10 members from each camp. However, because the candidates were exclusively men, the UNHCR Energy Officer insisted that a minimum of two women be added to each of the cooperatives, bringing the original memberships to 12 each. Three or four members of each cooperative come from the host community. The additional members that have been added to the Melkadida and Bokolmanyo cooperatives were selected by existing members.[286]

Attractiveness of membership: Are people interested in joining and remaining in the cooperatives? While there has been strong retention of cooperative members across all five camps since their inception, and noteworthy expansion in Bokolmanyo, UNHCR express concerns about the levels of activity and engagement of members, particularly in the three less active cooperatives.[287] A significant minority of members (three to five) in each cooperative are reportedly away from the camp at any given time. Cooperatives have generally tolerated the rotating absenteeism of members since there is not yet enough work to keep everyone actively engaged on a consistent basis. When there have been opportunities to recruit more members, it has been easy to find people who are willing to be trained and participate in the cooperatives. These opportunities have been limited, however. [288]

iii. Organisational structure and sustainability

The five energy cooperatives have business plans and structures in place to enable self-reliance in the coming years. Although the cooperatives are currently in the 'start-up' phase, and thus do not appear stable and profitable at the moment, they have a number of advantages that will help them capitalise on and, in turn, expand the resource-intensive operations that IKEA Foundation have supported so far. Namely, the cooperatives have many technical training resources available, as well as the unwavering support of technical staff in UNHCR and SEE.

Cooperative structures: Are cooperatives registered? All five energy cooperatives have been legalised through the regional government office.

Staffing and leadership: Have executive and administrative roles been developed to manage strategic decision-making for the project? Each of the cooperatives have functioning executive teams. The groups are sufficiently small that all members have the capacity to contribute to cooperative decision-making. Furthermore, guiding support from UNHCR and the implementing partner, SEE, is robust and contributes significantly to plans for developing the cooperatives in the future, including short-term responsibility for the assets that have been provided while the cooperatives remain in an incubation phase.

Training: Have individuals received relevant technical and business training? When the cooperatives were established SEE arranged technical training for all members that were involved in carrying out electrical work for the cooperative, focusing particularly on solar installations and maintenance.[289] SEE's training was carried out in conjunction with Wa-PYDO and the

[284] Interview with UNHCR staff member, Melkadida, 25 October 2019
[285] Ibid.
[286] Interview with UNHCR staff member, Melkadida, 18 June 2019
[287] Interview with UNHCR staff member, Melkadida, 12 October 2019
[288] Ibid.
[289] Interview with SEE staff member, Kobe, 21 October 2019

government cooperative officers in Bokolmanyo and Dollo Ado *woredas* in order to build their offices' capacity. As with the other livelihood interventions, Wa-PYDO focused on equipping cooperatives with business management skills.

In addition to these trainings, starting in 2019, SEE began a three-year programme, sending 50 trainees to Dollo Ado each year for a three-month intensive training, such that 150 individuals will receive comprehensive technical training.[290] The annual trainee numbers are broken down as follows: four refugees from each of the cooperatives (20 total); three refugees who are not in the cooperative in each camp (15); two people from the host communities who are not in the cooperative in each camp (10); and three individuals from the Dollo Ado *woreda* and two from the Bokolmanyo *woreda* (five). This training will improve the technical know-how of existing cooperative members and improve the pool of candidates who may become cooperative members in the future.[291]

Finally, the Bokolmanyo cooperative members in particular have benefited from on-the-job learning from two members who possess relevant degrees and shared their knowledge and helped develop business strategies. This, in part, helps to explain their superior performance as a business from early on.[292] There is also a broader culture of learning that is embedded across the energy cooperatives, whereby members from different camps are taken on learning visits to other groups.

Reliance on handouts: Are cooperatives purchasing their own inputs and paying for services? At present the cooperatives are not profitable enough to purchase all of their own inputs. While all of them save a significant proportion of their incomes – with Kobe said to be putting 40% of profits into their bank account, at the lower end, and Bokolmanyo saving 60% of all profits – the money earned is not yet sufficient to afford the purchase of new replacement materials and better quality inputs.[293] Nevertheless, cooperatives are beginning to make contributions to some operating costs, such as covering the expenses associated with connecting the cables to clients' buildings, and paying the costs of guards and cleaners.[294] Kobe, Hilaweyn, and Melkadida in particular are far from capable of being self-reliant, as a majority of their income derives from the small profits earned through cooperative-run solar charging stations (for re-charging small electronics) that they have set up in the camps.[295]

When commercial solar mini-grids are built and operational in Hilaweyn and Melkadida (expected soon), and in Kobe (expected in late 2020), they will join Bokolmanyo and Buramino in being in a better position to increase savings and improve operations. A cooperative member in Kobe reflects that: "After the mini-grid installation in Kobe, we will be able to reach self-reliance, but before that I don't think it's possible."[296]

Image 44: Energy cooperatives have set up solar charging shops in each camp. © RSC/Andonis Marden, 2019

Strategic planning: Have value chain analyses been conducted? Have market linkages been developed? Considering that inputs for the renewable energy projects are so costly, a critical development among the stakeholders has been the identification of alternative supply chains for sourcing batteries, solar panels, inverters, and other costly inputs. It is reported that UNHCR had to pay a significant premium on the original components for the mini-grids that they imported, in part because the inputs were procured directly from international distributors.[297] Many inputs can now be sourced from Dollo Ado town, or from Addis for more technically advanced equipment, whereas that was not the case one year ago.[298] Improved supply chains will help the cooperatives purchase and manage their own resources in the future.

[290] Interview with UNHCR staff member, Melkadida, 12 October 2019
[291] Ibid.
[292] Interview with UNHCR staff member, Melkadida, 25 October 2019
[293] Ibid.; Interview with SEE staff member, Kobe, 21 October 2019
[294] Written correspondence with UNHCR Melkadida staff, 3 February 2020.
[295] Interview with UNHCR staff member, Melkadida, 12 October 2019
[296] FGD with energy cooperative members, Kobe, 21 October 2019
[297] Interview with IP staff member, Melkadida, 23 October 2019
[298] Ibid.

With regard to the demand-side of the electricity supply chain, the cooperatives conduct feasibility studies and market demand studies before making major decisions to invest in resources or building infrastructure.[299] The case of the development of the mini-grid adjacent the new Bokolmanyo market is regarded to have been poorly judged, primarily because of its distance from the established marketplace. Stakeholders are aware of lessons to be learned from this case and the other two more successfully established commercial mini-grids, and will apply these insights to the development of future mini-grid sites.

iv. Project support

The energy cooperatives are robustly supported by stakeholders at all levels, due in large part to the managerial and technical attention provided by the UNHCR Energy Unit, the expert guidance of SEE, and the government's interest in developing an energy grid that creates benefits for host communities in addition to the refugee communities. It is apparent that stakeholders are collaborative and that they are working to ensure the sustainability of the cooperatives.

UNHCR capacity: Have UNHCR staff had capacity to carry out the work? Are there enough support staff available? The UNHCR Energy Unit has benefitted from an improved staffing structure since 2017 when a new Energy Officer was brought in. In addition to the Energy Officer, the Unit now have two Energy Associates and are expected to hire another dedicated staff member in 2020, with financial support for the salary coming from IKEA Foundation.[300] The Unit's technical expertise and focused mandates are directed toward supporting the cooperatives that have been established. Cooperative members express the trust they put in UNHCR to help facilitate their development. For example, members of the Buramino cooperative shared that they ask for and rely on UNHCR to manage their bank accounts.[301]

IP capacity: Is the implementing partner doing its job, as specified in project partnership agreements? SEE is widely regarded as a committed and strategically astute IP. Staff at ARRA reflect that in comparison to the other IPs working to implement UNHCR livelihood projects, "SEE have more capacity and concern to do things well. They have more positive progress and improvement [than other IPs]."[302] SEE have provided critical support in equipping cooperative members with technical skills and overseeing the installation of infrastructure needed for operations. While Kobe, Melkadida, and Hilaweyn will require continued support from SEE to usher them through the logistics of establishing and running the commercial solar mini-grids that are scheduled to be running by the end of 2020, UNHCR staff are of the opinion that the cooperatives in Buramino and Bokolmanyo are sufficiently prepared to manage the technical side of operations independently:

> *"I think they [the Bokolmanyo cooperative] would be able to manage themselves… [They] would be fine if there were no ARRA, no SEE, and no support. I feel that Bokolmanyo has a good structure and would be able to continue their business without support… They have a sense that they can take a risk…hopefully they will become self-sustaining by next year."*[303]

Government commitment: Have relevant government authorities committed to supporting the project? Apart from ARRA, government authorities do not feature in conversations as being particularly active in supporting the energy projects. Nevertheless, they do support the developments when needed, in particular, because the host communities benefit from them. A cooperative member in Kobe explains that: "We have a good relationship with the local authorities and ARRA. Every once in a while, we have conflicts in the cooperative; we can communicate with them and they assist us in solving our problems."[304]

An interviewee explained that SEE and UNHCR Melkadida – as compared to government authorities – are of central importance in providing support for the energy cooperatives. Indeed, it is reported that regional government in Jijiga praise the work of SEE in Dollo Ado, and the accomplishments of the energy cooperatives in Bokolmanyo and Buramino, claiming that the latter will be the government's templates for best practice for the region. It is yet to be clarified how the government will support the development of these energy cooperatives in other contexts.

[299] Interview with UNHCR staff member, Melkadida, 12 October 2019
[300] Interview with UNHCR staff member, Melkadida, 5 November 2019
[301] FGD with energy cooperative members, Buramino, 24 October 2019
[302] Interview with ARRA staff member, Dollo Ado Camps, October 2019
[303] Interview with UNHCR staff member, Melkadida, 25 October 2019
[304] FGD with energy cooperative members, Kobe, 21 October 2019

v. Project outcomes at individual and household levels

As mentioned, the five energy cooperatives have varying levels of development, and in turn, profitability. According to preliminary data from UNHCR, the energy cooperatives generated 112,840 ETB ($3,560 USD) in revenues across all five camps between April and August 2019, of which 47,570 ETB ($1,500) were retained earnings.[305]

While Buramino and Bokolmanyo cooperatives generate the largest revenues, members only take a small sum of money home each month, as most profits are saved in the cooperative's bank account. In Bokolmanyo, for instance, the cooperative earned 15,550 ETB ($490) from mini-grid customers in October 2019, of which 11,800 ETB ($372) was used to pay for materials sourced from Dollo Ado. The remaining 3,700 ETB ($118) went towards paying transportation costs, and the rest was put in their savings account. It is only once the cooperative hits the savings target set by their bank provider (Dedebit Microfinance) that larger sums of money will be paid out to cooperative members.[306]

Due to the fact that the cooperatives are not turning significant, if any, profits, many members say that they are working other jobs, often as day labourers, to support their families. In spite of this, most interviewees, and particularly those who are making modest earnings at present, report that they are happy with their work in the cooperatives.[307]

In particular, members express that they are grateful for the skills they have gained through the training and the work. Some say that the skills are transferable and allow them to make small amounts on the side to purchase food for their families. Others say that the cooperative brings them hope, because while they are "still in the start-up phase...the work that [they] are doing currently is [an investment] for the future."[308] Additionally, their skills contribute to their sense of self and pride. One member says that: "I feel that I am encouraged by [the] IKEA [Foundation] and other IPs...even my children will tell others that their father has good knowledge and that he is an electrician in the cooperative."[309] A member of the Bokolmanyo cooperative shares a similar account: "Anyone who sits without anything to do might feel depressed, but if you have a duty and some activity, you will become happier."[310] Even in the least active cooperative, a member reported a sense of self-empowerment claiming: "Before I joined the co-op, I believed that my family had to depend on food from [monthly] distributions, but after I joined I understood that I can support my family."[311]

vi. Project outcomes at public level

The impact of IKEA Foundation energy interventions across the refugee and host communities of the Dollo Ado and Bokolmanyo *woredas* are visible and enjoyed by many. The installation of the solar streetlights is the most apparent investment. Beneficiaries report feeling safer when they walk at night, which has increased social activity in communities that previously fell quiet shortly after sunset. With the development of the electricity supply in Buramino and Bokolmanyo – and that anticipated in the other camps – there is a "big change in the community…[who are] motivating and encouraging us. They say that [the cooperative] have a good plan."[312] This sense of appreciation and anticipation among community members is evidenced in the other camps as well, because "everyone wants energy, and there's low supply."[313] One member of the Buramino cooperative reflects that: "the small town that you see...has come out of the dark. The plots [of land] that we had here were very cheap before the cooperative, but the land prices have increased. If you want to build a shop here it is quite expensive now."[314]

The energy-related investments have contributed to a better sense of social cohesion at multiple levels. Cooperative members "are working together [as refugees and hosts]" and thus feel a sense of equality and camaraderie as they share profits equally. "We eat and drink together, too. If the relationship weren't good, we would have seen a lot of conflict by now."[315]

[305] UNHCR briefing, Melkadida
[306] FGD with energy cooperative members, Buramino, 24 October 2019
[307] Ibid. FGD with energy cooperative members, Kobe, 21 October 2019
[308] FGD with energy cooperative members, Buramino, 24 October 2019
[309] Ibid.
[310] FGD with energy cooperative members, Bokolmanyo, 25 June 2019
[311] FGD with energy cooperative members, Kobe, 21 October 2019
[312] FGD with energy cooperative members, Buramino, 24 October 2019
[313] Interview with IP staff member, Melkadida, 21 October 2019
[314] FGD with energy cooperative members, Buramino, 24 October 2019
[315] FGD with energy cooperative members, Kobe, 21 October 2019

ii. PROSOPIS FIREWOOD COOPERATIVES

INTRODUCTION

Firewood plays a pivotal role in the daily lives of refugees and host communities. It is by far the main fuel source used for cooking. However, because it is not available within the camps, supply has historically relied upon women travelling long distances into the bush to collect wood.

The prosopis firewood cooperative is an ambitious IKEA Foundation-supported intervention with three key aims: (1) to reduce the negative environmental impacts of the invasive *Prosopis juliflora* tree, (2) to create livelihoods activities for refugees and host community members, and (3) to advance protection efforts for women previously exposed to risks associated with going into the bush to collect firewood. These multifaceted objectives and the supply chain for sourcing prosopis, selling the raw wood, and adding value when it is transformed into charcoal briquettes, make it a complicated intervention. Prosopis wood is sourced from Suftu, a town bordering Kenya, that is more than 30km from the nearest camp (Buramino) and more than 60km from the farthest camp (Bokolmanyo).

The business model for the cooperatives involves sourcing and collecting prosopis, selling the raw wood, and then transforming it into charcoal briquettes which can be sold for household use. Cooperatives have been established in each of the five camps and are composed predominantly of refugee women who were previously engaged in firewood collection. There were approximately 70 to 80 members in each of the cooperatives when they were founded, although all have experienced attrition, primarily due to problems sourcing the wood and difficulties with the machinery used in each of the cooperative's processing centres in the camp; it is estimated that 15 to 30 members within each cooperative have chosen to leave, while others supplement their earnings from the cooperative with additional livelihoods activities. While they are not as large and logistically complicated as the farming cooperatives, the prosopis firewood cooperatives are fairly resource intensive, relying on technology and market practices that are not historically embedded in the livelihoods strategies of residents of the Dollo Ado camps and local communities.

PROJECT EVALUATION

Overall assessment

The prosopis firewood cooperatives have varying levels of success to date. While most beneficiaries acknowledge the positive impact the cooperatives have on protection, and the ambition of the intervention with regard to its environmental efforts is considered necessary, a majority of the cooperatives had limited operations at the time of the evaluation because their activities were paused either due to the non-availability of prosopis wood, defunct machinery, or low demand for their products. On the whole, they are regarded as being complicated and dependent on a single input – the prosopis tree – that has not been reliably accessible and affordable to source. Moving forward, it is unclear whether all five cooperatives will be able to function in a self-sustaining capacity. These doubts are speculatively allayed by the implementing partner, Wa-PYDO, which has arranged for replacement of machinery parts and technical (re-) training for cooperative members. While some members – in some camps more than in others

– exhibit faith that the future of the cooperatives will be stable, it is unclear whether their hopes accurately reflect the strategic and logistical challenges that must be dealt with in order to engender self-reliance in the eventual situation when support from the IKEA Foundation, UNHCR, and the IP is reduced.

i. Infrastructure

Prosopis processing facilities have been developed using IKEA Foundation money in each of the five cooperative sites. In theory, these provide a working basis for carrying out the intended livelihoods activities. In practice, there have been many operational challenges that inhibit full realisation of the livelihoods objectives. The processing centres satisfy protection needs for cooperative members, which is universally regarded as being invaluable for the women members and their children who they bring to the site.

What has been built and installed? Each of the five cooperatives operates from an enclosed facility in the camps where prosopis is delivered, processed, and sold. The centres each have an open-air shaded shelter and a building for carrying out activities. In the shelter are machines and hand tools that have been provided to process the prosopis branches – to strip the bark, cut the wood, and grind up the results so they can be transformed into a mixture to make charcoal briquettes. Four of the cooperatives have their own diesel-run generators while one (Buramino), shares a generator with a nearby UNHCR office.[316]

Has the infrastructure facilitated the project's intended objectives? This infrastructure has the capacity to facilitate the livelihoods objectives of the intervention. However, in the absence of functioning mechanical equipment, the scope of activities that members can participate in is limited. Repairs to the machinery and replacement parts have been arranged for and were scheduled to be undertaken during the course of the evaluation fieldwork phase, however, it is not yet clear whether these efforts can be considered successful.[317] Without functioning equipment, and with inconsistency in the supply of the wood, members are dependent on the sale of wood just stripped of its bark, which earns them a pittance, according to Wa-PYDO staff.[318]

The gated facilities and the structures are widely considered to be a safe haven that facilitates protection outcomes and sociability among the cooperative members.[319] As discussed in the outcomes section below, women benefit from working in an enclosed space that is within easy walking distance of their homes, which also allows them ready access to drinking water and space for food-preparation, all whilst their young children are within sight and can be taken care of.[320]

Image 45: Somali refugee and Ethiopian cooperative members manipulate pieces of prosopis byproduct to make charcoal briquettes. © UNHCR/Eduardo Soteras Jalil, 2019

[316] Interview with Wa-PYDO staff member, Melkadida, 24 September 2019
[317] Ibid.
[318] Interview with Wa-PYDO staff member, Kobe, 22 October 2019
[319] FGDs with prosopis firewood cooperative members, Melkadida, 25 September 2019, Buramino, 24 October 2019
[320] Ibid.

ii. Membership

While the firewood cooperatives have recruited a significant number of refugee women to participate in prosopis-processing activities, a sizable proportion of them have left the groups due to inactivity of the cooperative. Those who remain have saved or are making enough money to sustain themselves in the hope that continued payment of cooperative membership fees will yield dividends when activity picks up in the future.[321]

Members: Has the target number of beneficiaries joined the cooperative? Each of the five prosopis cooperatives registered approximately 70 to 80 individuals at the outset, as shown in Table 20.

Table 20: Prosopis firewood cooperaitve members, by migration status and sex

Location	Refugees		Hosts		Total
	Male	Female	Male	Female	
Bokolmanyo	51	19	4	0	**74**
Melkadida	20	50	0	0	**70**
Kobe	20	50	0	0	**70**
Hilaweyn	5	55	2	8	**70**
Buramino	10	63	4	3	**80**
Total	**106**	**237**	**10**	**11**	**364**

Selection criteria: Do participating members meet the selection criteria? Cooperative members were selected based on a set of low-barrier criteria. Individuals were identified primarily based on their livelihoods strategy prior to joining the cooperative. The IP prioritised refugees who were selling 'conventional' (non-prosopis) firewood in their respective camps. Most of these individuals were women. Part of the IP's rationale was to absorb as many active firewood sellers as possible in order to prevent the continued sale of 'illegal' firewood – and thus to decrease rates of deforestation of native woodland in the surrounding areas. No additional skills were necessary for membership. However, all candidates needed to agree to the cooperative's byelaws and make financial contributions at the outset and on an ongoing basis in order to maintain membership.[322]

Attractiveness of membership: Are people interested in joining and remaining in the cooperatives? Compared to the membership numbers provided by the IP and reported in Table 20, the active membership has decreased significantly in the past three to six months, in particular. It is estimated that 15 to 30 members in each of the cooperatives have ceased participation in the organisations' activities due to diminished income-earning possibilities as a result of the problems with the availability of prosopis and non-functioning machinery (discussed in greater detail below).[323]

While the IP intends to continue recruiting any additional firewood sellers that operate in the refugee markets, there are few individuals that have been brought into the cooperatives across all of the camps, in part due to the fact that there are not many refugee women still doing this. In Melkadida, for instance, a group of refugee firewood sellers who did not belong to the cooperative estimated there were only 10 to 15 women who were engaged in the same work, some of whom were said to have previously belonged to the cooperative.[324]

iii. Organisational structure and sustainability

On the whole, the prosopis firewood cooperatives are resource-intensive and have underdeveloped and unreliable strategies for procuring and processing the inputs they need.[325] While there are some variations – Buramino, the oldest cooperative, is the most successful, and Bokolmanyo is the least successful – none of the cooperatives evidence capacity for self-reliance at present.[326] All are heavily reliant on the continued injection of resources and support from Wa-PYDO.[327] While Wa-PYDO has a vision for decreasing reliance in the future, few stakeholders have confidence that the business model shows promise of success and self-sustainability at this time.

[321] FGD with prosopis firewood cooperative members, Melkadida, 25 September 2019
[322] Interview with Wa-PYDO staff member, Melkadida, 24 September 2019
[323] Ibid.
[324] Ibid.
[325] FGD with prosopis firewood cooperative members, Buramino, 24 October 2019
[326] Interview with government official, Dollo Ado camps, 29 October 2019
[327] FGDs with prosopis firewood cooperative members, Melkadida, 25 September 2019, Bokolmanyo, 23 October 2019, Buramino, 24 October 2019

Cooperative structures: Are cooperatives registered? At the time of evaluation, only two of the five prosopis cooperatives were registered – one in each of the two *woredas* in which the cooperatives are based. These two cooperatives (Buramino (in Dollo Ado *woreda*) and Bokolmanyo (in Bokolmanyo *woreda*)) are the pilot schemes in either *woreda*. The remaining three cooperatives are currently functioning under the licences from these two registered cooperatives, with plans to register the next cooperatives independently in 2020.[328]

Staffing and leadership: Have executive and administrative roles been developed to manage strategic decision-making for the project? Each cooperative has a leadership structure in place to manage organisational affairs. In interviews, members indicate that they are well versed in the relevant business and technical practices. They also tend to indicate that Wa-PYDO maintains oversight and development of the strategic plan, and manages the distribution of resources.[329] As such, the cooperatives have limited ownership over the future of the cooperatives. The exception to this is Buramino, where the organisational structure and development are slightly more mature. Even here, however, the cooperative has limited control over its future agenda.

Training: Have individuals received relevant technical and business training? Members received training upon joining. Training sessions provided instruction for managing the machinery and carrying out additional prosopis processing activity. Additional technical training was scheduled during the course of the evaluation to provide updated guidance for using newly installed machinery, in order to prepare for increased automated production of the charcoal briquettes.[330]

On the whole, the prosopis firewood cooperatives are resource-intensive and have underdeveloped and unreliable strategies for procuring and processing the inputs they need.

Reliance on handouts: Are cooperatives purchasing their own inputs and paying for services? All five cooperatives are heavily dependent on IKEA Foundation-funded inputs that are distributed by Wa-PYDO. While the core infrastructure has been built and is well maintained, additional inputs that can be transformed into marketable products pose a difficulty for the cooperatives.

In particular, the reliance on the core input – prosopis wood – poses many challenges. The first issue has to do with the regulations surrounding *Prosopis juliflora* trees; it can only be harvested in specifically identified regions along the Ganale River. However, refugees cannot typically do this work themselves due to restrictions on their movement and political dynamics that effectively limit harvesting activities to members of the host community.[331] Secondly, the distance that the wood needs to be transported means that there is a significant cost associated with hiring a vehicle or a donkey cart, which has limited carrying capacity. Considering the low levels of savings of the cooperatives themselves, UNHCR has continued to underwrite delivery costs.[332] Thirdly, the Dollo Ado Master Plan for Development which has recently been established has led to increased demand for prosopis wood for building in Dollo Ado town. According to Wa-PYDO staff, this has led to significant price rises from one to two ETB ($0.03–.06) per branch to up to 50 ETB ($1.55) per branch, leading to the cooperatives being unable to afford regular scheduling of already-expensive deliveries.[333] All considered, the prosopis cooperatives are far from being financially independent.

Image 46: 'Conventional' firewood has been collected in the bush and transported back to the camp by donkey cart for sale in the market. © RSC/Raphael Bradenbrink, 2019

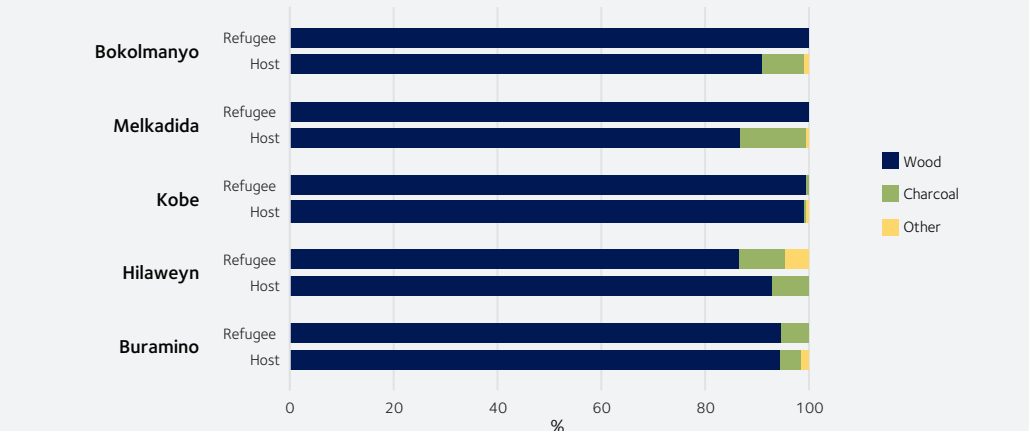
Strategic planning: Have value chain analyses been conducted? Have market linkages been developed? The perspectives shared by various stakeholders suggest that the environmental objectives of the cooperative (that is, decreasing deforestation of native woodland and increasing eradication of the invasive *Prosopis juliflora*) were the foundation of the business model, and that there was not a simultaneously developed market-driven value chain analysis in place.[334] As mentioned,

[328] Interview with Wa-PYDO staff member, Melkadida, 24 September 2019
[329] FGDs with prosopis firewood cooperative members Kobe, 21 October 2019, Bokolmanyo, 23 October 2019
[330] Interview with UNHCR staff member, Melkadida, 18 June 2019
[331] Interview with Wa-PYDO staff member, Melkadida, 24 September 2019
[332] Ibid.; FGD with prosopis firewood cooperative members, Buramino, 24 October 2019
[333] Interview with Wa-PYDO staff member, Melkadida, 24 September 2019
[334] Interview with UNHCR staff member, Geneva, 25 July 2019; Interview with Wa-PYDO staff member, Melkadida, 24 September 2019; Interview with government official, Dollo Ado camps, 29 October 2019

the supply chain is fragile and has been repeatedly disrupted; no stakeholders indicated a clear and reliable plan for developing this for the future.

On the consumer-side of the business model, the demand for prosopis wood is complicated due to product competition with other 'conventional' woods, which dominate the market.[335] The market demand for prosopis products varies in each camp. An estimated 95% of refugees use firewood as their main fuel for cooking, charcoal constituting the remaining 5% (Figure 29).[336] There have not been any studies on the market share that prosopis wood has captured since the founding of the cooperatives. Wa-PYDO hopes to increase the share of consumer purchases in the future.[337] It is not clear how feasible it will be to achieve this goal.

Figure 29: Types of fuel used for cooking among refugees and host community[338]



One prevailing reason for scepticism on this issue is that refugee consumers do not express a particular desire for the product. For instance, refugees in Bokolmanyo are said to prefer purchasing acacia wood, which is still in abundance at the perimeter of the camp, and which also burns for a significantly longer period of time.[339] While the abundant sources of non-prosopis wood in Bokolmanyo are an exception, refugees in the other four camps where the sources of wood are severely depleted in the surrounding areas are also said to prefer wood sourced from supply chains managed by the host community.[340]

It is suggested that possible dissatisfaction with raw prosopis firewood can be disrupted by the development of value-added prosopis charcoal briquettes, which burn at a high temperature and for a relatively long period of time.[341] However, uptake of the charcoal briquette stoves and the briquettes themselves has been low. This is explained as being due to the size of the cookstove, which is too small for the average Somali household (which tends to be large), the cost of the briquettes, and lack of awareness of the product.[342]

iv. Project support

Development of the prosopis firewood cooperatives is inhibited by a lack of collaborative and constructive support from UNHCR and government actors on the one hand, and heavily involved but circumscribed efforts from the IP on the other. Disunity in stakeholder support and asymmetrical contribution to activities is compounded by structural challenges that hamper development of the prosopis supply chain.

UNHCR capacity: Have UNHCR staff had technical and programmatic capacity to carry out the work? Are there enough support staff available? The prosopis cooperative is overseen directly by the UNHCR Technical Unit, which has designed the technical environmental strategy and has pioneered the associated cookstove initiative. The Technical Unit is supported by the UNHCR Livelihood Unit, which provides overall business development input. Despite the fact that some of the intervention's objectives relate to energy production and use, the UNHCR Energy Unit is

[335] Interview with Wa-PYDO staff member, Melkadida, 24 September 2019
[336] Priya Behrens-Shah et al, "Cooking Fuel Supply Options for Melkadida Camp Settings, Ethiopia" (UNHCR and Integration, Environment & Energy, 2018).
[337] Interview with Wa-PYDO staff member, Melkadida, 24 September 2019
[338] Betts et al, "Refugee Economies in Dollo Ado."
[339] Interview with government official, Dollo Ado camps, 29 October 2019; FGD with non-cooperative firewood sellers, Bokolmanyo, 1 November 2019
[340] Interview with government official, Dollo Ado camps, 29 October 2019
[341] Interview with UNHCR staff member, Melkadida, 15 October 2019
[342] Interview with UNHCR staff member, Melkadida, 15 October 2019; Interviews with Wa-PYDO staff member, Melkadida, 24 September 2019, and Kobe, 22 October 2019

Image 47: A cooperative member stands in front of stocks of charcoal briquette made at the Buramino processing centre. © UNHCR/Eduardo Soteras Jalil, 2019

less involved in this collaboration. It is suggested that this sectorally cross-cutting intervention could be strengthened with a collaborative arrangement that benefits from each unit's respective expertise.[343]

IP capacity: Is the implementing partner doing its job, as specified in project partnership agreements? Wa-PYDO is understood to have a complex task in overseeing the development of the prosopis firewood cooperatives. They have been heavily involved in managing all aspects of the cooperative functions. Nevertheless, formidable challenges in the multiple components of the cooperative have stunted some business-related successes. Wa-PYDO itself conveys the immense challenges cooperatives face, and remains committed to seeing the project through to success.

Stakeholders have many questions about the prosopis cooperatives' accomplishments and express some uncertainty about future prospects, which are perhaps the strongest indication that Wa-PYDO have a significant amount of work to do to fulfil their primary objectives. The challenges embedded in this project deflect responsibility and thus attribution of blame for failures or slow progress on Wa-PYDO alone.

Government commitment: Have relevant government authorities committed to supporting the project? Government actors are said to not be engaged in the prosopis cooperative activities in substantive ways. Given the limited number of host community members in the cooperative, and that most business activities are situated in the refugee camps, ARRA is the primary government actor involved in the intervention. Involvement of local authorities, then, is not particularly remarkable, nor does it signify investment by other government stakeholders to assume responsibility for creating a conducive environment for future functioning of the cooperatives. Indeed, other government actors may limit the fulfilment of the project's mission because they do not adequately police the sale of illegal firewood in and around the camps, perhaps because it is a business activity primarily undertaken by and profiting host community members. While government authorities could contribute to the management of the firewood market, it instead goes unregulated, slowing the development of a potential market shift to prosopis firewood.

v. Project outcomes at individual and household levels

Protection outcomes have been the primary benefit associated with the prosopis cooperatives. All women cooperative interviewees stated that they prefer working at the processing centres rather than in the bush.[344] Protection benefits include reduced bodily pain associated with carrying wood long distances, not having to work long hours that start very early in the day, not encountering environmental hazards or risks of SGBV, having easy access to drinking water, and having access to a safe space to bring their children to work.[345]

From a financial perspective, however, benefits have been negligible. Members allegedly made enough money in the first few months of operations to help them save and make it through the

[343] Interview with UNHCR staff member, Melkadida, October 2019; Interview with government official, Dollo Ado camps, 29 October 2019
[344] FGDs with firewood cooperative members, Melkadida, 25 September 2019, Kobe, 21 October 2019, Bokolmanyo, 23 October 2019, Buramino, 24 October 2019
[345] Ibid.

periods of inactivity in recent months.[346] However the potential for income generation in the cooperative was very negatively affected by the fact that the majority of firewood cooperatives were inactive (at the time of the evaluation, particularly the cooperatives in Bokolmanyo, Melkadida, and Kobe). As a result, many members work in additional jobs or have gone back to collecting firewood from the bush as they did before. Regarding the risk of going to collect wood in the bush, a female cooperative member in Kobe reationalised:

> *"It is very difficult to go to the bush, but right now, that activity is better than the cooperative. There at least we can get some money. But there is a lot of danger, especially for us females, we are very vulnerable to things such as sexual attacks."*[347]

Protection outcomes include: reduced bodily pain, not having to work long hours, not encountering environmental hazards or risks of SGBV, having easy access to drinking water, and a safe space to bring their children to work.

Some cooperative members thus feel forced to take the very risks that the cooperative sought to prevent. While it was possible for cooperative members to make an income while the cooperatives were at peak functionality, people were also motivated to join for other reasons.

> *"Whenever we spent two nights in the bush outside the cooperative, we were getting more money. If we spent two nights, we would be able to sell the firewood that we brought for 50 ETB ($1.55), which is better than the cooperative. But we faced a lot of problems when going to the bush…those problems pushed me to join the cooperative, because I thought I could get enough money. But I didn't, so that pushed me to return to my previous activity to go to the bush and take risks to go to areas that are far away."*[348]

One firewood collector in Bokolmanyo who is not a cooperative member explained what it is like for regular firewood collectors:

> *"Whenever we get firewood, we walk one day and rest the next. So each month we go to the bush for 15 days. Whenever we go we get one load of firewood on our backs and we sell that for 30 ETB ($1 USD)…Other than the firewood we don't get any income…The firewood may stay in the market for 3 to 4 days without being sold…In the bush there is not enough firewood, we have to search hard for it…We get backaches…The people who are in the cooperative stay inside the camps but for us non-cooperative collectors, we have to go outside and walk long distances. It is tiring. The cooperative members get rest and they are better off than us."*[349]

Image 48: Men cut down prosopis trees outside the refugee camps near the border of Somalia.
© UNHCR/Eduardo Soteras Jalil, 2019

[346] FGD with prosopis firewood cooperative members, Melkadida, 25 September 2019
[347] FGD with prosopis firewood cooperative members, Kobe, 21 October 2019
[348] Ibid.
[349] FGD with non-cooperative refugee firewood collectors, Bokolmanyo, 1 November 2019

Another firewood collector in Melkadida who is not a member of the cooperative explained:

> *"No, we don't feel safe collecting firewood from the bush, because we are often threatened by the host community. There are more problems. One time my firewood was taken by a host community member by force, and I ran away from them so I wouldn't get any other problems."*[350]

vi. Project outcomes at public level

There are not many significant, discernible public-level outcomes attributable to the existence of the prosopis cooperative at this stage. The main success discussed by informants centres on the shifts in host-refugee relations in the form of decreased conflict associated with decreased competition for firewood and the diminished deforestation of the local environment. However, cooperative members also suggest that this has led to reinforced territorial dynamics surrounding firewood collection, with negative impacts on refugee women who collect firewood outside of the cooperatives.[351] In other words, host community members have reclaimed a stronger entitlement to harvesting firewood from the bush, and this has led some refugee women to express reservations about (re-)engaging in this activity.

Host-refugee relations have improved as a consequence of the reduced deforestation of the local environment.

Improvements in protection for women cooperative members could be read more broadly to have had potential impacts on community dynamics by way of diminished SGBV crimes and thus less interpersonal conflict, however, there is not enough evidence to draw this conclusion.

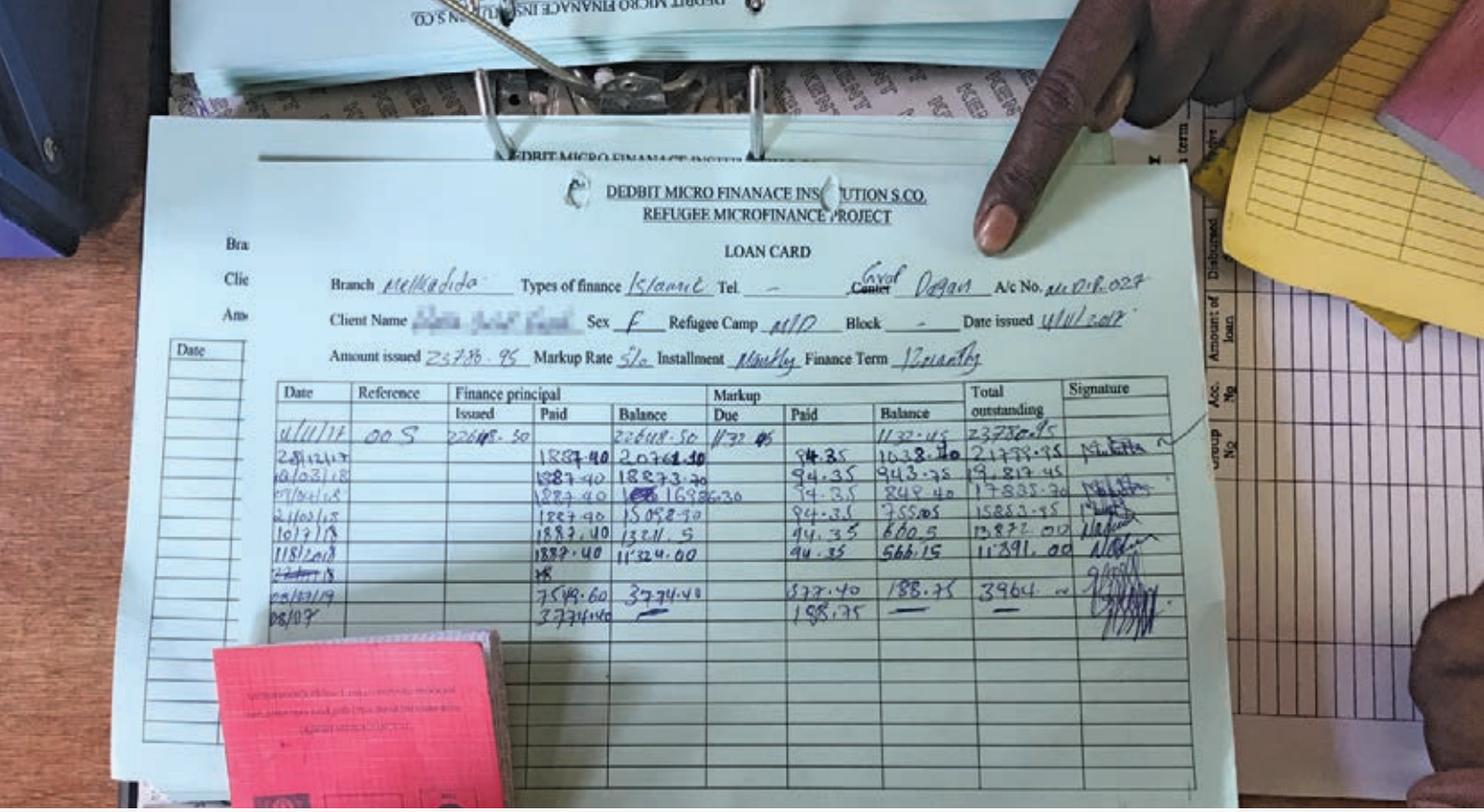
In terms of public health, there has been an intended improvement through the development of the charcoal briquette cookstove, which burns more cleanly than raw firewood and other combustible materials used in the camps. However, this element of the intervention has not been fully developed and so public health outcomes among the limited number of households that utilise the technology could only be commented on at this stage.

In terms of market development, it is suggested that there has been limited to no impact, based on the fact that regular firewood sales by the host community still tend to dominate the market.

Finally, although the environmental objective of the cooperative has been advanced, the spread of the prosopis tree is so extensive in the affected area that it is difficult to conclude that the initiative has had much of an impact at this point.

Image 49: Aerial view of a prosopis forest on the Ethiopia–Somalia border. © UNHCR/Eduardo Soteras Jalil, 2019

[350] Interview with non-cooperative, female refugee firewood collector, Melkadida, 25 September 2019
[351] FGD with prosopis firewood cooperative members, Melkadida, 25 September 2019



4. MICROFINANCE LOAN PROGRAMME

INTRODUCTION

In 2016, the IKEA Foundation and UNHCR operationalised an agreement to provide a rotating fund to a private microfinance institution (MFI), Dedebit Microfinance-Ethiopia, to give loans to refugees and host community members in the Dollo Ado camps and adjacent communities. The rotating fund is a keystone project in the IKEA Foundation interventions. It enables loan recipients unprecedented access to capital to help transform their skill sets and existing resources into financially profitable business enterprises. It is accessible to both cooperative groups as well as self-organised solidarity groups of non-cooperative members. Dedebit claims the arrangement is the first of its kind globally in a refugee camp context, and as such offers substantial lessons for efforts to develop financial inclusion programmes to advance the refugee self-reliance agenda envisioned by the IKEA Foundation.[352]

Dedebit Microfinance is run locally with ReST-CPDA as an implementing partner. It operates on a variation of Islamic banking principles, providing loans in the form of in-kind assets (e.g. business inputs) rather than cash, and charging limited, if any, mark-up or interest on their loans. The MFI has worked closely with UNHCR, ARRA, and other IPs operating in the camps to agree on a common 5% mark-up on all loans, and to ensure that all operational stakeholders extend capital to refugees in the form of loans (which must be repaid) rather than as grants (which do not require repayment). These central agreements advance a business-oriented approach to the model that is meant to ensure institutional sustainability, provision of loans to a large cohort of individuals, and capacity building and eventual self-reliance among recipient businesspeople.

ReST-CPDA are currently implementing Dedebit activities in all five camps. They have established robust record keeping systems, a complementary savings programme for loan recipients (and any others who want to open savings accounts with them), and a comprehensive set of procedures to select loan recipients and manage the portfolios. The staggered rollout of disbursing loans – first in Melkadida in December 2017, next in Bokolmanyo, Hilaweyn, and Kobe in July-August 2018, and in Buramino in February 2019 – has facilitated many lessons being learned, as evidenced by the continuous adaptations they have made to their operating model. By the end of their five-year partnership with UNHCR, Dedebit plans to be established enough to continue operations without additional financial investment from the IKEA Foundation.

[352] While Dedebit's work in Dollo Ado has been appropriate for the context – given the absence of existing, well-resourced financial service providers (FSPs) that would be willing to extend access to refugees – UNHCR Financial Inclusion staff at Geneva headquarters caution against wholesale embrace of rotating loan schemes. They suggest that where possible, "UNHCR should instead…work with [established] FSPs by providing them refugees' socio-economic data and logistical support. UNHCR's role is also to identify development financial institutions (i.e. FSDA, UNCDF, IFC, FMO [etc.]) that could support these efforts by providing blended finance interventions (i.e. grants for market assessments, testing digital products, and to cover operations costs and de-risking mechanisms such as guarantees or funding opportunities for FSPs)." (Written correspondence with UNHCR staff member, Geneva, 3 February 2020.)

PROJECT EVALUATION

Overall assessment

The microfinance initiative is a pioneering project that is still in the early stages of developing and managing loans in a complex environment. ReST-CPDA have demonstrated awareness of the challenges accompanying distribution of loans to refugees who are accustomed to receiving aid without condition, and have adapted a business approach that increases recipients' likelihood of success. While there are differences in progress across the five camps, and indeed, amongst loan recipients (particularly between refugees and those from the host community), measures are in place to support the most and the least successful individuals. Many loan recipients report difficulties in repaying their loans. However, a majority of those who were consulted said their businesses have improved since receiving capital and that they are now in better positions to fully repay their loans. A cohort of individuals that have 'graduated' from their first loan are now receiving a second, larger loan, and ReST-CPDA are focusing efforts on helping others graduate to this stage. The strategic decisions being made at the client-facing level are paired with institutional, consortium-based actions to create a coherent action plan for the future of microfinance in the Dollo Ado region.

A majority of loan recipients said their businesses have improved since receiving capital and that they are now in better positions to fully repay their loans.

i. IKEA Foundation investments

IKEA Foundation supports the microfinance programme through provision of a 13.2 million ETB ($408,670 USD) rotating fund – 7.6 million ETB ($235,295) of which is disbursed as loans to refugees, and 5.6 million ETB ($173,375) to hosts.[353] These funds also cover ReST-CPDA's operating expenses for a five-year period.[354] As ReST-CPDA already have a presence in the camps, and because the loans do not rely on much physical infrastructure development, IKEA Foundation funds have not directly gone toward building or installing assets, as has been the case for most of the other livelihood interventions. ReST-CPDA have a pre-existing head office in Melkadida and branch offices that are managed by loan officers in each of the camps and have used some funds for office supplies and filing systems to enable business operations in these facilities, for example. The budget line for operating expenses has been sufficient for carrying out their activities.[355]

ii. Intervention recipients

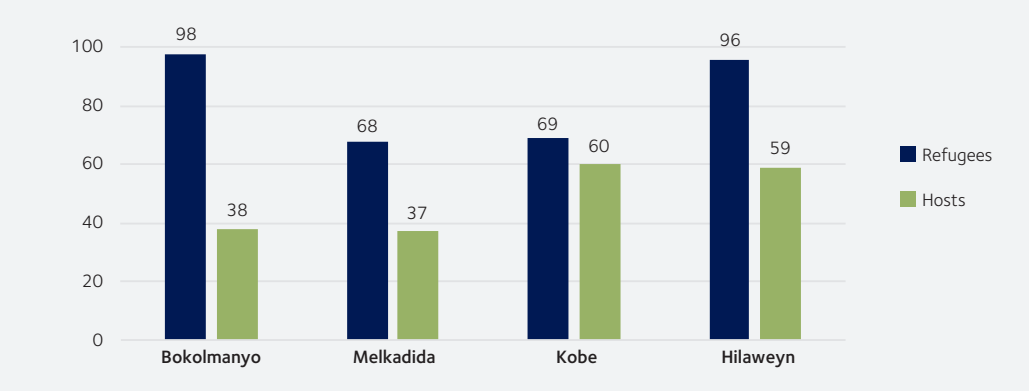
The MFI has established a clear set of selection criteria to qualify for a loan, and the IP, UNHCR, ARRA, and other stakeholders have provided support in selecting eligible candidates from a large pool of applicants. The programme is very attractive to refugees, and while there have been some challenges with repayment and concerns about the MFI's mark-up rate, there is nevertheless an overwhelming expression of continued interest to become a first-time loan recipient, or to pay off one's existing loan in order to receive another, larger loan.

Image 50: A Somali woman who receives financial assistance from Dedebit holds her savings book.
© UNHCR/Helle Degn, 2019

Recipients: Have the target number of individuals received loans? ReST-CPDA are currently operational in all five camps. Four of the camps are fully operational, with Buramino being slightly behind schedule as they await approval for loan distribution from camp administration.[356] All camps have a target of distributing loans to 100 recipients among both refugees and hosts. In the four fully active camps, these numbers have been exceeded. As discussed below, the large number of applicants with necessary qualifications or the ability to demonstrate the potential to meet them, encouraged the IP to distribute more loans to enable more opportunities for those wanting to develop existing or new businesses. A higher proportion of loans are disbursed to refugees, as shown in the breakdown of loan recipients per camp in Figure 30.[357]

[353] Interview with UNHCR staff member, Melkadida, 18 June 2019
[354] Interview with ReST-CPDA staff member, Melkadida, 25 June 2019
[355] Ibid.
[356] Note that 25 refugees have been approved to receive loans in Buramino, but full-scale roll-out – to overall target numbers for refugees in the camp, and host community members – were not achieved at the time of the evaluation.
[357] Interview with ReST-CPDA staff member, Melkadida, 14 October 2019

Figure 30: Number of MFI loan recipients by camp, 2017–2018[359]



Selection criteria: Do loan recipients reflect the target demographics established by stakeholders, and the criteria established for selection? Is the process considered clear, transparent, and fair?

The IP has a detailed manual explaining the selection criteria that Dedebit Microfinance apply in their operations across Ethiopia, and that have been adopted and adapted for the Dollo Ado camps. There were a reported 300-600 applications for business loans in each camp (i.e., at least 1,500 applications, overall), a larger proportion of which come from host community members. Applicants are joined together in small self-constructed 'solidarity groups' of less than ten members and submit a summary business idea with identifying details for all applicants.[360] With help from UNHCR and ARRA, ReST-CPDA whittle down the refugee candidates against a set of 12 criteria, with most weight placed on individuals' regular residence in the camps, the cultural and social appropriateness of the business idea within the Somali context, and the willingness to work within solidarity groups and in accordance with Dedebit Microfinance's policies and procedures.[361] Among those that passed this stage, the applicants who already ran businesses were then individually assessed. All applicants who were deemed qualified were invited to a business plan writing workshop, which helped ReST-CPDA determine the business-potential of the proposals.[362]

The thorough vetting procedures in place allowed ReST-CPDA to assess applicants against set criteria, establishing a sense of transparency, clarity, and fairness in the selection process. Loan recipients have gone on to develop the types of business displayed in Table 21, all of which align with sectors that Dedebit supports.

Table 21: Types of business pursuits, by migration status of loan recipients, 2017–2018[363]

Type of business	Refugee	Host
Shop	217	128
Animal trade	70	27
Boutique	16	14
Restaurant	9	5
Carpenter	9	0
Butchery	3	3
Bakery	3	0
Cafeteria	1	1
Cereal crop	1	1
Electricity	1	12
Fuel station	1	1
Construction	0	2
Total	**331**	**194**

[359] Ibid.
[360] Interview with ReST-CPDA staff member, Melkadida, 25 June 2019
[361] Interview with ReST-CPDA staff member, Melkadida, 14 October 2019
[362] Ibid.
[363] UNHCR Melkadida Portal, "Microfinance."

Attractiveness of becoming a loan recipient: Are people interested in receiving loans and do they have plans to take out subsequent loans? It is unsurprising that in a setting where refugees have limited access to finance there has been a substantial number of applicants across all camps. Betts et al. find that 17.3% of refugees and 10.8% of the host population surveyed in the Dollo Ado region would turn to a formal banking institution in order to start or expand a business or request a large sum of money.[364] Indeed, at the end of 2018, 11.3% of refugees and 2.4% of host community members had received a loan from a bank, private lender, or microfinance institution (including Dedebit).[365] It follows that the demand for MFI loans significantly outpaces the comparatively modest target figures set by the IP.

Image 51: Refugee loan recipients and MFI staff stand outside the main Dedebit office in Melkadida.
© UNHCR/Georgina Goodwin

ReST-CPDA have had difficulty getting loan recipients to adhere to the established repayment protocols. Nevertheless, recipients convey that they are willing and working to fulfil the terms, and many are motivated by the desire to graduate onto receiving a second, larger loan. One loan recipient reflects: "The members of my group have all paid their loans. My advice is for others to repay so they can proceed with the next level of loan. The more they do this, the quicker their businesses and profits will grow."[366]

While the overall repayment rate has been low so far, the IP did not report incidents of individuals outright defaulting on loans in this first cycle. This is largely explained by the fact that the IP extended loan repayment periods for refugees from 12 months up to 18-24 months, depending on the case.[367] Therefore, repayment rates will need to be continually monitored through to the end of the loan periods to make a better assessment of whether or not ReST-CPDA is able to recover funds that have already been disbursed.

While a number of the recipients who were interviewed expressed reservations about the 5% mark-up applied to the loans,[368] there is nevertheless a significant cohort of recipients of loans who either have applied or are likely to reapply for additional loans once their first one is paid off. Additionally, there are a number of non-beneficiaries who express interest in receiving loans from the MFI, particularly as they see current beneficiaries successfully developing businesses. In brief, there is every indication that refugee and host community members will continue to approach and participate in Dedebit's loan scheme.

iii. Project structure and sustainability

The MFI has a strategy for developing a sustainable operation in the long term so that when support from the IKEA Foundation ends, they can continue offering loan and savings services. While it is too early to judge whether their efforts will be successful, their current staffing structure, efforts to support recipients through training and extended repayment schedules, and collaboration with other (I)NGOs in the camps show promise for eventual independence.

Staff and leadership: Is there a clearly developed and functioning team that manages the project? At the organisational level, the ReST-CPDA staff structure is lean and effective. It is staffed by a local microfinance manager who has a long history of working in the camps, a central accountant who is supported by a cashier, and loan officers based in each of the camps. While ReST-CPDA do not have funding to hire additional full-time staff, they have been able to increase capacity at particularly busy times through casual employment of community outreach coordinators whose labour is needed primarily on loan collection days each month.[369]

Training: Have loan recipients received relevant technical and business training? It is beyond the remit of the MFI to provide technical training for individuals that receive loans. Their thorough vetting procedures for selecting recipients mean that a majority should have, or are likely to be capable of developing, business know-how: many will have received their first loan

[364] Betts et al, "Refugee Economies in Dollo Ado."
[365] Ibid.
[366] FGD with MFI loan recipients, Melkadida, 25 June 2019
[367] Interview with ReST-CPDA staff member, Melkadida, 15 October 2019
[368] FGD with MFI loan recipients, Hilaweyn, 4 November 2019
[369] Interview with ReST-CPDA staff member, Melkadida, 1 November 2019

to expand an existing business, as an opportunity to put previous TVET training into practice, or as part of a cooperative group that is expected to have received training elsewhere.[370]

The most critical area in which ReST-CPDA have intervened is in sensitising recipients of loans to the ways that the MFI functions. This is particularly important with regard to clarifying the distinction between loans and grants, establishing firm expectations around the loan repayment schedule, and clarifying the procurement process and rationale for the mark-up for the in-kind assets that the IP facilitates. They also provide financial literacy training, focusing in particular on teaching recipients how to use their savings accounts productively.[371]

Reliance on handouts: Is the MFI self-sustaining? The ReST-CPDA model is meant to be self-sustaining by the time the five-year grant period from the IKEA Foundation is finished. While a staff member claims that "Our aim is not to run a business, but to increase the living standards and resilience of the refugees,"[372] they are nevertheless designing a strategy to make sure they can create revenue so that they can run independent of IKEA Foundation support in Year 6. Strategically, they are saving the funds charged from the 5% mark-up in order that they can cover their operating costs from Year 6 onward. They are currently just over halfway through the five-year start-up phase and have saved enough funds to cover approximately 20% of their operating costs for Year 6; they expect this percentage to increase exponentially in the years to come as their loan programmes become more robust and generate more profit.[373]

The MFI has a strategy for developing a sustainable operation in the long term so that when support from the IKEA Foundation ends, they can continue offering loan and savings services.

Another way in which Dedebit plan to establish financial independence is by sourcing seed funding from other organisations. They already have working partnerships with Save, NRC, IRC, and IMC; these INGOs have project budgets to provide financial support to refugees, and they have designated ReST-CPDA to manage the development of new loan portfolios for refugees. ReST-CPDA receive a portion of these funds to cover their own operating costs. In addition to growing and expanding such relationships, ReST-CPDA also speculate that they may be able to get support from Dedebit's central operation in Ethiopia, which is an established and well-resourced entity based in the Highlands. Whilst they do not have concrete strategy documents developed, stakeholders generally expressed a degree of comfort and confidence with the future direction of Dedebit in the Dollo Ado region.[374]

Strategic planning: Have loan repayment plans been developed? Are plans for second-round loan distribution in place? The biggest threat to Dedebit's operations in the Dollo Ado area is loan recipients defaulting on their loans. A large fraction of loan recipients across all MFI sites are behind schedule on paying back the principle. However, as figures change on a monthly basis, and because ReST-CPDA have adjusted the repayment period, there are no straightforward calculations for the proportion of loan recipients that risk failing to repay. An IP staff member observes that refugee recipients carry significantly more risk than host community loan recipients. The superior performance of host community individuals is explained as being attributable to having greater personal assets at the beginning of loan periods, and being held accountable for repayment by government authorities in a way that refugees are not.[375]

ReST-Dedebit have developed a number of strategies to improve refugee repayment rates; they claim that there are already improvements resulting from such efforts.[376] The most consequential action they have taken is to hire community outreach coordinators in each of the camps to work several days per month. These individuals support loan recipients on a one-to-one basis, alerting them about payments coming due, relaying information from ReST-CPDA, and filling gaps in recipients' knowledge about MFI processes, procedures, and expectations. They help to manage the loan tracking and savings cards, and can confirm individuals' comprehension and retention of skills from the financial literacy training.[377]

[370] Interview with ReST-CPDA staff member, Melkadida, 14 October 2019
[371] Interview with ReST-CPDA staff member, Melkadida, 15 October 2019
[372] Interview with ReST-CPDA staff member, Melkadida, 1 November 2019
[373] Ibid.
[374] Ibid.; Interview with UNHCR staff member, Melkadida, 18 June 2019; Interview with government official, Dollo Ado Camps, 29 October 2019
[375] Interview with ReST-CPDA staff member, Bokolmanyo, 30 October 2019
[376] Interview with ReST-CPDA staff member, Melkadida, 14 October 2019
[377] Ibid.

These strategic actions are part of the longer-term plan to capacitate recipients to take out a second-round loan of a higher value (approximately 50,000 ETB ($1,550) per person). This intention has materialised in Melkadida where 16 individuals have graduated onto a second-round loan. Others are in the pipeline to join them.[378]

iv. Loan recipient support (i.e. material and technical inputs provided by UNHCR, IPs and government)

UNHCR capacity: Have UNHCR staff had technical and programmatic capacity to carry out the work? Are there enough support staff available? Given the IP's relative degree of autonomy, there is no clear need for additional technical support from UNHCR. UNHCR does not have dedicated financial inclusion staff in the Melkadida Sub-Office, so the Livelihoods Officer has managed the working relationship with Dedebit and ReST-CPDA. The Livelihoods Officer has also entered into conversation with other private banking services to increase refugees' access to financial institutions, and has participated in higher-level conversations to create a camp-wide strategy to harmonise (I)NGO's approaches to offering financial assistance to refugees, moving away from unconditional cash grants to the loan schemes developed by Dedebit. Where UNHCR has been particularly helpful is in the Registration Unit's support with the selection process, identifying applicants in their database to determine candidate's residence status within the camps, and in turn, their eligibility to participate in the loan programme. UNHCR's involvement in the microfinance intervention has been helpful for improving trust in the whole loan scheme, according to the ReST-CPDA staff in Bokolmanyo.[379]

IP capacity: Are implementing partners doing their jobs, as specified in project partnership agreements? As discussed, ReST-CPDA is considered to be developing promising capacity to manage the programme independently, largely due to the learning culture embedded in their organisation. They have confronted formidable challenges in introducing a new financial system to the communities. Loan recipients generally reflect positively on their relationship with ReST-CPDA, and the opportunities they have been afforded. Their reservations usually relate to the structures of the operation, for example, saying that they would prefer to receive money as a grant instead of a loan, that the 5% mark-up rate is too high and not necessarily in line with their interpretation of Islamic banking practice, and displeasure with the lack of diversity and high prices of in-kind goods that ReST-CPDA procure on their behalf.[380] One recipient in Kobe reflects that when he provided a list of ten items he requested for his shop, ReST-CPDA were only able to secure a small selection of the items requested. He feels that this makes the IP less competitive than they could be.[381]

Government commitment: Have relevant government authorities committed to supporting the project? The microfinance initiative is a private sector endeavour at its core. Therefore, government actors are not heavily involved in the intervention. Apart from ARRA, local authorities are the most involved government actors, playing a role in guaranteeing repayment from host community loan recipients, over whom they have legal jurisdiction.

v. Project outcomes at individual and household levels

Overall, loan recipients reported mostly positive outcomes. Loan recipients reported that loans had helped them expand their businesses, diversify their offerings, and increase the quantity of their stock. Several of the refugee loan recipients interviewed had not paid back their loans yet and had received extensions on their repayment plans from ReST-CPDA. Most of them reported that this was due to volatility of product prices due to seasonal and environmental changes, which affected the limited profitability of their businesses.[382]

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[378] Ibid.

[379] Interview with ReST-CPDA staff member, Bokolmanyo, 30 October 2019

[380] Interviews with MFI loan recipients, Melkadida (refugee), 25 June 2019, Melkadida (refugee), 1 November 2019, Kobe (host), 4 November 2019; FGD with MFI loan recipients, Bokolmanyo, 28 October 2019

[381] Interview with host MFI loan recipient, Kobe, 4 November 2019

[382] Interviews with MFI loan recipients, Melkadida (refugee), 25 June 2019, Melkadida (refugee), 1 November 2019, Kobe (host), 4 November 2019; FGD with MFI loan recipients, Bokolmanyo, 28 October 2019

Income generation: Has receipt of loans increased individuals' incomes? Almost all loan recipients said that their incomes have increased as a result of having received a loan.[383] However, it is not always to the expected levels, often due to unexpected market fluctuations. A loan recipient in Hilaweyn said:

> *"When we first received the loan, we had the assumption that the loan would help us generate profits. But I lost money at first because I had to sell goods for less than the value they were purchased for. This was because products were bought [by the IP] in USD, and the exchange rate wasn't good. It has taken me eight months to recover from these losses. At the moment I am not saving anything, and I make around 3,000 ETB income per month [$93]."*[384]

Image 52: A refugee loan recipient has expanded his furniture workshop, employing Somalis and Ethiopians.
© UNHCR/Ariadne Kypriadi, 2019

At the time of the evaluation, this recipient's income was 1,000 ETB ($31) higher than it had been before she had received the loan. Other beneficiaries in Hilaweyn reported similar increases in income of between 1,000 and 2,000 ETB ($31-62). All of the beneficiaries in Hilaweyn used the loan to either expand or diversify a previously existing business. They were supposed to pay back between 1,700 and 3,000 ETB ($53-93) per month, depending on the size of their loan.[385]

Similar levels of income were reported by MFI beneficiaries working in the new market in Bokolmanyo (earning 80-100 ETB ($2.50–3.10) per day). Among these interviewees, most reported that they had paid back the loan but occasionally had to sell part of their food rations to be able to do so.[386] Nevertheless, they all agreed that their current situation was better and their income much more stable than prior to receiving the loan, when a majority were working as vegetable sellers and had volatile incomes.[387]

Loan recipients reported that loans had helped them expand their businesses, diversify their offerings, and increase the quantity of their stock.

There are some examples of loan recipients who have used their loans to introduce new business practices to the camps. One Somali entrepreneur in Melkadida explained how he used the loan to buy a generator and create a business.

> *"I took a loan from ReST-CPDA for 22,500 ETB ($700) last year [2018] and received the loan in-kind as one diesel generator. It's a very large generator. I used it to create my own workshop with a saw and machines that need electricity. I also linked the generator to different households that use it to power refrigerators and lamps, and to a garage that uses it for welding…Before I received the loan, I did not have a regular income; I worked as a daily labourer when I could."*[388]

This venture provides him with an income of up to 15,000 ETB ($465) a month, from which he repays the loan at a rate of about 1,900 ETB ($59) a month.[389]

Overall, the loans have had a positive impact on recipients' incomes in the short term, however, for many recipients, this seems to be partly due to the lenient repayment period that the IP has made accommodation for.

[383] Ibid.
[384] FGD with MFI loan recipients, Hilaweyn, 4 November 2019
[385] Ibid.
[386] FGD with MFI loan recipients, Bokolmanyo, 28 October 2019
[387] Ibid.
[388] Interview with MFI loan recipient, Melkadida, 1 November 2019
[389] Ibid.

Expenditures and consumption: How has taking the loan affected household assets, savings, and spending? As a result of the increased incomes associated with receiving a loan, many of the recipients interviewed also reported improvements in their living standards. A recipient in Bokolmanyo reported improved food security: "We have an income now. My children know that they will be able to eat and will not miss meals. It has changed my family's lives a lot." Other recipients in the camp reported they were also able to afford small luxury items such as cosmetics and jewellery, and could help out their relatives and friends by buying them material items or lending them money. A woman who had received a loan in Hilaweyn shared that she was able to afford better clothes for her child and no longer had to buy food on credit.[390]

In terms of educational outcomes, the loan has helped many parents pay for private school tuition, particularly for English classes for their children, which they were not able to afford previously.[391]

Less-tangible outcomes: How has membership affected less-tangible, non-financial outcomes at the individual level? E.g. protection, self-esteem, aspirations, etc. Many loan recipients reported enhanced aspirations for themselves and their families. Beneficiaries that performed well with loan repayment expressed a willingness to take up another loan to further expand their business. One beneficiary explained his experience:

> *"I was a businessman in Somalia but wasn't able to start up again until this loan became available. I have been able to pay school fees for private school for English and maths. I've already paid [back] my first cycle loan. I want more loans to expand my business – to broaden my portfolio and become a rich man."*[392]

His experience shows that the loan does not only help improve incomes and living standards, but also leads to new aspirations for the future and increased confidence, both for the beneficiary and his family.

vi. Project outcomes at public level

The MFI loan programme supports market development by encouraging entrepreneurs to expand and diversify their businesses, thus creating potential for increased future investment. It also encourages increased interaction between host and refugee communities by helping build relationships between refugee entrepreneurs and host clients, and vice versa. This is particularly true in settings where host and refugee communities live close to one another, as in Melkadida. Also of interest regarding social outcomes, the evaluation team spoke to two recipients from the host community who established shops in Kobe refugee camp, which served both as an opportunity to develop their businesses and social interconnectedness.[393]

[390] FGD with MFI loan recipients, Hilaweyn, 4 November 2019
[391] FGD with MFI loan recipients, Melkadida, 25 June 2019
[392] Ibid.
[393] Interviews with host community MFI loan recipients, Kobe, 5 November 2019

5. TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING

INTRODUCTION

From 2013 to 2015, the IKEA Foundation funded a Technical and Vocational Education and Training (TVET) programme that was implemented under the name Youth Education Pack (YEP) by the Norwegian Refugee Council (NRC). YEP was envisaged as a stepping stone to provide beneficiaries with the knowledge necessary to become self-reliant business owners and employees. YEP was rolled out in Hilaweyn, Kobe, and Melkadida. In its time, the programme was a new and unique collaboration with UNHCR's Education and Livelihoods Units. In 2015, the Foundation discontinued funding for YEP due to poor alignment of project outcomes with the intended objectives. Nevertheless, NRC continued running YEP until 2018 with support from other funding sources.

PROJECT EVALUATION

Overall assessment

The IKEA Foundation discontinued funding for the YEP programme in 2015 when it became clear that the intervention was not achieving its intended livelihoods objectives. Between 2013 and 2016, a total of 2,858 trainees graduated from YEP courses.[394] At the close of the Foundation grant period, the private sector job market was not developed enough to absorb the growing labour force that YEP had produced, resulting in few TVET graduates finding employment.[395] Secondary data from UNHCR suggests the employment rate among YEP graduates is not significantly higher than among the general population.[396] Therefore, this intervention is widely judged to have failed to meet the Foundation's main objective for it.

Nevertheless, the training programme had some positive, secondary outcomes. NRC staff claim that providing numeracy and literacy training raised the education level among young adult graduates and helped them become employed eventually, whether *in situ*, after repatriation, or after being resettled.[397] Further, interviewees said that the training served as a mechanism to help youth pass time and feel purposeful. However, in the longer term, young people interviewed in focus groups expressed increasing frustration over the lack of jobs and future livelihoods prospects.

Additionally, the livelihoods focus of the YEP intervention informed NRC's independently run, and arguably more successful, programme from 2015 onward. NRC continued the TVET

[394] "Thematic Update: Skills and Youth Employment." UNHCR Sub-Office Melkadida, 2018, http://melkadida.info/wp-content/uploads/2018/04/Livelihoods-(Employment)---Thematic-Update-2017-SOMEL.pdf (restricted access).
[395] Ibid.
[396] Ibid.
[397] Interview with NRC staff member, Melkadida, 25 October 2019

programme through 2018 with some modifications and is currently offering business refresher courses. Between 2017 and 2018, UNHCR actively worked to create links between the existing business groups of YEP graduates and the microfinance programme. In interviews, NRC staff emphasised the improved value of the "modernised" trainings they developed and delivered after 2015.[398]

i. IKEA Foundation investments

The YEP programme comprised training and livelihoods components. The training component included literacy, numeracy, life skills, and vocational skills training based on the government's TVET curriculum. The types of vocational training offered changed over time to include general metal fabrication and assembly, construction, furniture making, tailoring, carpentry, electronics and electrical installations, hotel management, and food preparation.[399] The livelihoods component included the construction of marketplaces and workshops for trained graduates and business groups, the construction of 24 training classrooms, and provision of 'start-up kits' for graduates.[400]

Image 53: A refugee sells samosas in Melkadida camp.
© UNHCR/Ariadne Kypriadi, 2019

Did the funded activities facilitate intended project objectives? Training facilities were built to convene classes focused on literacy, numeracy, life skills, and vocational skills. While some interviewees spoke positively about the quality of trainings offered, others pointed out that on completing their courses, many graduates were lacking the skills that were expected.[401] Active participation in the trainings was reportedly poor.[402] It is claimed that youth prioritised daily labour and other income-generating activities over attendance in the trainings they were enrolled in.

As there was a demand for some skills more than others, there was correspondingly more likelihood of some types of training leading to employment than others. For example, the demand for well-trained construction workers was reportedly very high from 2017 when a new UNHCR shelter strategy was rolled out. In 2017, UNHCR's shelter partner, Action for the Needy in Ethiopia (ANE), hired all available YEP construction graduates on an apprenticeship basis, eventually leading to the formation of independent cooperatives comprised of YEP graduates who are hired as contractors by ANE on an as-needed basis.[403]

The start-up kits provided to YEP graduates were intended to enable trainees to establish independent businesses or to form business groups. Kits typically consisted of a set of tools and business-related supplies. Not every graduate received a kit, and in-kind materials that were provided varied in terms of quality and comprehensiveness. It is reported that recipients did not have equal access to the more expensive tools contained in the kits, which were intended to be shared. Additionally, interviewees recounted instances of YEP graduates selling start-up kits and using the money to cover their personal expenses, for instance, to return to Somalia where they looked for work on a better job market.[404]

By the time of the evaluation, the workshops and stores that were constructed between 2013 and 2015 seemed to be largely defunct or no longer explicitly connected to NRC. It was reported that YEP graduates had occasionally relocated their workshops and equipment, or that predefined business groups working from these structures split up and developed independent businesses.[405] An interviewee recounted an incident of a former metal workshop that had been established for a group of graduates in Melkadida that was abandoned due to lack of work and then later demolished by the *kebele*.[406]

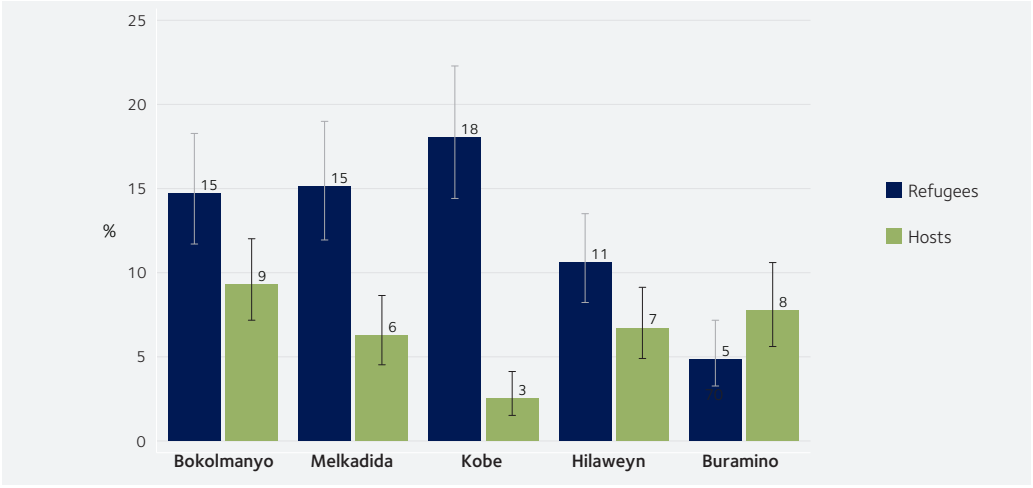
[398] Ibid.
[399] Ibid.
[400] UNHCR Year End report 2015, Ethiopia
[401] Interview with IP staff member, Melkadida, 25 October 2019; FGD with YEP graduates, Melkadida, 25 October 2019
[402] UNHCR Year End Report 2016, Ethiopia
[403] Interview with IP staff member, Melkadida, 25 October 2019
[404] Ibid.
[405] Ibid.
[406] FGD with YEP graduates, Melkadida, 25 October 2019

iii. Trainees and employability

More than 2,000 YEP participants benefited directly from IKEA Foundation-financed training courses between 2013 and 2015. However, helping graduates transition into stable employment was more difficult than anticipated.

Trainees: Did the target number of beneficiaries receive training? Between 2013 and 2016, a total of 2,858 people graduated from YEP courses. Over the years, the length of the training was shortened in order to increase participant retention and completion rates.[407] Approximately 12.8% of refugees across all five camps, and 6.4% of the host community, had completed TVET programmes by the end of 2018 (see Figure 31).[408] Ultimately, more trainees graduated than the labour market could absorb, leading to a common conclusion that the target number of beneficiaries was too high for the level of development in the Dollo Ado camps at the time.

Figure 31: Share of population that received vocational training by end of 2018, by location



Was the training recognised and respected by employers? The limited number of employers and job prospects in the Dollo Ado camps make it difficult to assess the perceived value of the skills graduates learned during training. One UNHCR staff-member was sceptical as to the quality of skills taught and acquired by YEP participants.[409] Interviewees suggested this was partly due to fact that most YEP participants enrolled directly after leaving school, and so tended to be young and less ready for the responsibility.[410]

Staff of ANE reflected on their experience working with construction graduates, sharing that individuals who ANE tried to hire lacked fundamental skills following completion of TVET trainings. As such, ANE hired YEP graduates on year-long apprenticeships, during which they had to provide extra training for the youth beyond what they expected would have been necessary.[411] After two years these individuals were competent enough to market themselves as skilled builders who could charge fees for their services.

iv. Project support

The YEP programme was the first joint intervention to be supported by UNHCR's Education and Livelihoods Units in Dollo Ado. While UNHCR and NRC had seemed suitable partners, they were not able to meet the education and livelihoods objectives of the project. Subsequently the programme did not achieve the main objective of helping graduates secure stable livelihoods.

UNHCR capacity: Did UNHCR staff have the technical and programmatic capacity to support the work? Are there enough support staff available? A UNHCR Livelihoods Officer was in charge of supporting NRC's work on the TVET project between 2013 and 2016. Although it has been noted that the Livelihoods Unit did not devote nearly as much attention to TVET as it did to the agricultural interventions, neither the implementing partner nor ARRA expressed any issues with regard to the way UNHCR staff carried out their work.[412] The limited success of the project is partly due to structural issues that no single actor could address at the time:

[407] UNHCR Melkadida, "Youth Employment."
[408] Betts et al, "Refugee Economies in Dollo Ado."
[409] Interview with UNHCR staff member, Addis Ababa, 9 November 2019
[410] Interview with UNHCR staff member, Melkadida, 14 October 2019
[411] Interview with ANE staff member, Melkadida 25 October 2019
[412] Interview with NRC staff member, Melkadida, 24 June 2019; Interview with government official, Dollo Ado camps, 29 October 2019

stakeholders recognised that TVET could play an important role in building human resources but maintained that the intervention needed buy-in from the public sector and better market structures in order to improve graduates' employment prospects.

IP capacity: Did the implementing partner do its job, as specified in project partnership agreements? Prior to the Foundation's involvement, NRC had already set up vocational training in Kobe with Norwegian government funding. IKEA Foundation funding allowed NRC to expand the programme to additional camps. Before starting the programme, NRC took proactive measures to hire qualified 'Level 2' trainers through the regional government office in Jijiga to make up for the absence of suitable potential trainers to hire in Melkadida. NRC staff developed the curriculum and harmonised it with Ethiopian standards. Together with JRS they also taught life skills courses, such as information communication technology (ICT) and literacy. NRC gradually adapted the courses and content it offered to align with market assessments it conducted. They made significant efforts to support trainees and achieve positive outcomes, but ultimately, the failings of the project were mostly due to market forces beyond their control.[413]

Image 54: Locally fabricated bedframes sit in front of a store run by YEP graduates.
© RSC/Raphael Bradenbrink, 2019

v. Project outcomes at individual and household levels

Overall, the intervention did not have a major impact on participants' incomes, spending, and consumption levels, as only a limited number of graduates found employment following the YEP training. Nevertheless, the intervention has played an important role in developing human resources and potentially improving participants' self-esteem.

Did participation in the programme increase employment prospects and self-reliance? Has participation increased members' incomes? The IKEA Foundation-funded TVET project was not widely successful in securing sustainable livelihoods for graduates at the time. Employment rates for graduates were low (11% in October 2017, not taking into account previous cohorts),[414] with many employees working in sectors outside the area of their training.

TVET graduates who did find employment tended not to have much job security, further limiting the possibility of developing sustainable incomes. UNHCR reports that the average duration of employment for up to 40% of graduates was three months, while 17.3% lasted six months, and 30.8% for one year.[415]

Less-tangible outcomes: How has membership affected less-tangible, non-financial outcomes at the individual level? E.g. protection, self-esteem, aspirations, etc. NRC emphasised that TVET should not be seen purely as a livelihoods programme but also as an educational intervention. Participants were expected to benefit from improved employability, and also from increased self-esteem as a result of developing technical skills.[416]

Furthermore, focus group participants explained that several YEP graduates went back to Somalia where they anticipated they would have greater chances for employment than in the Dollo Ado camps; it was suggested that the YEP programme was linked to graduates developing professional aspirations for themselves. For graduates that remained in the camps, aspirations appeared to clash with the absence of economic opportunities, leading YEP participants to express frustration about expectations that have seldom materialised.[417]

vi. Project outcomes at public level

The YEP programme had a limited public-level impact; there were few observable benefits of the programme, most of which were primarily enjoyed by individual project participants. While the training was intended to create a more skilled workforce that could contribute to the local economy, a number of aforementioned structural factors, including the limited job market opportunities and the low purchasing power of refugees, meant that the intervention had little effect on market development.

[413] Interview with NRC staff members, Melkadida, 24 June 2019, and 25 October 2019
[414] UNHCR Melkadida, "Youth Employment."
[415] Ibid.
[416] Interview with NRC staff member, Melkadida, 25 October 2019
[417] FGD with Refugee Youth Association, Melkadida, 25 October 2019; FGD with YEP graduates, Melkadida, 5 November 2019

MODULE 3: Sustainability framework

MODULE 3: Sustainability framework

What will it take to make the Dollo Ado economy sustainable, for both refugees and the host community? And what can we learn more generally about how to build economies in remote refugee-hosting border areas? Evaluating the IKEA Foundation investment offers an opportunity to answer these questions.

One of the key challenges faced by UNHCR, ARRA, and the IKEA Foundation throughout the seven-year period was the absence of a clear plan for how to build a sustainable economy in a remote border area. Without a strategic plan, it has been difficult to collect meaningful data to inform evidence-based decision-making. Interviewees generally confirm that learning processes were not in place from the beginning of the programme, the justification being that it was a novel, large-scale undertaking in a difficult setting. This meant the period was characterised by learning-by-doing, iteratively and reactively adapting to challenges, rather than being based on a clear vision from the outset.

In this section we therefore draw from the evidence collected within the evaluation to outline the basis of a sustainable refugee economies framework – a roadmap for how to build economies that can benefit both refugees and the host community over time. Such a framework is important for considering how the international community can collectively adapt, replicate, and scale activities based on the key insights from the Dollo Ado programmes.

The aim is that this framework could be further developed based on evidence from other regions and in dialogue with other relevant actors, giving leadership to future private sector-led development in remote refugee-hosting border regions.

Our starting point is the recognition that building economies in the regions where refugee camps and settlements are established is part of a much broader question of how we can build economies in remote border regions of low- and middle-income countries. However, there is a lack of literature relating to this question. Much of the economics literature on remote economies relates to regions of the developed world such as Alaska, the Australian outback, and the Scottish Highlands.[418] The economics of remote regions in the developing world is under-researched and the question of how we achieve "last mile" development, or "last mile globalisation," in regions such as Dollo Ado, Turkana County in Kenya, or the West Nile region of Uganda remains under-theorised.

We therefore outline an initial sustainable refugee economies framework as the basis for thinking about questions of adaptation, replication, and scale. The framework is provisional and is intended to start a conversation. It is analytically derived from the evidence collected through the evaluation in Dollo Ado, by extrapolating from the other sections' analysis of both the strengths and weaknesses of what has been achieved through the IKEA Foundation investments. The aim is that this framework could be further developed based on evidence from other regions and in dialogue with other relevant actors, giving leadership to future private sector-led development in remote (refugee-hosting) border regions. The main questions we asked to explore sustainability are outlined below.

Image 55: In Dollo Ado town a businessman shows the many contracts he holds with NGOs and government offices in the region. He supplies a wide and growing range of electronics and electrical equipments. © RSC/Andonis Marden, 2019

[418] See, for example, Huskey and Morehouse (1992), Redding (2002), or Altman (2004).

Research questions

What conditions must be in place to develop sustainable economic growth in the refugee-hosting camps of Dollo Ado and in similar regions?

- What organisational learning processes must UNHCR and the Foundation develop to facilitate programme sustainability?
- How can UNHCR livelihood programmes build income-generating projects that are self-sustaining?
  - With which authorities does UNHCR need to coordinate to achieve this?
  - What material conditions must be in place?
  - What local socio-cultural considerations must UNHCR be mindful of?
  - How can geographic and human resources be leveraged to enable long-term development?
  - What kinds of external investments are needed to expand possibilities for economic growth?

How can UNHCR develop transition plans to carry on the legacy of the IKEA Foundation's work?

INTER-INSTITUTIONAL DIALOGUE

UNHCR operations that are involved in longer-term development work must build clear communication channels among stakeholders and design long-term strategic plans for livelihoods programmes. These features are "safeguards for the sustainability of development projects," explains one staff member in Geneva. "All projects have risks, but they are multiplied by a million for us [UNHCR] because development isn't our core business…This is something that can't be solved with just one or two people in the organisation."[419]

While the relationship between UNHCR and IKEA Foundation can presently be characterised as transparent, collaborative, and self-reflective, UNHCR staff insist that it would have been beneficial early on to have convened an extended multi-party stakeholder meeting with the objective of crafting a common vision of how the programme would evolve, and understanding what resources would be needed. The Dollo Ado operation and similar contexts "need to look at these programmes from a development lens…with a design phase lasting at least six months" based on "multi-agency involvement with a joint steering committee for clear governance."[420] Interviewees suggest that a design phase should draw on knowledge from IPs, OPs, government actors, and other stakeholders and could set out: (1) a clear division of labour between all actors involved, (2) adoption of minimum standards, (3) project designs that account for local context, (4) a market analysis, and (5) a multi-year financial plan. During the design phase, the following sustainability framework could be discussed and incorporated into the programme's strategic plan.

> ***"All projects have risks, but they are multiplied by a million for UNHCR because development isn't our core business."***

Image 56: The 'old market' in Bokolmanyo camp is the heart of business activities for refugees and some Ethiopians. © RSC/Raphael Bradenbrink, 2018

[419] Interview with UNHCR staff member, Geneva, 24 July 2019
[420] Ibid.

FIVE ELEMENTS FOR BUILDING SUSTAINABLE ECONOMIES IN REMOTE REGIONS

In this section we discuss the five core elements that have been critical to the development of the Dollo Ado economy. As discussed in Module 2, a number of the livelihoods projects that IKEA Foundation supported are performing well and will likely continue to grow and become self-sufficient. Other projects have more limited prospects for longer-term sustainability. These variably successful examples inform this sustainability framework.

It is apparent that the Foundation and UNHCR lacked a clear understanding of how the following five elements relate to and interact with one another. Consequently, initiatives have often been conceived on an ad hoc basis, touching upon some parts of the framework but not on others. In general, the operation has been consistent in strengthening elements one (politics and willingness) and two (physical capital and public goods), however, there has been greater variability in their performance with elements three (adapting interventions to socio-cultural context), four (comparative advantages of people and place), and five (securing external investments). The framework's five elements, and the extent to which they have been achieved in Dollo Ado are summarised in Diagram 3.

Diagram 3: Five elements for development of sustainable economies in remote refugee-hosting regions, as seen in Dollo Ado

Elements of sustainablity	Have these been achieved in Dollo Ado?
1 **Politics and willingness** National, regional, local, and traditional levels	There has been gradual buy-in from federal, national, and local actors, especially from 2016, partly due to changes in national politics and more effective relationships.
2 **Physical capital and public goods** E.g. electricity, water, roads	There has been expansion of infrastructure in electricity, water, markets, education, but still there are still gaps, especially relating to roads and internet connectivity.
3 **Socio-cultural embeddedness** E.g. nomadic pastoralism, cross-border economic strategies	Attempts have been made to understand and work with culturally appropriate opportunities (e.g. livestock, firewood). However, there have also been 'blind spots,' e.g. the importance of the cross-border economy and the political economy of food assistance.
4 **Comparative advantages** Based on people and place	There are few economic comparative advantages but three have been identified and supported: i) agriculture (Ganale River); ii) livestock; iii) retail commerce, and these sectors have expanded. Human capital remains under-invested and key market linkages are lacking, meaning the economy is still largely based on the circulation of aid money.
5 **External inputs** E.g. business, philanthropy, assistance	Most inputs have been from humanitarian assistance and the IKEA Foundation's philanthropic investments. Limited capital or for-profit investment has taken place across the region, with the exception of cross-border trade in Dollo Ado town.

1. Politics and willingness

Politics matters. The political challenges experienced in the Dollo Ado programme highlight the importance of identifying and working collaboratively with key government actors whose roles may impede or facilitate programme implementation. As discussed in Module 1, a significant number of the delays in the early stages of the programme were attributed to the initial absence of constructive relationships with local, regional, and national governmental authorities, as well as customary leaders. Although it has taken time for UNHCR to identify which authorities to engage with, a member of the field staff in Melkadida suggests that dynamics have improved, particularly since 2016:

> *"UNHCR communicates its position unambiguously in terms of its mandate, its resources, what it can and cannot do. It lets the government know what it expects them to do…we remind them that they have an obligation. I'm constantly doing relationship management."*[421]

[421] Interview with UNHCR staff member, Melkadida, 25 October 2019

The following considerations are derived from lessons learned in the Dollo Ado operation, as conveyed through interviews with staff, emphasising that even where UNHCR has not been entirely successful, it is critical to engage the right authorities at all levels for the duration of any livelihood programme to ensure sustainability.

A. Identify authorities that exert *de facto* and *de jure* influence over political processes in the region

i. Identify federal-level authorities that can secure political and financial support from ministries.

In Ethiopia, political change at the national level – including relating to the 'Nine pledges' and the Jobs Compact – offered an opportunity for more constructive engagement between ARRA, UNHCR, and the IKEA Foundation. In particular, the Deputy Director at ARRA was supportive of the Dollo Ado programme and influenced the subsequent high level of support offered by ARRA and the Prime Minister's Office (as explained in Module 4). From 2016 onwards, UNHCR Addis and UNHCR Melkadida worked effectively with ARRA, including on the 2019 Refugee Proclamation at national level. As champions for the Foundation's activities, particular ARRA staff have elevated the profile of the Dollo Ado operation and encouraged the national government to commit more support. This constructive relationship was significantly enabled by the positive and proactive role played by the UNHCR Representative in Addis Ababa and the CEO of the IKEA Foundation.

ii. Identify regional authorities that can build linkages with federal authorities and support local authorities.

The regional government's relationships with UNHCR Melkadida are complex, compromised by a number of structural factors, including geographical distance from Dollo Ado, and so are not an optimal example of how regional authorities can support UNHCR's development agenda. In large part, this is due to the poorly developed transportation networks that make it "more difficult to travel 1,000km to Jijiga than it is to fly to Addis."[422] It was also noted that "Even though things don't work as fast as they should," UNHCR staff tend to these relationships as best they can: "we travel to the regional seat sometimes once per month."[423] While there is room for these relationships to mature, UNHCR staff reflect that "UNHCR and the IKEA Foundation projects have earned a lot of respect at the regional level…The Dollo Ado operation has established a name for itself."[424]

iii. Identify local authorities that can support projects and will benefit from capacity building.

Local officials have been the most critical actors for the development of projects in the Dollo Ado camps. However, building productive working relationships has required constant attention. The *woreda* cooperative offices and *kebeles* have been instrumental for agriculture development, for instance, because they can liaise directly with project beneficiaries, and "most of them are appointed from the region so they understand the general trends in the area."[425] But as a UNHCR staff member involved in field operations points out, "they're not always as active as expected or hoped."[426] Whereas he expects that local agriculture offices should be involved in "developing market linkages, informing the crop schedule, [and] encouraging seed diversity…I don't see them doing the work all of the time." Compounding the difficulties that UNHCR has experienced is the fact that *woreda* leaders have frequently been rotated out since the change of government in 2016. In one UNHCR staff member's three-year tenure at the sub-office, there have been three different chairmen in both Dollo Ado and Bokolmanyo *woredas*. In spite of such challenges, UNHCR has continued to cultivate positive relationships with different high-level authorities at the *woreda* and *kebele* levels to build continuity of support, and helped to build capacity of the offices.

iv. Secure the support of customary leaders.

After 2016, UNHCR established close relationships with the king of the Degoodi clan, a highly respected authority in the southern Somali Region of Ethiopia, Kenya, and southern Somalia. This relationship provides an invaluable layer of support in a highly insecure area. It was enabled by the proactive and engaged role played by UNHCR Melkadida's Head of Sub-Office.

[422] Ibid.
[423] Ibid.
[424] Ibid.
[425] Interview with UNHCR staff member, Melkadida, 25 October 2019
[426] Interview with UNHCR staff member, Melkadida, 28 October 2019

B. Create buy-in by conveying to authorities what is in it for them and the local populations they are accountable to, and demonstrate through results-oriented programming

i. Commit to developing local markets and injecting capital into the economy.

Infrastructural development across all five camps and adjacent host communities has stimulated economic growth and associated benefits for both local and refugee populations. This outcome was always a central objective of the Foundation's CEO, Per Heggenes, who notes that "we did this in a way that supported the host community [which] made it such that it was easier to advocate for changes."[427] This was acknowledged by the ARRA staff in one of the camps who shared a reflection commonly expressed among local authorities: "The [IKEA] projects have been very good for everyone in the community."[428]

ii. Demonstrate ability to attract financial services and private sector investment.

In the past year, Oromia International Bank has opened a branch in Melkadida and Commercial Bank of Ethiopia has opened in Bokolmanyo, with plans to open smaller branches in other camps. Prior to that, Foundation funds were used to establish Dedebit Microfinance operations across all camps and in some of the host communities. These financial services have significantly increased the number of individuals with savings accounts and loans, within both the host and refugee communities, and by extension, have enhanced commercial activity through the burgeoning number of enterprises. One member of the host community shares that: "When I received a loan it helped me expand my shop…I lived with the refugee community and learned that they're not bad people…Currently I have savings of 15,000 birr ($467) in my microfinance account."[429] Such examples have underpinned local authorities' willingness to support the Foundation's activities.

Private sector investments have been slower to develop in the Dollo Ado camps, but interviewees speculate that the recent opening of a petrol station in Melkadida, and the vibrancy of the markets in Dollo Ado town – with a number of businesspeople expressing intention to expand into the camps – suggests greater economic development in both *woredas* in the coming years.

Image 57: Employees at a bustling bank in Dollo Ado town serve clients. © RSC/Andonis Marden, 2019

iii. Enhance the number and quality of services and utilities that locals benefit from.

The Melkadida programme has successfully built into its strategic plans efforts to deliver services to host populations residing in proximity to the camps. This has been of paramount importance to securing the trust and commitment of local authorities. Since the inception of the programme, locals have benefitted from expanding streetlight installations, increased access to potable water, more opportunities for education from pre-primary through secondary levels, and improvements in health services. An ARRA representative appreciates that "everyone benefits from various interventions…especially the solar mini-grid projects for the health centres."[430]

C. Co-construct handover plans with government authorities

i. Convene regular meetings and workshops to keep stakeholders abreast of developments in order to (1) allocate responsibility for particular aspects of projects over which authorities have or can develop a comparative managerial advantage and (2) develop action plans for UNHCR to withdraw or reduce responsibility for project developments.

[427] Interview with Per Heggenes, CEO IKEA Foundation, Oxford, April 2019
[428] Interview ARRA staff member, Dollo Ado camps, 24 June 2019
[429] Interview with host MFI loan recipient, Kobe, 5 November 2019
[430] Interview with ARRA staff member, Dollo Ado camps, 27 June 2019

UNHCR has developed a comprehensive and complex exit strategy for the agriculture cooperatives. Through a number of high-level meetings, it has had IPs and *kebele* and *woreda* authorities pledge to assume primary responsibility for cooperative activities after the next three harvests, during which UNHCR will continue to help the farmers become more independent.

The Head of Cooperative Promotion in the Dollo Ado Woreda Office reflected on the intended handover process, explaining: "The discussions we've had made me very happy. They made me realise that we have permission to take on more responsibility when UNHCR leave…We want to make [cooperative members] understand the importance of their work moving forward – for themselves and their family…And we want to show the district government office that we can be reliable."[431] He went on to explain the strategic support the *woreda* office is able to provide in their capacity to "prepare the byelaws, the certificates, and other documentation…[and that] we have a research unit here for agriculture that are helping us to respond to agricultural issues to make sure that problems are addressed so that everything runs smoothly."[432]

2. Building physical capital, public goods, and access to technology

In contexts where the physical infrastructure of markets is underdeveloped or virtually non-existent, significant resources have to be strategically invested to stimulate growth. In the Dollo Ado camps, a lot has been achieved in this respect; Module 2 outlines the substantial developments up to this point, with marked accomplishments including the 29km of irrigation canals, commercial solar-powered mini-grids, and the livestock value chain facilities. This physical capital was necessary to enable economic activity and provided services that were in high demand. Additionally, provision of tractors, refrigerators, and generators has enabled entrepreneurs to develop more advanced, profitable business practices. Conversely, infrastructure such as the new market in Bokolmanyo and provision of prosopis processing machinery provide examples of investments that have not fulfilled their intended potential, having limited compatibility with the dynamics of the local economy at present.

A. Identify physical infrastructure that is critical for market developments

i. Build and improve commercial centres to expand the availability of shopfronts and facilitate exchange.

The market infrastructure that have been developed in the five camps and surrounding areas have generally been received positively. The most visible commercial structures across all five camps are the slaughterhouse and meat selling shades that the Foundation supported. As discussed in Module 2, these structures have served multiple functions, chiefly the commercial activities in the livestock value chain, improving public health, and expanding diversity of residents' food basket.

The new market in Bokolmanyo has had a mixed reception in spite of the opportunities it has created for an increased number of commercial stalls and improved access to electricity. While an ARRA representative in the area claims "we're glad the new markets have been built and opened…they're good for the community,"[433] vendors in the market and members of the energy cooperative that is situated adjacent to the market express displeasure with the lack of community consultation in determining the location and design of the market. They say that it sits far away from established footfall, "is too small," and "is constructed like a military camp."[434]

ii. Construct buildings for manufacturing, processing goods, storing inventory, etc.

In addition to improving commercial centres, the Foundation has supported development of complementary facilities that are necessary for getting goods to market. These include the granaries being developed alongside the irrigation sites, fattening sheds to increase the body mass of livestock, and pump houses that facilitate the agricultural activities. While these structures are out of sight of most of the population, they are nevertheless vital to the economic development of the refugee-hosting region.

iii. Create access to critical utilities needed for business operations, e.g. electricity and water.

Shopowners having access to utilities accelerates the development of markets, facilitating a wider array of products on offer and a reduction of waste. Such is the case of the new shopfronts in Bokolmanyo, where access to solar energy allows meat, milk, juices, and other perishable goods to be stored in refrigerators. A juice seller notes the counterfactual: "when there is no sun [to make solar power], and no electricity, I cannot cool the juices. So I lose customers and have to throw the juice away after a few hours."[435] Milk sellers encounter similar problems. UNHCR can play a role in direct provision of utilities such as water and electricity, or can advocate for it by way of OPs or government actors.

[431] Interview with Feysal Xuseen Yusuf, Dollo Ado District Head of Cooperative Promotion, 30 October 2019
[432] Ibid.
[433] Interview with ARRA staff member, Dollo Ado camps, 27 June 2019
[434] Interview with shop owners in the new market, Bokolmanyo, 28 October 2019
[435] Interview with shop owner in the new market, Bokolmanyo, 29 October 2019

iv. Advocate for development of transportation infrastructure.

The most anticipated, but still outstanding, infrastructure development in the Dollo Ado region is the construction of tarmacked roads. Currently the tarmac ends in Negele. It is planned to asphalt the 350km long road from Negele via Filtu, Bokolmanyo, and Melkadida to Dollo Ado. A UNHCR staff member notes that the government's 2019 commitment to develop that road "is one of the biggest opportunities for ensuring the sustainability of the programme…because it would allow more transport and reduce costs,"[436] and in turn, could lead to more economic growth across the camps. Similar logic applies to the development of the airstrip in Melkadida several years back, which provided regular transportation for technical experts and humanitarian staff, in turn contributing to the development of the region. While UNHCR cannot directly underwrite these expenses in all operations, they can advocate for support from government and development actors. Such was the case in the Melkadida Sub-Office, which received a verbal commitment that the roads would be developed, albeit after seven years of requests from UNHCR and the IKEA Foundation.

Image 58: Khat traders and others cross a flooded river outside Bokolmanyo. In the background, a UNHCR convoy is unable to pass. © RSC/Raphael Bradenbrink, 2018

B. Identify technologies that are critical for market developments

i. Procure advanced machinery and locally accessible technology necessary for livelihood activities, e.g. tractors, generators, pasteurisers, grain mills.

Employing advanced machinery in livelihoods activities has obvious benefits for developing larger-scale economies and greater diversity of products. The Foundation has enabled a number of transformative investments in machinery, most notably in tractors for each of the agriculture sites, without which farmers would not be able to efficiently and easily prepare large tracts of land for cultivation; and the suite of inverters, batteries, and panels used in the commercial solar mini-grids.

In terms of technology, the most sustainable developments have been based on products that include materials that can be purchased locally. For example, while UNHCR purchased German-built commercial solar mini-grids – complex and expensive technology whose long-term maintenance requires international attention – some energy cooperatives were able to use savings and microcredit to purchase cheaper Chinese-built solar panels in Dollo Ado town in order to open solar-powered mobile charging shops.

ii. Advocate for development of telecommunications networks.

Modern telecommunications infrastructure is vital for the development of robust economies. The EthioTel network in the Dollo Ado region has long been underdeveloped for security reasons related to threats from Al Shabaab. As one interviewee explained: "EthioTel is still under the control of the government as a monopoly. They're keen on managing the distribution of the airwaves. They were cautious of being too liberal with the development of the networks."[437] In recent years, however, all camps with the exception of Melkadida have acquired stable phone signals and access to the internet, which, given the 90km spread between Bokolmanyo camp and Dollo Ado town, is valuable for coordination among all stakeholders and beneficiaries. The absence of dependable networks has inhibited the development of tech-smart programming, such as the intended 'Instant Classrooms' in primary and secondary schools in the region. It has also had implications for the adoption of mobile money, which could facilitate e-banking for the MFI and in turn improve individuals' financial management.

[436] Interview with UNHCR staff member, Melkadida, 25 October 2019
[437] Interview with UNHCR staff member, Melkadida

3. Adapting interventions to the local socio-cultural fabric

Security concerns and a state-centric approach to designing humanitarian responses have resulted in de-contextualised programming that has inhibited the level of success of projects. Programmes that intend to attain whole-of-society outcomes need to be based in a close examination of and response to the socio-cultural environment. In Dollo Ado, there are a number of cultural and market-based dynamics that have not been fully incorporated into programme design, in spite of their recognition by INGOs and local authorities.

In particular, in Dollo Ado it is necessary to incorporate programme strategies that are sensitive to the cross-border business strategies employed by refugees, and the approaches that households use to build social security networks (by which, in this case, some families are split between Somalia and the camp to reap as many financial and welfare advantages as possible). These phenomena invariably take different shapes in different refugee-hosting contexts and have implications for the sustainability of livelihoods projects.

A. Design an array of projects that are sensitive to and reflective of socio-cultural aspects of existing livelihoods strategies, and create opportunities for groups that are typically excluded from economic activities

i. Design projects that cater to different mobility patterns.

One strength of the livestock value chain in Dollo Ado is that it relies on cooperative memberships with differentiated mobility patterns, allowing people with various skillsets and capabilities to access economic opportunities. The cooperative structures have capitalised on and facilitated existing income-earning strategies of livestock traders who are accustomed to cross-border nomadic pastoralist livelihoods.

The livestock value chain also allows for more sedentary livelihoods activities such as selling meat and milk. From an inclusivity point of view, this has been particularly helpful for women who have less ability to travel outside the camps due to security concerns, domestic responsibilities, and cultural restrictions. Women who are now selling milk commented that before joining the cooperative, some of them "didn't do anything. We sat at home, jobless, with no or little income," and that "the cooperative changed my life. Now I am in a [more] powerful position."[438]

Image 59: Somali women weave traditional mats in the Women's Refugee Centre, Melkadida.

[438] Interview with milk cooperative members, Hilaweyn, 20 June 2019

ii. Design inclusive programmes, accounting for sex, age, and vulnerability.

The prospopis firewood cooperative was designed to incorporate women refugee firewood collectors to decrease their protection vulnerabilities and increase their income streams. Participation in the cooperative has created an enabling environment in which women can generate money in conditions where they are less exposed to potential SGBV, and while looking after young children. Additionally, the design of the prosopis processing centres allows people with disabilities to participate in the cooperative. In spite of current business challenges in many of the prosopis cooperatives, participants reported feeling an increased sense of purpose and hopefulness for the future.[439] Other livelihoods interventions achieve similar inclusivity objectives, such at the TVET programming, which set out to enskill disenfranchised youths.

iii. Design culturally acceptable interventions.

The MFI intervention, following Islamic banking rules, tries to adapt the business models of loan recipients accordingly. Its selection procedures discourage the selling of alcohol, which is not condoned in the largely Islamic cultural context of the Dollo Ado camps. What it does do is encourage entrepreneurs who are clear about market demands in the camps. According to the Microfinance Director of Dedebit, the demand-driven approach to entrepreneurship is intended to "increase the likelihood that loan recipients will have sustainable businesses."[440] The range of enterprises developed by loan recipients reflects the possibilities for offering diverse product and service options.

B. Design project practices and procedures that incentivise reliable participation

i. Encourage project participants to invest time in their communities.

The MFI project made this a primary consideration for selection of loan recipients to ensure that loans would not be disbursed to individuals who might frequently leave the camps and use the support received for unintended purposes. This measure preserves the MFI's organisational strength and ensures development of the economy locally.

Comparatively, several of the energy cooperatives' memberships are disproportionately mobile, with individuals "pursuing secondary livelihood activities in Dollo Ado or Somalia," according to UNHCR staff.[441] The limited dependability of members in these groups – which may also result from low levels of activity in the Kobe, Melkadida, and Hilaweyn groups – inhibits growth of the cooperatives.

ii. Ensure that projects provide consistent income-generating opportunities.

The energy and prosopis firewood cooperatives have suffered from an inability to sustain consistent levels of activity. As a result, many cooperative members have spent a significant amount of time relatively inactive while waiting for activities to pick up, or pursuing income-generating activities elsewhere. In many instances, this is due to mismanagement or under-developed design of projects on the part of UNHCR and the IPs. For example, the malfunctioning machinery used in the firewood cooperatives has been difficult to replace and the IP has been slow to respond.

iii. Monitor participants' involvement in activities and make adaptations to the project design if needed.

MFI staff regularly check on loan beneficiaries to ensure they are on schedule for repayment. When the IP assessed that repayment rates were relatively low, they made a reasonable adjustment to the repayment schedules because "we wanted to prevent the default rates from being disproportionately high at the end of the intended one-year schedule,"[442] according to the manager of the project. Regular communication has strengthened the MFI's business practices and loan recipient outcomes.

iv. Remove and replace under-active or inactive participants.

The cooperatives' byelaws have instructions for removing members that are not actively participating. In practice, most cooperative executives take a laissez-faire approach to managing cooperative rosters, allowing members to come and go as they like, without strict application of the rules. In the only observed instance of attempting to apply formal removal procedures, UNHCR staff had difficulty trying to replace less-active members of an energy cooperative, as there is not an established practice of enforcing the regulations established by the regional government. Livelihoods projects would likely benefit from becoming more vigilant in upholding member participation standards to develop a culture of active participation.

[439] FGD with prosopis cooperative members, Buramino, 24 October 2019
[440] Interview with Dedebit Microfinance staff member, Melkadida, 1 November 2019

4. Comparative advantages of people and place

Closely related to the previous point is the necessity to develop livelihoods projects that capitalise on the comparative advantages present in the local geography and the skills possessed by the target population. In the Dollo Ado context, projects did not have clear strategies to capitalise on human and natural resources. In practice, many approaches were ad hoc and sometimes financially wasteful, such as the investments to train TVET students in the absence of sufficient market opportunities, or to rapidly expand irrigation schemes without first piloting at a smaller scale. There was no overarching development plan for the Dollo Ado region into which the IKEA Foundation programmes could feed. As a consequence, many programme learnings have come at a high cost, and a smaller fraction of the population has benefitted than was possible. The following points can add focus to the ways that local resources can be better optimised to contribute to the more efficient development of sustainable economies in refugee-hosting areas.

A. Invest in development of human resources

i. Support literacy and numeracy through primary, secondary, and adult education.

The Education Unit at UNHCR Melkadida received significant investments from the Foundation to support the construction of pre-primary, primary, and secondary schools, as well as a Teacher Training College to increase the enrolment and education levels of young people. In theory, this investment could have explicitly prepared individuals to pursue livelihoods opportunities. However, as a UNHCR staff member notes: "The linkage between livelihoods and education didn't come out of the IKEA Foundation collaboration as much as it could have. We hoped that there would have been more value placed on the graduation approach."[443] The interviewee explained the role that adult literacy courses can play in education enrichment: "There's a challenge in the camps insofar as parenting is concerned - they're not understanding the western education systems. Adult literacy programmes could have helped to encourage parents to go to school so they could help their children in school."[444] The linkage between education and livelihoods should be explicit in order to contribute to economic development.

ii. Provide market-specific TVET opportunities

TVET programming can supplement individuals' existing numeracy and literacy skills through targeted skills development. In the first years of NRC's Youth Employment Pack programme, there was significant misalignment between the training offered and employment opportunities in the camps, leading to an abundance of trained youths who confronted an underdeveloped job market. However, over several years of operations, and following more rigorous market assessments, NRC refined the courses it offered to match the demands in the local markets, leading to better programme outcomes.

iii. Support entrepreneurship training and business start-up packages.

Dedebit Microfinance's chooses loan recipients who have previously developed skill sets. It builds on recipients' technical know-how with training in business plan writing and business management, increasing the likelihood that they will run successful enterprises. The loans that Dedebit provides to refugees and host community members allow recipients to develop businesses that are of interest to the individual, play to their skill sets, and fill a market demand. The MFI manager speaks to the success of this approach, claiming that "living standards [for loan recipients and their families] are very much improved from before. This has been guaranteed by the business plans we require from applicants."[445] This particular intervention provides an optimal example of how livelihoods programming can help support individual-led, market-appropriate developments. The manager reflects: "We are doing better as an MFI than we thought we would. We've brought a lot of attitudinal change to the community to encourage self-reliance."[446]

[441] Interview with UNHCR staff member, Melkadida, 12 October 2019
[442] Interview with Dedebit Microfinance staff member, Melkadida, 1 November 2019
[443] Interview with UNHCR staff member, Melkadida
[444] Ibid.
[445] Interview with Dedebit Microfinance staff member, Melkadida, 1 November 2019
[446] Ibid.

B. Build interventions that capitalise on existing geo-strategic advantages

i. Identify catalytic natural resources.

In addition to the large tracts of land available for cultivation in the Dollo Ado region, the other major natural feature in proximity to the camps is the Ganale River. The Foundation's CEO explains that "the significant reason we chose Dollo Ado was the river and the opportunity for agriculture. That was always, from the very start, the opportunity, the real asset we could use in our thinking about livelihoods and self-reliance."[447] Development of the irrigation sites has come with significant challenges over the years, particularly because, as the vice-chairman of the Kole agriculture cooperative explains: "we had no experience as river-irrigation farmers; we were only rain-based farmers before [in Somalia]."[448] However, UNHCR and the IKEA Foundation have been committed to investing time and resources into supporting the agriculture cooperatives, which has had significant impact on the local economy.

Image 60: A team of builders finalise the concrete irrigation canal in Hilaweyn II. © RSC/Raphael Bradenbrink, 2018

ii. Develop and add value to culturally rooted livelihoods activities.

The livestock value chain is the best example of a Foundation-supported investment that has added economic value to pre-existing livelihoods activities. UNHCR staff at the field office explain that:

> *"All these livelihoods links in the value chain are of interest to the people. This is their way of life...[and so] it's going to be relatively easy to sustain and expand. They can move their markets from beyond just the camps - because they're selling products to a community that wants these goods."*[449]

An officer at the ARRA headquarters office in the camps reinforces this point: "Their culture is better associated with livestock than agriculture. The environment is more suitable to the types of incomes associated with livestock interventions."[450] These assessments underpin the relative ease with which the livestock value chain has been built. Furthermore, by supplementing traditional livestock activities with more advanced inputs and infrastructure – e.g. medicines, fattening sheds, and slaughterhouses – UNHCR has helped position cooperatives for continued expansion.

iii. Identify market opportunities based on existing trade networks.

Market development and expansion can go hand in hand with improved transportation networks. By understanding the existing market linkages within the Dollo Ado area, the Somali Region more generally, and throughout Ethiopia and across borders, UNHCR can help better position the livelihoods projects for success. While limited attention and action have been devoted to bolstering current and future trade networks beyond Dollo Ado, most stakeholders are aware of the opportunity that awaits. Export markets have been developed for onions produced by farmers, and for livestock based on established pastoralist networks, however there is significant potential to grow these trade routes and create greater recognition of the productive economic potential of the Dollo Ado camps.

[447] Interview with Per Heggenes, CEO IKEA Foundation, Oxford, April 2019
[448] Interview with agriculture cooperative vice-chairman, Kole, 1 October 2019
[449] Interview with UNHCR staff member, Melkadida 25 October 2019
[450] Interview with ARRA staff member, Melkadida, 29 October 2019

A senior staff member at UNHCR Dollo Ado makes the caveat:

> *"We need to develop cooperatives that are good enough to develop forward market linkages. This will not happen if cooperatives here keep saying 'I need this; give me this.' External actors need to see that cooperatives are able to operate independently."*[451]

UNHCR is increasingly focused on helping cooperatives achieve self-reliance by encouraging strategic market linkages to engender more substantial economic development.

5. Securing external investments

The IKEA Foundation has provided the largest contribution of resources of any private sector actor in the region. Its impact is apparent across the entire camp and host community landscape, and is visible from both project signage and through the construction of extensive physical capital. However, in order to achieve sustainability, there is a need to diversify and increase sources of external investment.

At the moment, the economy is mainly based on the circulation of aid money, rather than a viable private sector-led economy. The challenge is how to gradually substitute humanitarian assistance with private sector investment. Historically, the programme has lacked a strategic plan to facilitate long-term small- and medium-sized enterprise development or multinational corporation investment. A UNHCR staff member explains that:

> *"We are struggling to attract the private sector. There's a lot of opportunity for investment down here. If this were like a place like Jijiga, there would easily be individuals and corporations investing. But it becomes very difficult around here because of the roads, so that even the farmers have a difficult time. So the transporters and buyers end up dictating the terms of the price of onions and other produce. These conditions are beyond the capacity of UNHCR, or maybe the humanitarian system more generally. This is like the forgotten corner of Ethiopia."*[452]

While the presence of the private sector will necessarily have to increase to enable more robust economic development, other investments can be sourced from multinational corporations (MNCs), development banks, conventional humanitarian actors, and private philanthropic sources. Despite the above-noted scepticism expressed by the staff member, various stakeholders at UNHCR and within the Foundation are focused on building a broader base of partnerships through which a stronger economy can be developed.

[451] UNHCR workshop, 18 October 2019
[452] Interview with UNHCR staff member, Melkadida, 18 June 2019

MODULE 4: Impact on refugee policy and practice

MODULE 4: Impact on refugee policy and practice

What impact has the IKEA Foundation's investment in Dollo Ado had beyond the refugee and host communities within and close to the camps? How has it contributed to wider change in refugee policy and practice at the local, national, and global levels? Our data is derived from a combination of document analysis and semi-structured qualitative interviews with relevant policy-makers and practitioners. Methodologically, we use process tracing and counterfactual analysis to assess whether local, national, and international policy and practice would be likely to have been different in the absence of the IKEA Foundation's investment in Dollo Ado.

Process tracing, as developed in political science, is one of the primary qualitative research methods for theory development and for exploring causal mechanisms based on single case studies or within-case study comparisons. It involves establishing the causal process that connects an independent variable of interest to the dependent variable, as a means to examine and potentially exclude alternative explanations. It is frequently complemented by counter-factual analysis to assess whether observed outcomes, within a given causal sequence, would have been different given the presence or absence of the particular independent variable. In this case, we will use process tracing to assess the impact of the IKEA Foundation's work in Dollo Ado, as the independent variable, on a series of policy outcomes.

Research questions

What has been the impact on refugee policy and practice at the local, national, and global levels?

- How has the investment impacted, for example, the creation of Ethiopia's 2019 Refugee Proclamation, the development of the CRRF in Ethiopia, the policies of ARRA, UNHCR's strategy in Ethiopia, UNHCR's global policies in relation to private sector engagement and livelihoods, and the implementation of the Global Compact on Refugees?
- How has the investment affected the work of other refugee organisations working nationally and globally?

OVERALL ASSESSMENT

- At the local level, the Foundation's investment has helped to build trust between the international community and local authorities. Through consciously promoting the inclusion of the host community as programme beneficiaries, engaging in sustained dialogue, and providing clear socio-economic benefits to the surrounding region, the IKEA Foundation has helped to demonstrate that refugees can make a contribution to the Dollo Ado region. As a result, local changes have taken place in refugee policy. For example, local authorities and landowners have made land available for shared agricultural cultivation, and accepted implementing partners from outside the Somali Region such as the Tigrayan NGO, ReST.
- At the national level, Ethiopia has adopted a series of progressive policy and legislative changes relating to refugees, notably since 2016. These reforms include the adoption of the 'Nine pledges' in 2016, the adoption of the Comprehensive Refugee Response Framework (CRRF) in November 2017, and the Refugee Proclamation of January 2019, which provides refugees with the qualified right to work and freedom of movement. These progressive trends reflect a range of factors, including changes in the broader political context, specific donor commitments relating to the DFID-led Jobs Compact and the World Bank's IDA commitments. However, ARRA's experience of working with the IKEA Foundation has also played an important, albeit secondary, role in shaping the trajectory of refugee policy and practice within Ethiopia. At key junctures, the close working relationship between the CEO of the IKEA Foundation and the Deputy Director of ARRA, and the government's experience of the Foundation's programmes, appear to have influenced government perceptions and policies towards refugees and their potential economic contribution.

The Foundation's investment has helped to build trust between the international community and local authorities.

- **At the global level, the example of the IKEA Foundation's role in Dollo Ado has had a significant impact on demonstrating the potential contribution of the private sector in the international refugee system.** As a case study, it has been presented by UNHCR at a range of high-level international meetings as a 'success story' of business engagement. The example has, in turn, contributed to shaping other business actors' commitment to refugees, notably the work of the TENT Alliance and its main partner companies, such as Chobani, Western Union, Mastercard, Airbnb, and H&M, as well as influencing the thinking of other corporate foundations such as the Lego Foundation and the Vodafone Foundation. Although it is difficult to disentangle the general influence of the IKEA Foundation and its CEO from the specific impact of the work in Dollo Ado, this programme has served as arguably the single most influential example of effective private sector engagement in global debates on business and refugees. The Dollo Ado example has been especially effective in shifting the terms of private sector engagement from Europe and North America to the Global South.

The IKEA Foundation has played an important, albeit secondary, role in shaping the trajectory of refugee policy reform in Ethiopia.

- **At an organisational level, the Dollo Ado experience has contributed to change within UNHCR.** There has been learning about the importance of flexibility in processes such as partnership management, personnel systems, and the choosing of implementing partners, leading to functional adaptation. The seven-year collaboration in Dollo Ado, alongside other influences, has enabled UNHCR to gradually become more dynamic, innovative, and willing to pilot new approaches, including at the field level. The experience has similarly contributed to adaptation within the IKEA Foundation and also the broader Ingka Group and Inter-IKEA Group. The experience has shaped the Foundation's refugee-related strategies, and also its wider sectoral approach to areas such as energy and the environment. Alongside examples from other parts of the world, the Dollo Ado case study has contributed to the IKEA Foundation making a case for the wider Ingka Group to make a series of pledges relating to refugees, including a commitment to support job training for 2,500 refugees at 300 retail stores around the world.

The seven-year collaboration in Dollo Ado, alongside other influences, has enabled UNHCR to gradually become more dynamic, innovative, and willing to pilot new approaches.

- Despite these impacts, the real, and as yet unfulfilled, **potential of the Dollo Ado programmes lies in the possibility of creating a new model for refugee camp design which can be replicated and scaled to other refugee-hosting areas around the world**. In order to fulfil this potential, there will need to be an attempt to systematically learn from the successes and failures of the approach here, and seek to develop adapted models in other contexts.

Image 61: IKEA Foundation present at UNHCR's Clean Energy Challenge session during the Global Refugee Forum in Geneva. © UNHCR/Pierre Albouy, 2019

LOCAL LEVEL

The early phase of the joint IKEA Foundation-UNHCR work in Dollo Ado was characterised by mistrust on the part of local authorities, including the *woreda* and *kebele* leaders, and ARRA. According to UNHCR staff, ARRA was initially suspicious of the IKEA Foundation's motives to invest in Dollo Ado. ARRA were afraid the Foundation's activities could undermine the relationship of refugees with the government and sought to stop any UNHCR action that, in their view, risked doing so.[453]

Until 2016, successive Deputy Heads of ARRA, being part of the Ethiopian Government's Ministry of the Interior, were far more focused on security – in the context of concerns about Al Shabaab, internal armed conflict, and ethnic federalism – than with creating opportunities for refugees. Yet both ARRA and the local *woreda* wanted to be consulted, and required that they be made aware of all activities, projects, and programmes being developed.[454]

However, from 2016 this began to change. Part of the reason was change within ARRA, with a more progressive Deputy Head being appointed. Perhaps the most important explanation, though, was the appointment of a new HOSO in Melkadida, who put time into building relationships of trust with the local and customary officials. One external visitor remarked on an:

> *"excellent relationship and trust established by [the head of the sub-office at the time] with the traditional chief of the area, and more broadly with local authorities. I am a little bit familiar with Somalis and pastoralists in the Horn of Africa…and that level of trust is exceptional."*[455]

An additional key component of the changed relationship was the IKEA Foundation's insistence, from the outset, that their programmes support both refugees and host communities. And while such an approach has subsequently been mainstreamed across UNHCR's work, effective examples of such integration were rare before 2016. As livelihoods programmes were unrolled, the new HOSO of the Melkadida field office and his colleagues could point to examples in order to demonstrate tangible and potential benefits to the local host communities.[456]

A key breakthrough relied on the local king's support for land access. Agriculture and irrigation were a longstanding priority but early on there was deep scepticism from local landowners and the *woreda* about allocating land for refugees to cultivate. With the king's blessing and advocacy, local host communities were prepared to recognise the potential benefits of pooling their land and allowing refugees to cultivate it.[457]

Image 62: Members of an agriculture cooperative in Melkadida work together to fill onions into sacks.
© UNHCR/Eduardo Soteras Jalil, 2019

NATIONAL LEVEL

In January 2019 Ethiopia's parliament adopted some of the most progressive refugee legislation in the world. In law, at least, it went from having a strict encampment policy that denies refugees the right to work, towards one that ostensibly allows refugees greater freedom of movement and the right to work. Alongside legislative change, a series of other progressive reform measures has been adopted, leading the UN High Commissioner for Refugees to suggest that Ethiopia is a "shining example of African hospitality."[458] How and why did this happen? And to what extent, if at all, can it be attributed to the role of the IKEA Foundation?

Ethiopia's previous Refugee Proclamation allowed the government to "designate the place and areas in Ethiopia within which recognized refugees…shall live" (Act. 21.2) and provided that "every refugee shall, in respect to wage earning employment…be entitled to the same restrictions as are conferred or imposed generally by the relevant laws on persons who are not citizens of

[453] Interview with UNHCR staff member, Addis Ababa, 30 March 2019
[454] Ibid.
[455] Interview with INGO staff member, Addis Ababa, 30 March 2019
[456] Interview with UNHCR staff member, Geneva, 24 July 2019
[457] Interview with Per Heggenes, CEO IKEA Foundation, Oxford, April 2019
[458] "UN praises Ethiopia for its refugee handling," Xinhua, June 21, 2017, http://www.xinhuanet.com/english/2017-06/21/c_136384048.htm

Ethiopia."[459] In contrast, the updated Refugee Proclamation, sets out a series of socio-economic rights rarely available in refugee-hosting countries.[460]

This legislative change is the high point of a series of radical reforms to Ethiopia's national refugee policy, which were first signaled to the international community at a refugee conference convened by US President Barack Obama in New York on 20 September 2016. At this Leaders' Summit, governments were asked for pledges and Ethiopia's commitments were the stand-out new commitments. A US State Department official commented: "we were surprised, but we approached the Government of Ethiopia, and they said 'we are willing to do this, but nobody has ever asked us before.'"[461] The government's 'Nine pledges' included work permits for refugees with permanent residence or living in areas permitted for foreign workers; job creation for 30,000 refugees in new industrial park jobs as part of a new Jobs Compact with international donors; expansion of the Out-of-Camp policy to 75,000 refugees; local integration and a pathway to naturalisation for the 13,000 refugees present in the country for more than 20 years; land for agricultural irrigation close to refugee camps; improvements to basic and social services; increased education enrolment; and better access to identity and related documentation.[462]

What drove this transformation? We suggest that the primary reason for change was the offer by the UK, the EU, and the World Bank to the Government of Ethiopia of over $600m USD in support of its industrial strategy in a deal known as the 'Jobs Compact.' The funders made legislative change a condition of the deal. This deal in turn gave Ethiopia the opportunity to extend industrial development to regions previously peripheral to the national economy but of political importance in the context of the country's model of ethnic federalism.

The Office of the Prime Minister, together with the Ethiopian Investment Commission had already been approached by the UK's Department for International Development (DFID) as early as September 2015 about the idea of providing jobs for refugees within the country's existing industrial parks. The resulting 'Jobs Compact' was first made public in September 2016. The essence of the deal was that around half a billion US dollars were pledged by the UK, the EU, and the World Bank to support the government to create three new industrial parks in exchange for 30,000 jobs in any of the country's more than 20 industrial parks.[463] From the Ethiopian perspective, the proposal represented an opportunity for then Prime Minister Hailemariam Desalegn to expand Ethiopia's industrialisation plans.

The IKEA Foundation influenced ARRA's commitment to seeing refugees as valuable contributors to the economy.

The resulting funds came with conditions. The World Bank's funding was based on clear milestones, one of which was the Proclamation itself. This was a key performance indicator (KPI) to be delivered by 31 December 2018 in order to allow disbursement of the first tranche of funds without having to go back for World Bank Board approval.

However, an important secondary reason was the role of the IKEA Foundation in gradually influencing perspectives within ARRA, both in Dollo Ado and in Addis Ababa. In particular, the relationship built between Per Heggenes and the Deputy Director of ARRA from 2016, Ato Zeynu, facilitated in part by UNHCR, contributed to a growing sense across the government that refugees could be contributors to the local and national economy. The Deputy Director became an important champion of the Jobs Compact, nationally and internationally. He had a humanitarian background, having started his career in ARRA in Dima refugee camp. One NGO staff member in Addis further explained "we could really talk to him…With him, you had a partner." Zeynu travelled in his first year to Uganda to study the self-reliance model, and aspired to create an Ethiopian version. The former head of a UNHCR implementing partner in Addis recalled:

> *"He'd just come back and was like a kid, he was so enthusiastic. He said 'I've just come back from Uganda and some of these guys are working and have houses bigger than Ugandans. They can do everything Ugandans can do except vote'. And he said 'we can do this. We can aspire to this'."*[464]

[459] Federal Democratic Republic of Ethiopia, Proclamation No. 4019/2004, Addis Ababa: Federal Negaritgazeta of the Federal Democratic Republic of Ethiopia, 2004.
[460] Federal Democratic Republic of Ethiopia, Proclamation No. 1110/2019, Addis Ababa: Federal Negaritgazeta of the Federal Democratic Republic of Ethiopia, 2019.
[461] Interview with US State Department staff, Addis Ababa, 30 March 2019
[462] "Ethiopia," Global Compact on Refugees Platform, http://www.globalcrrf.org/crrf_country/eth/#_ftn3
[463] "Jobs Compact Ethiopia," Development Tracker, UK Department of International Development, https://devtracker.dfid.gov.uk/projects/GB-GOV-1-300393
[464] Interview with former IP staff member, Addis Ababa, March 2019

The Deputy Director chose to work collaboratively with the IKEA Foundation's CEO, Per Heggenes. Witnessing the role of the IKEA Foundation in Dollo Ado was formative for him as it "allowed [him] to look at the bigger picture…[He saw that] if you can get the donors and private sector to invest in the areas that no one else is investing in, they can help do development in these regions, helping people, then leaving a tangible legacy for the countries."[465] Indeed, a member of the World Bank's team working on refugees in Addis confirmed: "For ARRA this is a good example of attracting FDI and the private sector…ARRA uses the example with the IKEA Foundation and hails it as a great example of private sector investment."[466]

Image 63: Participants at the regional conference, "Delivering the GCR: Local Approaches to Inclusion," Addis Ababa. © UNHCR/Helle Degn, 2019

On 20th September 2016, the Ethiopian Government announced the 'Nine pledges' at Barack Obama's refugee pledging summit. The Pledges laid the groundwork for Ethiopia's commitment to the CRRF and for the drafting of the Proclamation. UNHCR participated actively in the process of drafting both the Pledges and advising on the Proclamation. Most commentators are clear that the primary factor in enabling such radical change to emerge was the funding attached to the Jobs Compact. One leading refugee affairs consultant, based in Addis claimed: "The main influence was the 500 million dollars; no doubt about that."[467] Meanwhile, a government representative said: "The triggering point was the Jobs Compact. Without this, this issue would not have been raised…and we would not have had the discussion about the Proclamation."[468]

Nevertheless, it is also clear that the IKEA Foundation made an important, albeit secondary, contribution to shaping the trajectory of the reform process, because of the way in which it influenced ARRA's commitment to seeing refugees as valuable contributors to the economy.

Furthermore, now that ARRA has responsibility for implementing the 'Nine pledges' and the CRRF, it sees the Dollo Ado experience as a crucial example for persuading other regions to back similar programmes. An ARRA staff member explained the importance of the agriculture and irrigation programmes for his work in other parts of the country:

> *"The 10,000 hectares is a priority of the government – and not just ARRA. Dollo Ado is the first step…so that Gambella can develop something similar. It will help us implement the Pledges…We want to implement the Pledges because we see in Dollo Ado [that] the local economy will be diversified. The market system – especially for food items – no longer has to come from the Highland areas. It allows for localisation…The Government of Ethiopia wants all communities and people to have their own incomes, and to get above the poverty line."*[469]

Meanwhile, another senior ARRA staff member explained the impact on ARRA's work:

> *"By default, the [IKEA Foundation] programme has influenced the government and donors. It's a pilot project and a good demonstration of the CRRF being fully-fledged…It has a lot of influence…the [programmes are] considered to be part and parcel of the CRRF. It shows that refugees can have economic access. They produce tomatoes, onions, etc. And at the end of the day, you have self-reliance. It's a demonstration [of what is possible]."*[470]

The example also enhances UNHCR's capacity to advocate for refugees' economic inclusion across Ethiopia. A UNHCR staff member explained:

> *"The IKEA Foundation is absolutely one of the anecdotal pieces of evidence that we use to illustrate the CRRF, especially for livelihoods…It is very much a proof of concept… It's UNHCR's flagship. Even though there are others that have come into the livelihoods*

[465] Interview with UNHCR staff member, Addis Ababa, 30 March 2019
[466] Interview with World Bank staff member, Addis Ababa, 26 March 2019
[467] Interview with independent consultant, Addis Ababa, 28 March 2019
[468] Interview with ARRA staff member, Addis Ababa, 28 March 2019
[469] Interview with ARRA staff member, Addis Ababa, 9 November 2019
[470] Interview with ARRA staff member, Addis Ababa, 9 November 2019

space, the IKEA Foundation differs because it's UNHCR implemented…These practices are very important for fostering change – and in seeing how different parts of government can work together…I think it's been important for demonstrating how people can think differently."[471]

GLOBAL LEVEL

In recent years, there has been a growing focus on the role of the private sector in refugee assistance. During the past decade that the IKEA Foundation has been active, the level of engagement has transformed from a handful of corporate donations to UNHCR to a vast array of commitments from business actors including multinational corporations, contributing through their money, ideas, and networks. Major recent developments such as the UN Global Refugee Compact and UNHCR's Global Refugee Forum have placed a significant emphasis on a whole-of-society approach with a strong role for business.[472]

The IKEA Foundation's programme in Dollo Ado has been the go-to example of effective private sector partnership for UNHCR.

The IKEA Foundation has arguably been the most significant actor in transforming the landscape, and its programme in Dollo Ado has been the example that the IKEA Foundation has drawn upon most prevalently to illustrate the potential role for the private sector. It has therefore been symbolically important, and has been the go-to example of effective private sector partnership for UNHCR. Particularly in the aftermath of the so-called European Refugee Crisis of 2015-16, a growing array of private actors expressed an interest in engaging with refugees. In that context, the IKEA Foundation's longstanding engagement in general and the Dollo Ado example in particular have offered a source of inspiration and guidance to other private sector actors seeking to support rights and opportunities for refugees. Crucially, the work in Dollo Ado has been one of very few significant private sector engagements in a low- or middle-income refugee-hosting country.

Both the IKEA Foundation and UNHCR have drawn upon and discussed the Dollo Ado model at major international conferences, including at the UN General Assembly, the Annual Meeting of the World Economic Forum in Davos, and President Obama's Global Summit on Refugees in September 2016, for example. Per Heggenes has also facilitated the visits of a range of other influential private sector leaders to Dollo Ado, including, for instance, Hamdi Ulukaya, the CEO of Chobani Yoghurt and the Founder of the Tent Foundation. The Dollo Ado programme has been widely used by Heggenes in conversations among the Tent Alliance of corporations working on refugee issues as a means to encourage wider engagement with refugee issues, including in forums with, among others Paul Polman, CEO of Unilever, Hikmet Ersek, CEO of Western Union, and Ajay Banga, CEO of Mastercard. Meanwhile, the work in Dollo Ado has been one source of inspiration and guidance to a range of other corporate foundations who have subsequently made commitments to support refugees, including the Hilton Foundation, the Lego Foundation, and the Vodafone Foundation.

Image 64: A photo of Hilaweyn energy cooperative member, Sabrin Abdikadir, hangs in the United Nations Office at Geneva during the GRF.
© UNHCR/Mark Henley, 2019

There are of course many factors that have led to the growth in private sector engagement with refugee issues, not least the heightened profile of refugee issues in the context of the Syria crisis in 2015-16. There are also a growing number of other examples of business engagement with refugees. However, the Dollo Ado example, and the way in which it has been effectively communicated by Per Heggenes, has offered a practical example of impact, and a rare example of large-scale private sector engagement in refugee camps in the Global South. Without the work in Dollo Ado, it seems unlikely that there would be such lively engagement by the private sector with refugee issues, with a growing focus on low and middle-income countries.

[471] Interview with UNHCR staff member, Addis Ababa,
[472] United Nations, Global Compact on Refugees. New York: United Nations, 2018, https://www.unhcr.org/5c658aed4.pdf

ORGANISATIONAL LEVEL

To what extent has the Dollo Ado investment changed UNHCR's policies and practices? As one senior staff member put it: "The IKEA Foundation has changed the way that we think."[473] Several specific organisational changes stand out in interviews with senior staff.

First, the focus on an integrated approach for refugees and host communities. The former head of the Dollo Ado Field Office points in particular to the precedent of having an integrated approach for refugees and the host community, which has become increasingly mainstreamed throughout the organisation, and now underpins the CRRF and the Global Refugee Compact.[474] Indeed, it was this emphasis on an integrated approach for refugees and host communities that UN High Commissioner for Refugees, Filippo Grandi, emphasised most strongly on his first visit to Dollo Ado in February 2019. He explained:

> *"It has been seen in many areas of the world where refugees and host communities live together; however, this is the place where refugees and host communities have shown that they can create and change their lives in reality and what we have seen today is a great model for the rest of the world."*[475]

Another senior UNHCR staff member explained the unusual nature of Dollo Ado:

> *"Our objective is always to be inclusive. However, in most of the places where we work, access for locals is minimal, and options for services aren't great. Melkadida is just better resourced. The strategy around agriculture for instance was great – it aimed to benefit all of the community…I would love to have that approach in other places."*[476]

Second, a new approach to partnership. UNHCR's Partnerships, Analysis, Research, and Knowledge (PARKS) section has been involved with the Foundation's work since the beginning. A senior staff member explained:

> *"Having worked with IKEA Foundation since the beginning, I can't underscore enough the value in having a partner that is willing to learn together. It's the kind of partnerships we'd like to develop in the Partnership Section…To stick it out through difficult times, is critical…This requires that you have trust that one or the other isn't going to walk away… We are slowly, slowly building these relationships [with other partners]."*[477]

Indeed, UNHCR is currently setting up a new unit, a Shared Values/Partnerships Unit, to facilitate this new model of partnership based on the IKEA Foundation precedent. The aim is to build relationships with the private sector and philanthropists that are at least as much about shared values as fundraising. A UNHCR staff member involved in establishing the unit explained: "As long as there's an impact on refugees, we welcome them."[478] In other words, the experience has encouraged UNHCR to look at private sector partnership through a "third way of engaging them, through value, instead of just procurement and philanthropy."[479] Another key change is in the idea of private sector partnership needing to also have a bigger footprint in refugee hosting countries, in order to facilitate engagement in contexts like Dollo Ado, Kakuma, or Bidi Bidi, where there is a growing private sector interest but historically a lack of institutional capacity to build private sector relationships. Furthermore,

Image 65: UNHCR and IKEA Foundation sign an agreement in Dollo Ado committing to another three years of partnership.
© UNHCR/Georgina Goodwin, 2019

[473] Interview with UNHCR staff member, Geneva, 24 July 2019
[474] Ibid.
[475] "The UN Higher Commissioner for Refugees and CEO of the IKEA Foundation Visited Dollo Ado Refugee Camps," ARRA, February 12, 2019, http://arra.et/the-un-higher-commissioner-for-refugees-and-ceo-of-the-ikea-foundation-visited-dollo-ado-refugee-camps/
[476] Interview with UNHCR staff member, 26 March 2019
[477] Interview with UNHCR staff member, Geneva, 24 July 2019
[478] Interview with UNHCR staff member, Geneva, 23 July 2019
[479] Ibid.

the IKEA Foundation has pushed UNHCR to engage in multi-year, multi-partner phasing, in contrast to a traditional funding model based on annual voluntary contributions by states. "No government would have done what IKEA [Foundation] did by establishing the [multi-year funding] arrangement."[480]

Third, a changed approach to technical capacity. In the early years of the Dollo Ado collaboration, UNHCR insisted on persevering with existing country implementing partners. As a result, key responsibilities for agriculture and shelter, for example, fell on these partners, regardless of whether they had the necessary background or expertise for the approach envisaged by the Foundation and UNHCR. "They just weren't well suited for it," one UNHCR staff member explained.[481] This contributed to early technical failures. In 2016, the Foundation encouraged UNHCR to appoint ReST as the lead implementing partner on irrigation and a range of other interventions. "Fortunately, Per [Heggenes] went in and found ReST. We know that we need to find stronger development actors. IKEA Foundation underscores that it's the right approach."[482] UNHCR has learned that it needs to be more flexible in the types of implementing partners it works with, especially in areas such as development and agriculture, in which traditional humanitarian NGOs may not have the required expertise or capacity. Relatedly, there is an implicit recognition that in order to oversee and understand development-based interventions, UNHCR needs a greater breadth of in-house capacity in areas such as economics and engineering.

The experience has encouraged UNHCR to rethink private sector partnerships as a means to co-create value, rather than just as a source of procurement and philanthropy.

Fourth, a renewed focus on data collection. Last year, UNHCR and the World Bank launched a Joint Data Centre in Copenhagen. It is the culmination of several years' work to improve UNHCR's data management capacity. There are many factors and contexts that have led to this change. However, the Dollo Ado experience has made a contribution to a greater appreciation of the importance of high-quality data and evidence-based policy within the organisation. UNHCR staff at headquarters explained the significance of Dollo Ado for informing the approach:

> *"I supported the operation to help contract Transtec for baseline data collection…The Melkadida team have better data than most operations. This is because it is part of what the IKEA Foundation has requested…It's been such a transformative fund…It's made us ask what type of data we need in development and humanitarian contexts…I've been able to [create] revised indicators for livelihoods and energy, for example. These kinds of indicators appear in our partnership agreements."*[483]

In addition to influencing UNHCR, the Dollo Ado experience has also enabled the IKEA Foundation to encourage the Ingka Group, which is responsible for IKEA's retail outlets, to engage in refugee related issues. The Foundation has been able to draw upon a wide range of examples of its work with refugees in order to showcase impact, including the Refugee Housing Unit (RHU), and incorporating refugees in the supply chain in Jordan. However, the Dollo Ado example has been the jewel in the crown, showcased at events such as the IKEA Foundation's 10th anniversary in 2019, and a meeting in Geneva jointly convened by Per Heggenes and Jesper Brodin, the CEO of the Ingka Group. Being able to demonstrate impact at scale for refugees has enabled the Foundation to encourage the Ingka Group to make a series of new pledges at the Global Refugee Forum in December 2019, such as the provision of employment-related skills for 2,500 refugees in 300 retail outlets. These commitments are of wider significance because they set an important precedent for how a corporate foundation can gradually influence core business engagement within the refugee context.

LOOKING FORWARD

While these impacts are significant, they should only be regarded as the starting point. The real potential of the IKEA Foundation investment is to provide insights – through both successes and failures – that can enable a new, and better model of response to emerge for refugees around the world. As yet, there are no clear plans for how to adapt, replicate, and scale the insights to the Dollo Ado work to other contexts. It is our hope that through this evaluation, more systematic lessons and insights will emerge in ways that will subsequently lead to an even greater and more sustainable long-term impact, at both the national and global levels.

[480] Ibid.
[481] Interview with UNHCR staff member, Geneva, 9 July 2019
[482] Interview with UNHCR staff member, Geneva, 24 July 2019
[483] Interview with UNHCR staff member, Geneva, 9 March 2019

MODULE 5: The future

MODULE 5: The future

The Dollo Ado experiment offers an extraordinary opportunity to learn. One of the biggest returns on investment is the knowledge and insights it offers for Ethiopia and the wider world. This module draws upon the research undertaken across the other modules in order to make evaluative recommendations for the future.

LOCAL AND NATIONAL IMPLICATIONS

Five insights stand out that are specific to Dollo Ado and the Ethiopian context.

1) **UNHCR and ARRA need to expand on the Foundation's investments in Dollo Ado, particularly in relation to economic developments in agriculture, livestock, and retail commerce**. Important progress has been made toward creating enabling environments for infrastructure and market investment by development banks and the private sector. However, further linkages need to be developed in order to increase retail commerce, trade, financial services, and resources that will eventually allow more refugees to develop their own livelihoods opportunities. These sectors, the largest parts of the economy, still only provide income-generating activities for less than 10% of refugees in the five camps. The overwhelming majority of refugees in the camps have no independent source of income generation; the largest employers in the camps remain humanitarian agencies offering incentive work, and the average income is around $1 USD per day. Most refugees are dependent upon the aid economy and their own cross-border strategies. Despite the progress, there is a long way to go.

2) UNHCR, the IKEA Foundation, and the Government of Ethiopia need to **develop a strategic plan to build a sustainable economy for the Dollo Ado region**. This plan needs to clearly identify ways in which the aid economy can gradually be replaced by private sector and market-based development. The objective, per UNHCR's global guidance, is to ensure that refugees are included into existing systems, economies and markets, and development plans. The infrastructural pre-conditions for the development of other sectors such as manufacturing and the digital economy should also be explored. The development of such plans should inform the next phase of IKEA Foundation funding in Dollo Ado, as well as broader programming by UNHCR and ARRA relating to the mission.

3) The cooperative model is broadly effective, and it offers opportunities for adaptation and replication in other contexts. However, **all cooperative models with a livelihoods function should have sustainability plans**, for example, the MFI charging a 5% mark-up on loan repayments as a means to gradually be able to pay for its own long-term continuation. Such plans are not always evident in relation to the other livelihoods-related projects. At the moment, too many of the cooperatives remain dependent on external inputs and there is little prospect of change. Relatedly, given that one of the key determinants of success of the cooperatives appears to be market linkages, cooperatives should only be established as sustainable livelihoods programmes insofar as they have broad and robust connections to markets and value chains.

4) Greater **consideration should be given to the wider social function played by cooperatives** beyond serving a livelihoods or income-generating role. Some of the cooperatives, even if they are not lucrative for members, play a valuable role in protection, the provision of public goods, offering training, and reinforcing esteem among members. For example, the main contribution of the energy cooperatives so far has been in terms of training and members' esteem. Meanwhile, the main benefits of the prosopis firewood cooperatives have been in terms of protection for female members. There may therefore be scope to design cooperatives that serve wider functions, potentially in areas such as sports participation or community engagement, for example, which are generally weak in the five camps and the surrounding areas.

5) In a wider Ethiopian context, **a series of dialogues should be conceived to identify ways in which the insights from Dollo Ado can inform the implementation of the Comprehensive Refugee Response Plan and the roll-out of the 'Nine pledges' and Refugee Proclamation across the country**. The Dollo Ado experience has a positive role to play in offering relevant and progressive insights for the gradual socio-economic inclusion of refugees within the country's other major refugee hosting regions, notably Gambella, Jijiga, and Tigray.

GLOBAL IMPLICATIONS

Six general insights stand out for how the learning from the experimental aspects of the Dollo Ado programme should inform wider work across the overall refugee regime.

1) There is an urgent need to **develop a clear conceptual framework for how to build refugee economies in remote border regions**. How should they be sequenced, what inputs are required, what best practices exist? This should be developed by UNHCR in collaboration with a range of other relevant stakeholders including development actors, the private sector, and academia. It should draw upon the insights from Dollo Ado in comparative analysis with insights from other relevant contexts. Such a conceptual framework is missing globally. Had it existed prior to the IKEA Foundation grants in Dollo Ado, there might have been even greater success today. Such a framework would be relevant to the work of a range of actors, including UNHCR, the World Bank, and the IFC, for example. A starting point might be for the IKEA Foundation to convene a meeting to reflect on ways to develop such a 'sustainable refugee economies framework' or similar.

2) The IKEA Foundation and UNHCR should work to systematically **identify situations in which the insights from Dollo Ado can be applied, adapted, replicated, and scaled**, based on clear thinking about the conditions required for effective replication. A monitoring and reporting mechanism should be established to assess and measure the global impact of the Dollo Ado work over time. This process should involve reflection on the findings of this evaluation, analysis of the relevance of Dollo Ado's insights to other similar refugee-hosting contexts within East Africa and elsewhere, and then a dialogue between UNHCR, the IKEA Foundation, and other relevant stakeholders on contexts in which specific insights (e.g. the cooperatives approach) or general insights (e.g. attempts to transform an entire border economy) might be applied.

3) The work in Dollo Ado has piloted a series of highly innovative approaches, largely unique to the Dollo Ado context. These include the cooperatives model; the large-scale construction of irrigation canals as the basis for creating agricultural livelihoods in an area with significant environmental limitations for agricultural work; the creation of a microfinance initiative based on a rotating credit scheme; the whole-of-value chain approach pioneered in the livestock sector; and the systematic integration of the host community within programming. **Despite the specificity of the context, these innovations represent good practices that can be built upon elsewhere. The lessons from the cooperatives should be widely shared** and disseminated to bilateral donors, NGOs, and relevant humanitarian and development organisations; they represent a series of important innovations relating to programming for refugee assistance.

4) **All future programming by UNHCR and the IKEA Foundation should be evidence-based or evidence-generating**. For example, baseline data should be gathered for all programmatic interventions, and value chain and market systems analysis should be undertaken for livelihoods programmes. One of the key insights of our evaluation process is that the interventions were designed and implemented without adequate reflection on how they would later be evaluated. In the future, and wherever possible, an intervention should build evidence generation into the design phase. This must involve a) the collection of baseline data relating to intervention beneficiaries; b) the creation or identification of a clear counterfactual for later comparison purposes; c) clearly defined and consistently implemented criteria for participant selection in programmes. In order to enable this, it is necessary that UNHCR operations support partners to maintain accurate records of members' activities.

5) At an organisational level, **UNHCR needs to build a new approach to private sector partnership, one that is adaptable, can function in field-based contexts**, and shows greater flexibility relating to personnel, procurement, and implementing partners. There is some indication that these changes are already underway. Meanwhile the IKEA Foundation could benefit from a more systematic approach to evidence-based and evidence-generating programming. Again, it appears that these changes are underway.

6) The insights from the evaluation have wider **implications for traditional donor practices**, in Dollo Ado and more generally. Given the pioneering nature of the Foundation's programmes, governmental donors have increasingly invested in related programmes. DFID and SIDA are among the bilateral aid agencies to have committed funding that explicitly builds on the Foundation's work. In the words of one international organisation staff member, "everybody wants to piggy-back on what IKEA has done." However, the challenge for traditional donors is to adapt to a different culture of donorship, rather than bring a parallel and contradictory way of working. First, it needs to be based on community engagement rather than reverting back to a 'top-down' delivery model. Second, it needs to support a culture of greater tolerance of failure as a means to encourage iterative learning and innovation. Governments and organisations engaging in Dollo Ado need to avoid a reversion to a traditional humanitarian assistance model, and instead build upon the culture of donorship and assistance initiated by the Foundation.

APPENDICES

APPENDIX 1: IKEA Foundation supported livelihoods projects: memberships and legal statuses

The following tables present background information on the livelihoods cooperatives and business groups that IKEA Foundation have supported in and around the five camps of Dollo Ado that were included in this evaluation. Where possible, membership figures for each of the projects are broken down in each location by migration status (i.e., refugee or host) and sex (i.e., male or female). The tables also show when individual projects were established (i.e., when they became operational, whether this was done through self-organisation or with the support of IKEA Foundation and UNHCR) and when they were formally legalised with the relevant Ethiopian government body. A majority of data were provided by UNHCR Melkadida, with additional inputs provided by IPs and cooperatives or business groups. Indication has been made when information was unclear or not collected.

Agriculture cooperatives

Implementing partners: ReST/CPDA, Wa-PYDO

Location	Refugee members		Host members		Total members	Year established	Year legalised
	Male	Female	Male	Female			
Melkadida I	33	19	65	25	**142**	2016	2017
Melkadida II	23	14	35	7	**79**	2016	2017
Melkadida III	61	7	8	4	**80**	2016	2017
Kole	29	36	56	9	**130**	-	-
Kobe	23	52	66	9	**150**	-	2017
Hilaweyn	59	32	57	24	**172**	2017	2017
Buramino	134	66	165	35	**400**	2018	2018
Total	362	226	452	113	**1,153**		

Livestock trading cooperatives

Implementing partner: Wa-PYDO

Location	Refugee members		Host members		Total members	Year established	Year legalised
	Male	Female	Male	Female			
Bokolmanyo	18	2	2	0	**22**	2017	2018
Melkadida I	6	4	5	2	**17**	2016	2018
Melkadida II	15	6	0	0	**21**	2018	N/A
Kobe	10	2	17	0	**29**	2016	2018
Hilaweyn	27	8	24	3	**62**	2016	2018
Buramino	15	6	3	0	**24**	2016	2018
Total	91	28	51	5	**175**		

CAHWs business groups

Implementing partner: Wa-PYDO

Location	Refugee members		Host members		Total members	Year established	Year legalised[484]
	Male	Female	Male	Female			
Bokolmanyo	5	1	3	0	**9**	2015	N/A
Melkadida	5	0	3	0	**8**	2015	N/A
Kobe	7	1	3	0	**11**	2015	N/A
Hilaweyn	5	0	2	1	**8**	2015	N/A
Buramino	5	0	1	1	**7**	2015	N/A
Total	**27**	**2**	**12**	**2**	**43**		

Slaughterhouse business groups

Implementing partner: Wa-PYDO

Location	Total members	Year established	Year legalised[485]
Bokolmanyo	**5**	2015	N/A
Melkadida	**9**	2015	N/A
Kobe	**3**	2015	N/A
Hilaweyn	**3**	2015	N/A
Buramino	**6**	2015	N/A
Total	**26**		

Meat selling cooperatives

Implementing partner: Wa-PYDO

Location	Refugee members		Host members		Total members	Year established	Year legalised
	Male	Female	Male	Female			
Bokolmanyo	25	7	6	0	**38**	2016	2018
Melkadida	1	47	0	4	**52**	2016	2018
Kobe	31	43	23	1	**98**	2016	2018
Hilaweyn	5	14	5	5	**29**	2014	2018
Buramino	3	22	0	1	**26**	2015	2018
Total	**65**	**133**	**34**	**11**	**243**		

[484] The CAHWs business groups have not been legalised up to now.
[485] The slaughterhouse business groups have not been legalised up to now.

Milk selling cooperatives

Implementing partner: Wa-PYDO

Location	Refugee members		Host members		Total members	Year established	Year legalised
	Male	Female	Male	Female			
Bokolmanyo	0	25	0	2	**27**	2017	2018
Melkadida	0	22	0	2	**24**	2016	2018
Kobe	0	22	0	0	**22**	2017	N/A
Hilaweyn	0	20	0	3	**23**	2014	2018
Buramino	0	14	0	3	**17**	2015	2018
Total	0	103	0	10	**113**		

Energy cooperatives

Implementing partner: SEE

Location	Refugee members		Host members		Total members	Year established	Year legalised
	Male	Female	Male	Female			
Bokolmanyo	14	2	4	1	**21**	2017	2018
Melkadida	8	2	2	0	**12**	2018	2018
Kobe	8	1	2	1	**12**	2017	2018
Hilaweyn	8	1	3	1	**13**	2015	2018
Buramino	7	2	3	0	**12**	2014	2018
Total	35	8	14	3	**60**		

Prosopis firewood cooperatives

Implementing partner: Wa-PYDO

Location	Refugee members		Host members		Total members	Year established	Year legalised
	Male	Female	Male	Female			
Bokolmanyo	51	19	4	0	**74**	2018	2018
Melkadida	20	50	0	0	**70**	2018	N/A
Kobe	20	50	0	0	**70**	2018	N/A
Hilaweyn	5	55	2	8	**70**	2018	N/A
Buramino	10	63	4	3	**80**	2017	2018
Total	106	237	10	11	**364**		

APPENDIX 2: Interviews and focus groups conducted

IKEA Foundation
3 interviews with IKEA Foundation staff

UNHCR Headquarters, Geneva
11 interviews with UNHCR staff

UNHCR Ethiopia, Country Office
9 interviews with UNHCR staff

UNHCR Ethiopia, Melkadida Sub-Office
29 interviews with UNHCR staff

Supporting organisations in Addis Ababa
8 interviews (e.g., including with staff at DFID, UNICEF, World Bank)

Implementing partners throughout the Dollo Ado camps
29 interviews

Local administrative and government actors
20 interviews with staff of local government and refugee council members (e.g., ARRA, *woreda*, *kebele*, RCC, women's and youth associations)

Livelihoods projects supported by IKEA Foundation

Date	Cooperative or business group	Interviewee(s)	Location
19 June 2019	Prosopis firewood cooperative	Members (FGD - refugees, mixed sex)	Buramino
19 June 2019	Agriculture cooperative	ReST, members (FGD - mixed group)	Buramino II
20 June 2019	Energy cooperative	Members (FGD - mixed group)	Hilaweyn
20 June 2019	Milk selling cooperative	Chairwoman	Hilaweyn
20 June 2019	Agriculture cooperative	Members (FGD - mixed group)	Hilaweyn
20 June 2019	Meat selling cooperative	Members (FGD - refugees, mixed sex)	Hilaweyn
21 June 2019	Agriculture cooperative	Members (FGD - mixed group)	Kobe
21 June 2019	Meat selling cooperative	Members (FGD - refugees, mixed sex)	Kobe
21 June 2019	Milk selling cooperative	Members (FGD - refugees and hosts, women)	Kobe
21 June 2019	Slaughterhouse business group	Members (FGD - refugees, men)	Kobe
25 June 2019	Livestock trading cooperative	Members (FGD - refugees, mixed sex)	Melkadida
25 June 2019	Meat selling cooperative	Members (FGD - refugees, women)	Melkadida
25 June 2019	Agriculture cooperative	Members (FGD - mixed group)	Melkadida
25 June 2019	Energy cooperative	SEE, members (FGD - mixed group)	Bokolmanyo
25 June 2019	CAHWs business group	Members (FGD - refugees, men)	Melkadida

27 September 2019	Agriculture cooperative	Vice-chairman	Melkadida II
27 September 2019	Prosopis firewood cooperative	Members (FGD - refugees, women)	Melkadida
30 September 2019	Agriculture cooperative	Vice-chairman	Melkadida I
1 October 2019	Agriculture cooperative	Vice-chairman	Kole
1 October 2019	Agriculture cooperative	Vice-chairman	Kobe
4 October 2019	Agriculture cooperartive	Chairman and vice-chairman	Hilaweyn
13 October 2019	Construction cooperative	Vice-chairperson	Kobe
13 October 2019	Gum and incense cooperative	Vice-chairperson	Kobe
13 October 2019	Livestock trading cooperative	Vice-chairman	Kobe
14 October 2019	Meat selling cooperative	Members (FGD - refugees, mixed sex)	Kobe
21 October 2019	Agriculture cooperative	Landowning host member	Hilaweyn
21 October 2019	Energy cooperative	Members (FGD - mixed group)	Kobe
22 October 2019	Livestock cooperative	Members (FGD - refugees and hosts, men)	Kobe
22 October 2019	Prosopis firewood cooperative	Members (FGD - refugees, mixed sex)	Kobe
23 October 2019	Gum tree cooperative	Members (FGD - refugees, mixed sex)	Bokolmanyo
23 October 2019	Prosopis firewood cooperative	Members (FGD - refugees, women)	Bokolmanyo
23 October 2019	MFI	Camp coordinator	Kobe
24 October 2019	Energy cooperative	Members (FGD - refugees, men)	Buramino
24 October 2019	Agriculture cooperative	Chairperson	Buramino
24 October 2019	Prosopis firewood cooperative	Members (FGD - refugees, mixed sex)	Buramino
24 October 2019	Livestock trading cooperative	Members (FGD - mixed group)	Buramino
24 October 2019	Energy cooperative	Refugee member	Buramino
25 October 2019	Slaughterhouse business group	Staff	Melkadida
28 October 2019	Construction cooperative	Members (FGD - refugees, men)	Bokolmanyo
28 October 2019	Energy cooperative	Members (FGD - mixed group)	Bokolmanyo
28 October 2019	MFI	Members (FGD - refugees, women)	Bokolmanyo
29 October 2019	Construction cooperative	Chairperson	Kobe
29 October 2019	Agriculture cooperative	Members (FGD - refugees, men)	Kobe
29 October 2019	Agriculture cooperative	Members (FGD - refugees, women)	Kobe
29 October 2019	Agriculture cooperative	Members (FGD- hosts, men)	Kobe
31 October 2019	Milk selling cooperative	Members (FGD - refugees, women)	Bokolmanyo
31 October 2019	CAHWs business group	CAHW veterinarian	Bokolmanyo
1 November 2019	MFI	Loan recipient, refugee	Melkadida
1 November 2019	Agriculture cooperative	Members (FGD - refugees, men)	Melkadida

4 November 2019	Agriculture cooperative	Members (FGD - refugees, men)	Hilaweyn
4 November 2019	Agriculture cooperative	Members (FGD - refugees, women)	Hilaweyn
4 November 2019	Agriculture cooperative	Members (FGD - hosts, men)	Hilaweyn
4 November 2019	MFI	Loan recipients (FGD - refugees, mixed sex)	Hilaweyn
5 November 2019	MFI	Loan recipient, host	Kobe
5 November 2019	MFI	Loan recipient, host	Kobe
5 November 2019	CAHWs business group	CAHW veterinarian	Melkadida

Private businesses

Date	Business	Interviewee	Location
24 June 2019	Oromia International Bank	Branch manager	Melkadida
25 October 2019	Oromia International Bank	Branch manager	Melkadida
25 June 2019	Small goods shop	Shop owner	Melkadida
30 October 2019	Ugas Electronics	Shop owner	Dollo Ado town
30 October 2019	Alloow Electronics	Shop owner	Dollo Ado town
31 October 2019	Commercial Bank of Ethiopia	Branch manager	Dollo Ado town

Other interviews

Date	Organisation/topic	Interviewee(s)	Location

Workshop

Date	Topic	Actors involved	Location
18 October 2019	Future plans for IKEA Foundation supported irrigation schemes	UNHCR, Wa-PYDO, ReST/ CPDA, local authorities, cooperative executives	Melkadida

20 June 2019	Hilaweyn health centre	Head doctor	Hilaweyn
20 June 2019	Solar home systems	Recipients (FGD – refugees, women)	Hilaweyn
13 October 2019	YEP TVET project	YEP graduate	Kobe
21 October 2019	Solar home systems	Recipients (FGD – refugees, women)	Kobe
24 October 2019	Energy cooperative	Customer	Buramino
24 October 2019	Solar home systems	Recipients (FGD – women)	Buramino
24 October 2019	Solar streetlights	Beneficiaries (FGD)	Kobe
28 October 2019	"New market"	Shop owners (FGD)	Bokolmanyo
29 October 2019	Meat selling	Independent sellers (FGD)	Kobe
29 October 2019	Agriculture	Farmers outside cooperatives (FGD)	Kobe
30 October 2019	Meat selling	Meat buyer	Melkadida
30 October 2019	Firewood	Refugee seller outside cooperative	Melkadida
30 October 2019	Livestock trade	Refugee trader outside cooperative	Melkadida
30 October 2019	Firewood	Host seller outside cooperative	Melkadida
30 October 2019	College for Teacher Education	Dean of CTE	Dollo Ado town
1 November 2019	Meat selling	Meat buyer	Hilaweyn
1 November 2019	Firewood	Refugee seller outside cooperative	Hilaweyn
1 November 2019	Firewood	Host seller outside cooperative	Hilaweyn
1 November 2019	Livestock trade	Trader outside cooperative	Hilaweyn
1 November 2019	Firewood	Host sellers outside cooperative (FGD)	Bokolmanyo
1 November 2019	Meat selling	Meat buyer	Bokolmanyo
1 November 2019	Livestock trade	Refugee trader outside cooperative	Bokolmanyo
5 November 2019	Better Shelter refugee housing unit	Former recipients (FGD)	Kobe
5 November 2019	YEP TVET project	YEP graduates (FGD)	Melkadida

APPENDIX 3: IKEA Foundation investments in infrastructure and services

The IKEA Foundation programme supported foundational infrastructure and service-based developments that have enabled minimum standards of humanitarian delivery. Particular attention is paid here to the larger investments made, namely in education, shelter, nutrition, and WASH, which are enabling or prerequisite for refugee and host communities to participate in livelihoods initiatives. Without these foundations in place, the livelihoods-oriented projects implemented from 2015 to the present – which are the primary focus of the evaluation, and of central interest to the IKEA Foundation – would have been difficult to develop.

The projects discussed here are no longer receiving funding from the Foundation. Responsibility for their further development has been successfully handed over to OPs, IPs, and government actors, while, in most cases, UNHCR continues to play a central coordination role. These interventions can generally be judged to have met, or closely approached, the intended outcomes envisioned by the IKEA Foundation, in line with associated objectives established at the outset.

There remain significant needs across all of these areas. For example, there are still many children out of school due to, among other things, a shortage of education facilities, and issues around shelter are not resolved for a significant proportion of families in the camps. However, these concerns are now the responsibility of traditional humanitarian actors, as well as government authorities. While some of these actors express the view that it would be helpful to receive additional financial assistance from the IKEA Foundation, among other funders, it is generally understood that the Foundation has pivoted its support to develop the livelihoods-related projects discussed in Module 2.

The successes of the investments examined in this appendix are measured against the KPIs and objectives established by the IKEA Foundation, and additional indicators identified by interview respondents and the evaluation team as being necessary to facilitate individuals' full participation in the livelihoods projects discussed in Module 2.

Image 66: Transitional shelters were built in Kobe camp to replace tents. They are better able to withstand wind and protect from natural elements. © UNHCR/Jiro Ose, 2012

1. EDUCATION

Summary assessment

The largest share of the IKEA Foundation's budget from 2012-2018 has gone toward supporting education activities in the Dollo Ado region. At approximately $19m USD, these expenses comprised nearly 20% of the total investment.[486] Funding was primarily designated for building education infrastructure, such as classrooms, schools, and a teacher training college (TTC), as well as to cover expenses associated with running the educational programmes (e.g. staff salaries, teaching supplies, and administration).

The two objectives established for the intervention were (1) to increase school enrolment rates to 80% of young people and (2) to improve students' learning achievements. By 2018, when the Foundation discontinued funding for the education portfolio, UNHCR had made significant advances in approaching both of these objectives, with all managerial and financial responsibilities of the education portfolio also successfully handed over to UNHCR, IPs, or government institutions. Therefore, the Foundation's investment in education can be deemed an overall success, even if there remain some shortcomings in outcomes and challenges at present.

IKEA Foundation objectives:

- Objective 1: 80% of eligible school-aged children, youth and young adults will access education in the Dollo Ado education programme by 2017
- Objective 2: Refugee students and youth will have improved transition and learning achievements[487]

Review of investments

Investment in Teacher Training College/College for Teacher Education

The construction of the Teacher Training College (TTC) in Dollo Ado town, which has now been accredited as a College for Teacher Education (CTE), is the most highly visible education-related investment made by the Foundation. Its aim was to increase the number of qualified teachers from the host and refugee communities in the Liban Zone of the Somali Region to provide better education outcomes for the ever-increasing refugee and Ethiopian youth populations. Construction of the facility began in early 2016, when the first block in the compound was constructed by NRC, after which the remaining infrastructure was built by a private contractor. The facility became functional as a TTC in October 2017.

The CTE was originally scheduled to accommodate 100 students for teacher training. The Regional Education Board (REB) agreed to provide additional support in order to increase this target so that more students could be enrolled from a wider geographic range, spanning three zones in the Somali Region. The CTE is currently able to train up to 700 teachers, with capacity to accommodate 500 students in their on-site lodgings and another 200 students who are resident in Dollo Ado town.[488] The first batch of students will graduate from the three-year programme in 2020, so it is difficult at this point to make claims on the quality of the education that the TTC provides, or graduates' success as teachers.

Image 67: Student teachers from the Somali refugee and Ethiopian host communities attend classes at the CTE. © UNHCR/Diana Diaz, 2019

The IKEA Foundation covered 14 million ETB (approximately $500k USD)[489] in running costs during the first year of the project. In 2018, the management of the CTE was successfully handed over to the regional government. There was a smooth transition of responsibility as a result of early strategic planning and cooperation among the REB, the IKEA Foundation, and UNHCR. The Dean of the CTE expressed satisfaction with the way the regional government has handled the intervention, particularly with regard to the support and resources they provided.[490] The government's role

[486] See Table 1 in the Introduction section.
[487] "Thematic Update: Education." UNHCR Sub-Office Melkadida, 2019, http://melkadida.info/wp-content/uploads/2019/04/02-Education-SOMEL-Thematic-Update-2018.pdf (restricted access).
[488] Ibid.
[489] Interview with CTE staff member, Dollo Ado, 30 October 2019
[490] Ibid.

consists of internal and external inspections and supervision of the college's activities, as well as making recommendations to improve student outcomes.

The most apparent impact of the CTE so far has been that it has improved access to teacher training programming for the youth population living in the three zones. The next closest teacher training institution is more than 600km away and was inaccessible to a majority of aspiring teachers in the Dollo Ado region. Given the expense of sending a child to a distant college and the high rates of poverty in the area, the CTE in Dollo Ado has allowed poorer households access to this specialised job training. Furthermore, the staff of the CTE mentioned that the construction of the school could have had a particularly positive effect on young women's access to teacher training, as "people in this area don't like to send [them] further afield."[491]

Image 68: Primary school students in Melkadida draw what a beautiful world looks like to them. © UNHCR/Ariadne Kypriadi, 2019

One issue identified with the CTE is the low enrolment rates of refugee students. In 2018, only 4% of enrolled students were refugees (27 out of 624).[492] This is partly due to refugees' currently low enrolment and graduation rates from secondary school. Furthermore, secondary school refugee graduates in the Dollo Ado camps that qualify for and pursue higher education opportunities have demonstrated a preference for attending university, rather than enrolling in the CTE. Over the last three years, 100% of refugee students who sat Grade 12 exams qualified to go to university.[493]

Importantly, the increased number of teachers graduating from the CTE will improve the quality of teachers at primary level and will lower the chronically high teacher:pupil ratio. Furthermore, CTE staff have ambitions to upgrade the institution to a university within the next four to five years to further expand their impact on education outcomes in the Somali Region.

Investments in primary and secondary education

In addition to the CTE, from 2015 the IKEA Foundation funded the construction of five schools and classroom expansions. These included a new primary school in Buramino, secondary schools in Hilaweyn and Kobe, expansion of classrooms at the secondary school in Bokolmanyo, and the construction of boarding facilities. The construction of new structures has been crucial for facilitating access to education for the increasing number of youths in the camps. In spite of these developments, there are still an inadequate number of education facilities in the camps; classrooms tend to be crowded and small, especially at the secondary level. Stakeholders' budgets are chronically limited, and it has not been possible to prioritise construction of new classrooms.

Outcomes

The investment by the IKEA Foundation has led to a substantial increase in the number of spaces available for children to pursue education opportunities, however only a limited amount of infrastructure has been built since the Foundation funding ended. The overall enrolment rate of the student-age population – including Early Childhood Care and Education (ECCE), primary, and secondary levels – has increased from 32.8% in 2015 to 62.3% in 2019.[494] The Foundation's initial objective set an ambitious target of 80% enrolment. Because this target was subsequently revised down to 60%,[495] at present, UNHCR has delivered on this objective. In 2018, ECCE had by far the highest enrolment rate, at just under 80%, while primary schools enrolled around 55%, and secondary just below 10% (Figure 32); precise numbers for enrolled students are provided in Table 22.

[491] Ibid.
[492] UNHCR Melkadida, "Education update."
[493] Ibid.
[494] "Education," UNHCR Sub-Office Melkadida Digital Portal and Knowledge Base, http://melkadida.info/education/ (restricted access).
[495] Correspondence with UNHCR Melkadida staff, 3 February 2020.

Figure 32: Enrollment rates for ECCE, primary, and secondary, 2015–2019 (in percent) [496]

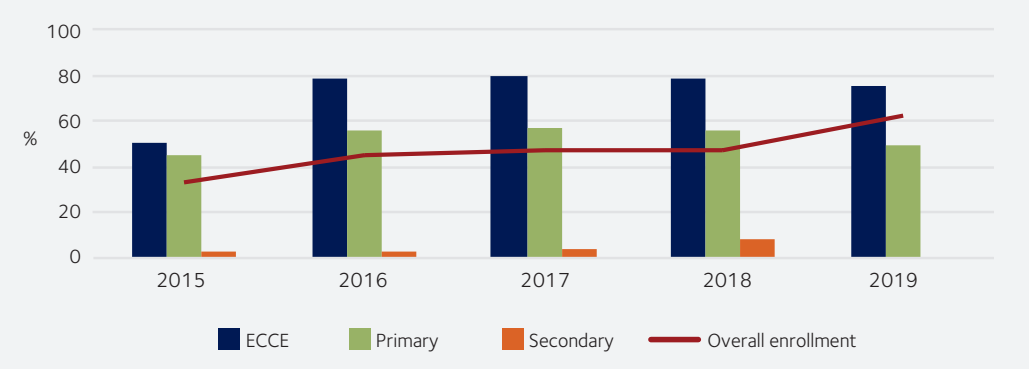
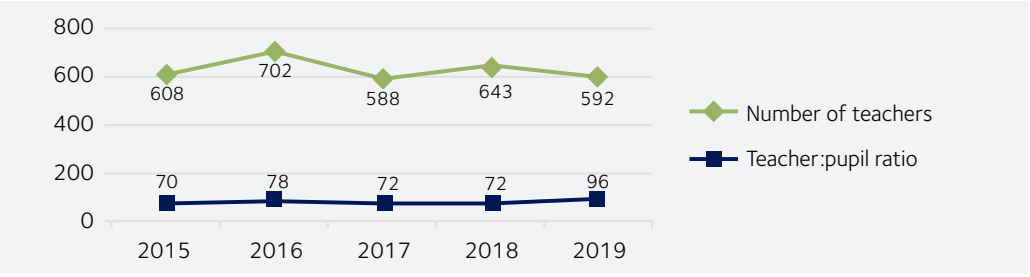


Table 22: Number of students enrolled, by education programme[497]

	2015	2016	2017	2018	2019
ECCE	10,273	16,096	16,286	16,719	16,299
Primary	17,258	20,734	20,733	21,532	20,922
Secondary	435	647	1,120	1,874	3,160
ABE[498]	6,340	8,521	9,292	9,105	n/a
FAL[499]	1,219	3,124	4,278	n/a	n/a
Total	**35,525**	**49,122**	**51,709**	**49,230**	**40,381**

While UNHCR's goal remains to reduce the teacher:pupil ratio to 1:50, efforts to decrease it have not been successful due to a combination of a drop in the number of teachers, and an increase in student enrolment (Figure 33).

Figure 33: Number of teachers, and teacher:pupil ratio, 2015–2019[500]



The overall ratio increased from 1:70 in 2015 to 1:96 in 2019, although importantly, the ratios differ across the different levels of education and the limited number of teachers at the ECCE level skews the ratio, overall. For primary schools, the teacher:pupil ratio was 1:46 in 2019, down from 1:51 in 2015.[501] For secondary schools, it has fluctuated over the years, between 1:20 and 1:40; it stood at 1:34 in 2019.[502] The ECCE ratio increased from 1:101 in 2015 to 1:184 in 2019.[503] It should be noted that ECCEs operate in double shifts, so pupils typically experience a class size that is half the figure reported in the teacher:pupil ratio.[504]

Figure 33 also shows that the number of teachers fluctuates from year to year. The recruitment and retention of quality teachers has been one of the main challenges for UNHCR. The Dollo Ado area is considered an undesirable professional location for qualified teachers who come from other areas of Ethiopia, which has resulted in low interest in camp-based positions and a high turnover among those who are placed in them. This was one of the main motivations behind the establishment of the TTC, as it is expected that refugee graduates will fill that gap in the future.

[496] Ibid. The figure for secondary school enrolment was not reported for 2019.
[497] Ibid.
[498] The Accelerated Basic Education Programme (ABE), supported by NRC, Save the Children International (SCI), and World Vision International (WVI), was an avenue to promote access to formal education for disadvantaged older children out of school, with the goal of them eventually transferring to formal primary school when ready. In 2018, ABE's purpose had been achieved as there was no longer evidence that there was limited access to primary education in the camps. The programme was phased out in September 2018.
[499] Functional adult literacy
[500] Ibid.
[501] UNHCR Melkadida, "Education update."
[502] Ibid.
[503] Ibid.
[504] Ibid.

Conclusion

The education intervention is considered to be a success story on the whole. The infrastructure funded by the Foundation has enabled education providers to meet some of the growing demand for school enrolment and is credited with creating pathways from pre-primary to post-secondary education. Shortcomings persist, especially in the inadequate number of classrooms, the limited number of secondary school places, and the recruitment of new teachers.

2. SHELTER

Summary assessment

The IKEA Foundation funded shelter projects in the Dollo Ado refugee camps from inception of the programme until 2017. In total, the Foundation provided nearly $8m USD (or approximately 8% of their total investment in the region) to this sector. The majority ($6.2m) was spent in the first funding tranche from 2012-2014 when the camps were in need of the most dramatic infrastructural development.[505]

The main goals of the intervention were threefold: (1) to construct new shelters to increase shelter coverage in the camps, (2) to maintain existing shelters, and (3) to create livelihoods opportunities for youth who could be engaged in construction activities. While progress has been made on each of these goals, the intervention has encountered challenges from start to finish, many of which informed innovations and strategies along the way. Challenges centred around developing an appropriate shelter design that was culturally and environmentally suitable and sustainable, providing coverage for a large number of households in need, and issues with project management. UNHCR's effort to create livelihoods for YEP graduates who completed training in construction has had some success, albeit with several caveats that suggest only partial realisation of that particular objective.

Three stages of shelter strategies

The intervention had three stages. During the first stage, the IKEA Foundation funded construction of all emergency and temporary shelters (primarily tents and bamboo shelters) across all camps[506] and put in a small pilot number of refugee housing units (RHUs) in Hilaweyn (27 erected) and Kobe (13 erected) in 2013 and 2014.[507] All of the RHUs in Kobe have degraded or been dismantled, while most of those in Hilaweyn are still standing and are regularly maintened to replace wall panels.

Image 69: One of the first refugee housing units in the Dollo Ado operation is erected in Hilaweyn camp.
© UNHCR/Abdiwali Mohamed, 2013

During the second stage, approximately 2016-2017, the Foundation shifted to supporting UNHCR's agenda to build bamboo shelters. A member of the UNHCR field staff reports that since 2012, there have been 22,111 bamboo shelters constructed in all camps.[508] Bamboo shelters still constitute the vast majority of standing shelters in the camps. At the end of 2018, 86.4% of refugee households had walls constructed of bamboo and roofs made of iron sheets (95.4%) or plastic covers (4.3%).[509]

While bamboo shelters are affordable to construct and have provided a financial boost to the Ethiopian economy (as bamboo can be sourced from Oromia), the material is not durable: it is vulnerable to termites and extreme weather, and deteriorates quickly on the rocky soil on top of which these shelters are built. The cost of constructing a new bamboo shelter is $868 USD, with an average lifespan of just less than two years. The average cost of rehabilitating a bamboo shelter is about half that (approximately $430).[510]

[505] See Table 1 in the Introduction section.
[506] Interview with UNHCR staff member, Melkadida, 15 October 2019
[507] Interview with UNHCR staff member, Melkadida, 9 November 2019
[508] Interview with UNHCR staff member, Melkadida, 15 October 2019
[509] Betts et al, "Refugee Economies in Dollo Ado."
[510] "Thematic Update: Shelter 2015 - 2018." UNHCR Sub-Office Melkadida, 2019, http://melkadida.info/wpcontent/uploads/2019/03/07-Shelter---SOMEL-Thematic-Update-2018.pdf (restricted access).

Finally, from 2017 UNHCR began building more durable shelters made of hollow concrete blocks and chemically treated poles. From 2017-2018, a total of 365 of these durable shelters were constructed with support from the implementing partner, Action for the Needy in Ethiopia (ANE).[511] Although it cost approximately $1,600 to build each unit – nearly double the cost of building a bamboo shelter – the strategy was to capitalise on a longer-term trade-off of establishing more long-lasting homes that would promote a sense of ownership among refugee occupants.[512] Indeed, the improved durability of these shelters has led to improved living conditions in terms of privacy, cleanliness, and safety, according to UNHCR.[513] Furthermore, the development is said to have used participatory approaches in both the construction and maintenance of shelters.

The IKEA Foundation ceased its support for shelter projects in 2018, partly because they had limited direct livelihoods-oriented outcomes. UNHCR has since assumed full responsibility for funding all activities in this sector.

The link with livelihoods

The shift toward building durable concrete structures also enabled individuals who were trained through YEP to develop livelihoods. Following negotiations with UNHCR, YEP graduates were contracted by the shelter partner, ANE, to carry out construction work. A UNHCR staff member explained that when ANE arrived in the camps in late 2017, UNHCR required that they hire YEP graduates to carry out construction. In 2017, at the outset of the project, ANE only managed to hire 56 YEP graduates across all camps, in spite of the fact that more than 200 were reported to have been trained.[514] The number of graduates hired was lower than expected, due to the fact that some trainees did not have adequate skill levels for the work required and because a number of individuals were no longer resident in the camps.[515] Currently, however, a staff member at ANE said there has been a significant uptake of YEP graduates working with them, with more than 130 supporting shelter projects across all five camps.[516]

3. NUTRITION

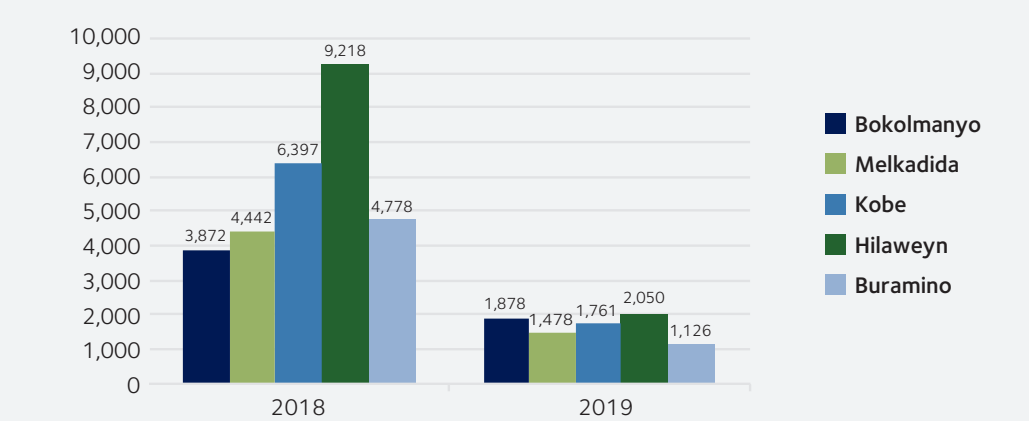
Summary assessment

The IKEA Foundation's involvement in the nutrition sector has been relatively limited: until 2017, it funded the procurement and provision of Plumpy'nut, a peanut-based Ready-to-Use-Therapeutic Food formulated for the nutritional rehabilitation of children from six months of age and adults suffering from severe acute malnutrition. UNHCR considered the funding by the Foundation especially helpful at the time because "it freed up funds for other interventions, as Plumpy'nut is very expensive to procure."[517] Indeed, in 2015, a total of 100 tonnes of Plumpy'nut were distributed to 17 outpatient therapeutic programme centres and five stabilisation centres across the five camps for the benefit of acutely malnourished children below five years of age;[518] the cost of this and complementary work in the nutrition sector came to approximately $550,000 USD.[519] In spite of the high annual costs associated with provision of nutritional products, large numbers of in-need children and adults have benefitted from the Foundation's support, as seen in Figure 34.

Image 70: Somali mothers receive information about infant nutrition in Kobe. © UNHCR/Jiro Ose, 2012

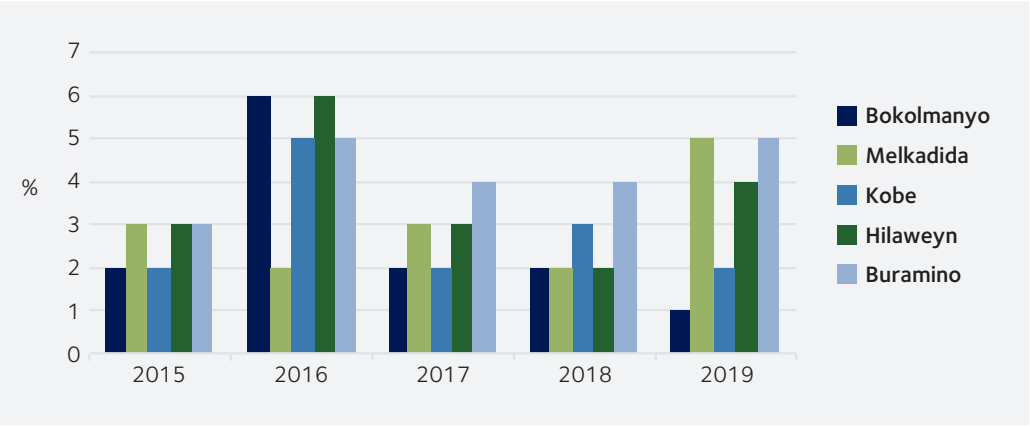
[511] Ibid.
[512] Correspondence with UNHCR Melkadida staff, 3 February 2020.
[513] UNHCR Melkadida, "Shelter update."
[514] Interview with UNHCR staff member, Melkadida, 9 November 2019
[515] Ibid.
[516] Interview with ANE staff member, Melkadida, 25 October 2019
[517] Interview with UNHCR staff member, Melkadida, 15 October 2019
[518] "2017-2018 Strategy for Projects funded by IKEA Foundation." UNHCR Sub-Office Melkadida, 2017.
[519] IKEA Foundation. Financial report period 1/1/2018–31/12/2018, project reference: G-90. The same figures were reported in 2016, before there was a 50% increase to 149.08 tonnes distributed in 2017.

Figure 34: Number of people served in therapeutic feeding programmes, per month (adults included)[520]



Despite this valuable life-saving help, the Severe Acute Malnutrition (SAM) prevalence rate still hovers at slightly higher than acceptable standards. From 2015-2019, the SAM rate for children between six and 59 months fluctuated between 1% and 6% (Figure 35). A decrease of the SAM prevalence rate was recorded from 2016 to 2017. It remained stable in 2018, before it increased again in 2019. UNHCR has not been able to stabilise the target rate of 2%. The SAM prevalence rate is hugely reliant on "access to food (quantity and nutritional quality) and household feeding practices."[521] UNHCR staff said that they had not expected malnutrition rates to improve in 2019 due to a reduction of the general food basket and limited access to food, in some instances associated with delays in WFP deliveries due to restricted road movement.[522]

Figure 35: Severe Acute Malnutrition (SAM) prevalence rate of children aged 6–59 months (in percent, rounded)[523]



During the two main phases of Foundation funding, UNHCR's Health & Nutrition interventions received a total $7.5m USD (or approximately 8% of the total Foundation programme investment), a majority of which ($5.9m) was spent during the emergency stages in 2012 and 2013.[524] In 2017, an agreement was reached between UNHCR and UNICEF, whereby UNICEF would assume responsibility for paying for and providing nutritional products that were previously procured using Foundation funding.[525] This handover is considered a success, as UNCHR has not had to cover these ongoing expenditures itself after Foundation support came to an end.

[520] "Nutrition, SENS Survey Data," UNHCR Sub-Office Melkadida Digital Portal and Knowledge Base, http://melkadida.info/nutrition/ (restricted access).
[521] Interview with UNHCR staff member, Melkadida, 15 October 2019
[522] Ibid.
[523] UNHCR Melkadida Portal, "Nutrition."
[524] See Table 1 in the Introduction section.
[525] "Thematic Update: Nutrition." UNHCR Sub-Office Melkadida, 2019, http://melkadida.info/wp-content/uploads/2019/03/05-Nutrition---SOMEL-Thematic-Update-2018.pdf (restricted access).

4. WATER, SANITATION, AND HYGIENE

Summary assessment

The IKEA Foundation has made relatively limited financial contributions to UNHCR's water, sanitation, and hygiene (WASH) programming. The bulk of the total expenditure ($8.5m USD) spent by the Foundation in this sector was provided during the first funding tranche from 2012-2014 ($6.8m) to address emergency and basic WASH standards for refugees.[526] From 2015, an additional $1.6m USD went towards the development of two high-powered hybrid water systems in Kobe (2015-2016) and Bokolmanyo (2018) camps. These water systems harness solar energy that is generated by 300 and 160 solar panels, respectively, supplementing energy from diesel generators. The investment has improved delivery of a potable water supply for residents in the camps. UNHCR has achieved the target of delivering 20 litres of potable water per person per day (which equates to production of about 4 million litres of water per day across all five camps). The hybrid systems have reduced UNHCR's operating costs and simultaneously decreased their environmental footprint.[527]

IKEA Foundation KPI:

"Increase the average number of litres of potable water available per person per day."[528]

Technical accomplishments

The expectation with the first water pump the Foundation supported in Kobe was that 30% of the energy supply would be generated by solar energy production. The power generated by the 300 solar panels came via an inverter to a 37 kw surface pump. The first inverter had technical problems and a second one had to be procured. This second inverter, while still working, produces power less efficiently (only delivering 13 kw instead of 37 kw). As a result, UNHCR has to rely more heavily on diesel energy production than intended, especially on cloudy days. In such instances, "solar energy only amounts to approximately 15% of the energy instead of the 30% originally anticipated."[529] As a result, there are plans to make changes to the scheme in the coming year by dismantling and changing the angle of the panels to maximise exposure to the sun. According to UNHCR staff:

Image 71: A Somali mother fills a jerrycan in UNHCR's reception centre in Dollo Ado.

[526] See Table 1 in the Introduction section.
[527] "Thematic Update: Water." UNHCR Sub-Office Melkadida, 2019, http://melkadida.info/wp-content/uploads/2019/04/06-Water-SOMEL-Thematic-Update-2018.pdf (restricted access).
[528] Ibid.

"Right now we're planning to reconfigure that solar power pumping scheme for 2020 because we haven't found enough power from the solar energy. Maybe there was a technical error during the panel tilting – perhaps we aren't harvesting enough energy to power the pumps."[530]

Nevertheless, the solar energy system has been considered successful in reducing the amount of money spent on diesel. In the two last months of 2017, 6,416 litres of diesel had been saved, which is the equivalent of a cost of 128,320 ETB ($5,579 USD). At that rate, the annual cost savings could amount to over $33,000 USD over the year.[531]

In 2018, a similar system with 160 solar panels was funded in Bokolmanyo, delivering up to 24 kw (19.6 kw on average) of power for six hours each day. The solar-powered pump delivers the required water volume to meet consumer demand, and the diesel-powered pump delivers water for night storage. Lessons learned from the technical and logistical hurdles encountered in the Kobe system were applied in Bokolmanyo, particularly with regard to installing the solar panels at an improved angle of exposure and making adjustments in electrical connections to avoid faults.[532]

Image 72: Refugees fill jerrycans at a waterpoint in Kobe during the emergency phase.
© UNHCR/Gloria Puertas, 2011

UNHCR was able to meet intended project outcomes associated with the Foundation funding, although it is aware that it can still do more to harness solar power sources to provide a sustainable water supply system.

[529] Interview with UNHCR staff member, Melkadida, 4 November 2019
[530] Ibid.
[531] UNHCR Melkadida, "Water update."
[532] Interview with UNHCR staff member, Melkadida, 4 November 2019

APPENDIX 4: Balance and regression tables

Table 23: Balance table of exogenous and control variables

	Comparison group (0)		Cooperative members (1)		t-test difference	Normalised difference
Variable	N	Mean/SE	N	Mean/SE	(1)-(2)	(1)-(2)
Sex	335	0.033 [0.010]	233	0.369 [0.032]	-0.336***	-0.893
Age	335	39.436 [0.587]	233	44.155 [0.772]	-4.719***	-0.414
Marital status	335	0.887 [0.017]	233	0.923 [0.018]	-0.036	-0.121
Years of education	335	0.824 [0.125]	233	0.704 [0.130]	0.120	0.055
Years of experience working in agriculture	335	17.510 [0.574]	233	17.618 [0.819]	-0.108	-0.009
Remittances on arrival (binary variable)	335	0.009 [0.005]	233	0.004 [0.004]	0.005	0.055
Household size on arrival	335	5.146 [0.125]	233	5.927 [0.161]	-0.781***	-0.327
Network size on arrival	335	20.749 [5.707]	233	21.815 [6.368]	-1.066	-0.011
Household mobility (to Somalia)	335	0.042 [0.011]	233	0.133 [0.022]	-0.091***	-0.338
Camp arrival date	335	18,910.352 [129.324]	233	18,749.850 [180.725]	160.502	0.063
TVET (binary variable)	335	0.066 [0.014]	233	0.176 [0.025]	-0.110***	-0.351
Secondary job	335	0.022 [0.008]	233	0.066 [0.016]	-0.044***	-0.229
Camp location - Melkadida	335	0.319 [0.026]	233	0.236 [0.028]	0.083**	0.184
Camp location - Kobe	335	0.269] [0.024]	233	0.489 [0.033]	-0.221***	-0.459
Camp location - Hilaweyn	335	0.412 [0.027]	233	0.275 [0.029]	0.137***	0.286
Region of origin - Bakool	335	0.039 [0.011]	233	0.082 [0.018]	-0.043**	-0.185
Region of origin - Mogadishu	335	0.003 [0.003]	233	0.013 [0.007]	-0.010	-0.118
Region of origin - Bari	335	0.009 [0.005]	233	0.000 [0.000]	0.009	0.123
Region of origin - Bay	335	0.618 [0.027]	233	0.609 [0.032]	0.008	0.017
Region of origin - Galguduud	335	0.003 [0.003]	233	0.000 [0.000]	0.003	0.071
Region of origin - Gedo	335	0.269 [0.024]	233	0.283 [0.030]	-0.015	-0.033
Region of origin - Hiiraan	335	0.003 [0.003]	233	0.004 [0.004]	-0.001	-0.022
Region of origin - Middle Juba	335	0.024 [0.008]	233	0.004 [0.004]	0.020*	0.157
Region of origin - Lower Juba	335	0.024 [0.008]	233	0.000 [0.000]	0.024**	0.202

Region of origin - Nugaal	335	0.003 [0.003]	233	0.000 [0.000]	0.003	0.071
Region of origin -Sanaag	335	0.003 [0.003]	233	0.000 [0.000]	0.003	0.071
Region of origin - Middle Shebelle	335	0.003 [0.003]	233	0.000 [0.000]	0.003	0.071
Region of origin - LowercShebelle	335	0.000 [0.000]	233	0.004 [0.004]	-0.004	-0.102
Clan - Darod	335	0.075 [0.014]	233	0.163 [0.024]	-0.088***	-0.281
Clan -Dir	335	0.012 [0.006]	233	0.009 [0.006]	0.003	0.033
Clan - Hawiye	335	0.057 [0.013]	233	0.047 [0.014]	0.010	0.042
Clan - Digil	335	0.851 [0.019]	233	0.755 [0.028]	0.095***	0.244
Clan - Other	335	0.006 [0.004]	233	0.026 [0.010]	-0.020**	-0.168
Job in Somalia - no work	335	0.110 [0.017]	233	0.146 [0.023]	-0.035	-0.107
Job in Somalia - animal sector	335	0.833 [0.020]	233	0.785 [0.027]	0.047	0.122
Job in Somalia - trade sector	335	0.018 [0.007]	233	0.030 [0.011]	-0.012	-0.081
Job in Somalia - food sector	335	0.003 [0.003]	233	0.004 [0.004]	-0.001	-0.022
Job in Somalia - clothing sector	335	0.003 [0.003]	233	0.009 [0.006]	-0.006	-0.077
Job in Somalia - manual sector	335	0.015 [0.007]	233	0.013 [0.007]	0.002	0.017
Job in Somalia - communication sector	335	0.003 [0.003]	233	0.000 [0.000]	0.003	0.071
Job in Somalia - transport sector	335	0.003 [0.003]	233	0.000 [0.000]	0.003	0.071
Job in Somalia - accommodation sector	335	0.003 [0.003]	233	0.000 [0.000]	0.003	0.071
Job in Somalia - education sector	335	0.003 [0.003]	233	0.004 [0.004]	-0.001	-0.022
Job in Somalia - other sectors	335	0.006 [0.004]	233	0.009 [0.006]	-0.003	-0.031
Planting maize for humans	335	0.140 [0.019]	233	0.373 [0.032]	-0.233***	-0.549
Planting maize for animals	335	0.191 [0.022]	233	0.373 [0.032]	-0.182***	-0.412
Planting onions	335	0.707 [0.025]	233	0.369 [0.032]	0.338***	0.683

The value displayed for t-tests are the differences in the means across the groups.
***, **, and * indicate significance at the 1, 5, and 10 percent critical level.

Table 24: Regression results (income, food security, consumption, assets)

	HH income	HH income	HFIAS	HFIAS	FCS	FCS	Consumption	Consumption	Asset score	Asset score
Cooperative beneficiaries	-2,767.280*** (743.333)	-1,810.908** (847.429)	1.109** (0.491)	0.249 (0.597)	-2.817* (1.624)	-0.446 (1.800)	-985.195*** (187.966)	-775.525*** (242.466)	0.188 (0.195)	-0.117 (0.101)
Sex		-1,051.605 (763.192)		1.831** (0.789)		-1.276 (2.210)		-537.981** (250.689)		0.218 (0.310)
Age		-39.337 (40.665)		0.039 (0.031)		-0.159* (0.092)		-19.068* (10.906)		0.003 (0.006)
Marital status		-1,237.869 (1778.231)		1.823* (0.965)		-5.193* (2.873)		352.109 (340.039)		-0.654 (0.613)
Years of education		-210.246 (155.843)		0.249** (0.124)		-0.082 (0.412)		5.445 (55.800)		-0.004 (0.033)
Experience in agriculture		3.189 (45.504)		-0.048 (0.031)		-0.085 (0.097)		11.132 (12.988)		0.012* (0.006)
Remittances on arrival		-1,420.248 (1846.573)		-1.209 (3.629)		-7.105 (6.436)		-191.711 (430.511)		-1.358 (1.659)
Household size on arrival		-63.133 (175.863)		0.246** (0.113)		-0.176 (0.354)		57.002 (44.354)		-0.067 (0.055)
Network size on arrival		1.842 (1.506)		0.001 (0.001)		0.002 (0.008)		2.490 (1.613)		0.001 (0.001)
Household mobility (to Somalia)		170.581 (902.198)		-1.535* (0.889)		7.879** (3.126)		184.669 (291.806)		0.781 (0.621)
Camp arrival date		0.019 (0.069)		-0.000* (0.000)		0.000 (0.000)		0.031* (0.018)		-0.000 (0.000)
TVET		252.937 (926.148)		-0.623 (0.892)		-1.305 (2.362)		450.960 (387.726)		0.234 (0.184)
Constant	5,390.250*** (633.988)	7,947.768** (3124.782)	9.076*** (0.313)	7.116*** (1.652)	72.285*** (1.028)	83.159*** (5.525)	3,289.652*** (127.714)	2,545.249*** (630.641)	-0.051 (0.047)	0.822 (0.767)
Number of observations	560	560	560	560	560	560	560	560	560	560
Mean outcome control group	5,390.250	5,398.215	9.076	9.054	72.285	72.373	3,289.652	3,349.899	-0.051	-0.047
SD outcome control group	11,479.009	11,420.240	5.672	5.730	18.605	18.582	2,312.395	2,387.686	0.850	0.855
Camp FE	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
R2 adj.	0.018	0.023	0.007	0.077	0.004	0.134	0.044	0.087	0.000	0.097

Heteroskedasticity robust standard errors are used. *, **, and *** denote significance at the 10, 5, and 1 percent levels respectively. We control for clan, region of origin in Somalia, main income-generating activity before the start of the programme, sex, age, marital status, years of education, experience in agriculture, vocational training, arrival date, size of the household at arrival, friendship network at arrival, remittances at arrival, and travel history to Somalia. We further include camp fixed effects.

Table 25: Regression results (health, savings, crops)

	Health score	Health score	Savings	Savings	Maize (humans)	Maize (humans)	Maize (animals)	Maize (animals)	Onions	Onions
Cooperative beneficiaries	0.900*** (0.269)	0.317 (0.310)	0.051* (0.027)	0.043 (0.035)	0.241*** (0.037)	0.218*** (0.044)	0.180*** (0.039)	0.120** (0.048)	-0.340*** (0.040)	-0.274*** (0.049)
Sex		1.049** (0.451)		-0.036 (0.043)		0.181*** (0.062)		0.063 (0.060)		-0.234*** (0.063)
Age		-0.001 (0.016)		-0.000 (0.002)		0.007*** (0.002)		0.004 (0.003)		-0.006** (0.003)
Marital status		-0.975* (0.557)		-0.055 (0.054)		-0.265*** (0.070)		-0.090 (0.066)		0.154** (0.073)
Years of education		0.069 (0.077)		-0.006 (0.006)		0.001 (0.008)		0.018* (0.009)		-0.013 (0.010)
Years of experience working in agriculture		0.014 (0.017)		0.001 (0.002)		-0.001 (0.002)		0.001 (0.002)		-0.000 (0.002)
Remittances on arrival		0.437 (1.496)		-0.122*** (0.047)		0.016 (0.283)		-0.303*** (0.069)		0.179 (0.260)
Household size on arrival		-0.024 (0.095)		-0.004 (0.009)		-0.013** (0.006)		0.000 (0.008)		0.005 (0.009)
Network size on arrival		0.002*** (0.001)		-0.000 (0.000)		0.000** (0.000)		-0.000*** (0.000)		0.000 (0.000)
Household mobility (to Somalia)		0.053 (0.519)		0.136** (0.067)		-0.068 (0.062)		-0.023 (0.075)		0.123* (0.068)
Camp arrival date		0.000 (0.000)		-0.000 (0.000)		-0.000** (0.000)		-0.000 (0.000)		0.000 (0.000)
TVET		-0.333 (0.414)		0.008 (0.050)		-0.011 (0.059)		0.084 (0.066)		-0.066 (0.067)
Constant	2.587*** (0.168)	2.733*** (0.977)	0.082*** (0.015)	0.289* (0.153)	0.134*** (0.019)	0.363*** (0.126)	0.195*** (0.022)	0.193 (0.185)	0.710*** (0.025)	0.722*** (0.123)
Number of observations	559	559	560	560	560	560	560	560	560	560
Mean outcome control group	2.587	2.644	0.082	0.081	0.134	0.140	0.195	0.191	0.710	0.707
SD outcome control group	3.039	3.057	0.275	0.273	0.341	0.348	0.397	0.394	0.454	0.456
Camp FE	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
R2 adj.	0.018	0.121	0.005	0.004	0.077	0.212	0.038	0.070	0.113	0.187

Heteroskedasticity robust standard errors are used. *, **, and *** denote significance at the 10, 5, and 1 percent levels respectively. We control for clan, region of origin in Somalia, main income-generating activity before the start of the programme, sex, age, marital status, years of education, experience in agriculture, vocational training, arrival date, size of the household at arrival, friendship network at arrival, remittances at arrival, and travel history to Somalia. We further include camp fixed effects.

Table 26: Regression results with soil and crop variables

	Household income	Household income	Household income	Household income	Household consumption	Household consumption	Household consumption	Household consumption
Cooperative beneficiaries	-1,810.908** (847.429)	-1,748.447** (841.163)	-414.047 (907.061)	-379.547 (904.830)	-775.525*** (242.466)	-763.256*** (241.288)	-637.461** (256.618)	-630.889** (255.652)
Sex	-1,051.605 (763.192)	-1,061.072 (757.137)	101.525 (705.309)	78.104 (701.198)	-537.981** (250.689)	-538.409** (250.542)	-434.259* (256.644)	-438.495* (256.737)
Age	-39.337 (40.665)	-48.476 (41.221)	-2.448 (40.999)	-12.470 (41.338)	-19.068* (10.906)	-20.520* (11.042)	-15.777 (10.862)	-17.623 (11.031)
Marital status	-1,237.869 (1,778.231)	-1,412.208 (1,776.955)	-2,394.722 (1,792.145)	-2,518.413 (1,786.432)	352.109 (340.039)	320.785 (342.211)	297.123 (322.033)	273.800 (323.493)
Years of education	-210.246 (155.843)	-208.139 (155.017)	-159.865 (149.084)	-159.406 (147.818)	5.445 (55.800)	5.959 (55.591)	18.950 (56.148)	19.040 (55.957)
Experience in agriculture	3.189 (45.504)	6.007 (45.582)	2.794 (45.106)	5.414 (45.127)	11.132 (12.988)	11.770 (13.073)	11.851 (12.837)	12.354 (12.895)
Remittances on arrival	-1,420.248 (1,846.573)	-530.237 (1,675.126)	-2,095.267 (1,345.248)	-1,222.993 (1,201.176)	-191.711 (430.511)	-32.653 (397.701)	-403.867 (488.428)	-240.898 (455.961)
Household size on arrival	-63.133 (175.863)	-67.637 (175.345)	-110.135 (177.594)	-112.753 (177.539)	57.002 (44.354)	56.180 (43.984)	57.481 (43.610)	56.977 (43.335)
Network size on arrival	1.842 (1.506)	2.799* (1.449)	2.232 (1.634)	3.157* (1.629)	2.490 (1.613)	2.658 (1.637)	2.301 (1.627)	2.473 (1.654)
Household mobility (to Somalia)	170.581 (902.198)	203.601 (880.288)	-361.019 (922.979)	-338.110 (911.713)	184.669 (291.806)	197.113 (289.793)	128.147 (300.392)	133.222 (296.145)
Camp arrival date	0.019 (0.069)	0.009 (0.077)	-0.027 (0.069)	-0.034 (0.074)	0.031* (0.018)	0.030* (0.017)	0.029* (0.016)	0.027* (0.015)
TVET	252.937 (926.148)	26.881 (927.153)	470.289 (898.812)	246.911 (900.531)	450.960 (387.726)	413.964 (385.175)	519.664 (379.704)	478.287 (378.406)
Soil quality		2,318.869*** (594.099)		2,202.154*** (584.153)		421.534* (224.613)		411.772* (228.046)
Maize (for humans)			-2,504.750*** (859.300)	-2,325.669*** (861.350)			219.747 (315.540)	251.663 (318.694)
Maize (for animals)			-707.405 (845.452)	-545.100 (853.111)			-387.303 (321.270)	-357.216 (320.152)
Onions			2,796.626*** (798.880)	2,924.496*** (813.200)			508.941* (294.745)	531.539* (297.208)
Constant	7,947.768** (3124.782)	6,705.721** (3053.145)	6,974.926** (3109.231)	5,616.161* (3042.633)	2,545.249*** (630.641)	2,312.421*** (611.294)	2,173.118*** (624.986)	1,919.802*** (627.728)
Number of observations	560	560	560	560	560	560	560	560
Mean outcome control group	5,398.215	5,398.215	5,398.215	5,398.215	3,349.899	3,349.899	3,349.899	3,349.899
SD outcome control group	11,420.240	11,420.240	11,420.240	11,420.240	2,387.686	2,387.686	2,387.686	2,387.686
Camp FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2 adj.	0.023	0.027	0.056	0.059	0.087	0.089	0.105	0.106

Heteroskedasticity robust standard errors are used. *, **, and *** denote significance at the 10, 5, and 1 percent levels respectively. We control for clan, region of origin in Somalia, main income-generating activity before the start of the programme, sex, age, marital status, years of education, experience in agriculture, vocational training, arrival date, size of the household at arrival, friendship network at arrival, remittances at arrival, and travel history to Somalia. We further include camp fixed effects.

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