



# FINAL REPORT Evidence Review Exercise for the Inclusive Resilience in Somalia (IRiS) Activity

May 2023

Disclaimer: This report is made possible by the support of the American People through the United States Agency for International Development (USAID). The contents of this report are the sole responsibility of DT Global and do not necessarily reflect the views of USAID or the United States Government.

## ACKNOWLEDGEMENTS

The Evidence Review Team at Itad would like to thank IRiS partners including DT Global, Mercy Corps, Somali Agriculture Technical Group (SATG), and Save the Children for providing documents and data for the evidence review, as well as other USAID and UK Government Foreign, Commonwealth and Development Office (FCDO) Implementing Partners (IPs) operating in Somalia and the wider East Africa region. Special thanks also to Mr. Silas Ochieng, Monitoring, Evaluation, and Learning (MEL) Director of the IRiS Activity, for his support during the evidence review exercise and facilitating the various presentations with stakeholders and quality assurance of this report. The Evidence Review Team consisted of Jason Wares (consultant), Tim Ruffer (Itad), Viktoria Beran (Itad), and Alexandra Cervini Mull (Itad).

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## ACRONYMS

ACRONYM	DEFINITION
AGOA	African Growth and Opportunity Act
AIMS	Approach to Inclusive Market Systems program
B2B	Business-to-business
BDS	Business development services
BMZ	Germany's Ministry for Economic Cooperation and Development
Cash+	Food and Agriculture Organization's (FAO) Cash+ agriculture intervention
CFW	Cash for work
CReAM	Center for Research and Analysis of Migration
DANIDA	Danish International Development Agency
DDG	Dietary Diversity Group
DRC	Democratic Republic of Congo
EAC	East Africa Community
FAO	Food and Agriculture Organization
FCDO	Foreign, Commonwealth and Development Office
FCS	Food consumption score
FGS	Federal Government of Somalia
FIQA	Fish Inspection and Quality Assurance
FSP	Financial Service Provider
GAP	Good Agricultural Practices
GEEL	Growth, Enterprise, Employment, and Livelihoods project
GFZ	Geographical Focal Zone
GSM	Global System for Mobile Communications
GUCE	Guichet Unique de Création d'Entreprise
HACCP	Hazard Analysis and Critical Control Points
HHS	Household hunger scale
IBS	International Bank of Somalia
ICT	Information and communication technologies
IDPs	Internally Displaced Persons
ILO	International Labor Organization
IMSAR	Improving Market Systems for Agriculture in Rwanda program
IP	Implementing Partner
IRiS	Inclusive Resilience in Somalia
ISO	International Organization for Standardization
JYPES	Joint Program Youth Employment Somalia
KCL	Kyagalanyi Coffee Limited
KYEP	Kenya Youth Empowerment Project
LAPSSET	Lamu Port–South Sudan–Ethiopia Transport
LCDA	LAPSSET Corridor Development Authority
MEL	Monitoring, evaluation and learning
MM4P	Mobile Money for the Poor program

ACRONYM	DEFINITION
MoU	Memoranda of Understanding
MSD	Market Systems Development
MSME	Micro, small and medium enterprises
NGO	Nongovernmental organization
OYE	Opportunities for Youth Employment program
PIMS	Promoting Inclusive Markets in Somalia program
PR	Program result
PRIME	Pastoralist Areas Resilience Improvement through Market Expansion program
RCI	Resilience Capacity Index
RCT	Randomized controlled trial
REST	Relief Society of Tigray
RPM	Resilience population measurement
RRDP	Rural Roads Development Project
RUAs	Road Users Associations
rwanu	Resilience through Wealth Agriculture and Nutrition in Uganda project
RYAF	Rwanda Youth in Agriculture Forum
SATG	Somali Agriculture Technical Group
SEE	Save the Environment Ethiopia
SGS	Société Générale de Surveillance
SHGs	Self-help groups
SME	Small and medium enterprises
SNNP	Southern Nations, Nationalities, and People's Region
SoBS	Somalia Bureau of Standards
SomReP	Somali Resilience Program
SOP	Standard operating procedure
SPS	Sanitary and phytosanitary
STRYDE	Strengthening Rural Youth Development through Enterprise program
SUED	Sustainable Urban Economic Development program
TBT	Technical barriers to trade
ToC	Theory of Change
ТоТ	Training of trainers
UGX	Ugandan Shilling
UNCDF	UN Capital Development Fund
UNDP	United Nations Development Program
UN-Habitat	United Nations Human Settlements Program
UNHCR	United Nations High Commissioner for Refugees
UNIDO	United Nations Industrial Development Organization
UNPBF	United Nations Peacebuilding Fund
USAID	United States Agency for International Development
US\$	United States Dollar
VSLA	Village savings and loan associations
Wa-PYDO	Women and Pastoralist Youth Development Organization
YSLA	Youth savings and loan associations

# EXECUTIVE SUMMARY

The Inclusive Resilience in Somalia (IRiS) Activity is a five-year program funded by USAID and the UK Government's Foreign Commonwealth and Development Office (FCDO). It is implemented by a consortium led by DT Global, in partnership with Mercy Corps, Save the Children, Somali Agriculture Technical Group (SATG), and Itad. IRiS aims to accelerate economic development for marginalized groups in the targeted areas of Somalia. This will be done by increasing individual, household, business, community, and system-wide resilience through rural and urban livelihood diversification and promoting inclusive economic market systems. IRiS' activities are designed to achieve six program results (PRs) which the IRiS Consortium has determined are crucial components of strong resilience. The PRs **are:** 

- I. Expanding climate-resilient agricultural systems in the crop, fishery, and livestock sectors
- 2. Facilitating the integration of internally displaced persons (IDPs) and migrants into urban economies
- 3. Promoting investments and remittances between rural and urban populations
- 4. Supporting private sector expansion into both urban and rural low-income areas
- 5. Strengthening economic agency of marginalized populations
- 6. Supporting inclusive market systems through the improved functioning of government and business-to-business governance structures.

The purpose of this Evidence Review Report is to provide evidence from similar projects and interventions, as well as other relevant sources, that would assist IRIS in the design and roll out of Activity interventions to achieve its six PRs and two objectives, specifically: I)To strengthen and diversify rural and urban livelihoods for marginalized groups; and 2) To promote economic agency of marginalized groups.

The Report's objective is to support programming decisions and build an evidence base for selected IRiS Activity interventions. The report also identifies evidence gaps to inform further research and learning activities that will benefit IRiS beneficiaries and stakeholders, as well as to promote collaboration with similar programs operating in Somalia and East Africa.

In total, 139 materials were collected for the Evidence Review from IRiS staff, implementing partners (IPs), other programs in Somalia and East Africa, and independent research. 87 documents described evidence from Somalia and 52 originated from other countries in the region. Of the 139 documents and other materials collected, only 42 met the criteria for inclusion in this Review. In order to be included in the Review, documents needed to include evidence relevant to the IRiS interventions, be from 2015 onward, and be focused on programs in Somalia or East Africa.

The Report includes Intervention Evidence Summaries for each PR. Within each PR summary, the report describes evidence at four results levels:

- Intervention level: Results that show direct results of the intervention.
- **Systemic change:** Results that show enduring changes in the targeted market system and with market actors due to the intervention.
- **Growth and access to services:** Results that show the targeted market is functioning better for marginalized groups due to the intervention.
- **Poverty reduction:** Results that indicate a correlated reduction in poverty incomes, resilience, food security, and wellbeing due to the intervention.

## INTERVENTION EVIDENCE

The Evidence Review Exercise Report describes evidence for crucial elements of successful projects using similar interventions and aiming to achieve similar results to IRiS. An Intervention Evidence Summary was created for each PR.

The Intervention Evidence Summaries can be viewed as standalone documents and circulated as needed to IPs and other stakeholders that may benefit from reading specific intervention findings instead of the full report. Highlights from each PR are included:

# PRI.I IMPROVED MARKET SYSTEMS FOR DIVERSIFIED AND CLIMATE-RESILIENT CROP PRODUCTION

- At the intervention-level, research shows that achieving results requires the right combination of activities. Projects are successful when they bring a combination of technical assistance, market linkages, increased access to inputs, or access to finance. For example, evidence shows that access to inputs and capital together was more effective than alone or when combined with training.
- Projects in Somalia that provided evidence of intervention-level results worked in the following crop-based sectors: Sesame seeds, maize, sorghum, other grains, and bananas.
- Interventions that created systemic change or pro-poor services gradually introduced that change through incentive systems such as guaranteed markets or seed vouchers.
- Though projects promoted climate change adaptations, like new seed varieties or livelihoods, there is no research that shows whether resilience to climate change was sustained beyond a project's lifespan.
- Projects that achieved results related to systemic change worked at multiple nodes in the value chain simultaneously, and recruited the private sector to implement activities to supplant those traditionally implemented by non-profits.

# PRI.2 IMPROVED MARKET SYSTEMS FOR DIVERSIFIED AND CLIMATE-RESILIENT LIVESTOCK LIVELIHOODS

- Climate change brings recurrent droughts and makes livestock herds more susceptible to disease. Several projects mitigated these risks with improved fodder, which allows livestock to better survive dry periods, and improved access to animal healthcare services. For example, one study showed how the practice of using Ficus thonningii trees as fodder and to prevent erosion increased livestock sector productivity.
- There was substantial evidence for the effectiveness of using private sector structures to deliver livestock sector services effectively. Working through lead firms, which is a company that occupies a dominant position and has influence over other businesses in the value chain, and establishing community animal healthcare workers resulted in efficient distribution of information and inputs. For example, Somali Resilience Program (SomReP) reports that using healthcare workers to fend off cattle disease resulted in a large decline in livestock deaths. Also, the Promoting Inclusive Markets in Somalia program (PIMS) organized healthcare workers and input dealers to increase milk production for 26,100 milk producers. Finally, the United Nations High Commissioner for Refugees (UNHCR) established cooperatives that provided services and improved sources of self-employment across several livestock value chains.
- Many projects successfully improved livestock value chains. However, there is no research into the degree to which these changes survived the life of the projects. IRiS should understand the degree to which previous

projects created persistent change, and develop a strategy for creating changes that are resilient during its implementation.

 Several of the projects reviewed conducted assessments that showed that the livestock sector was crucial for reducing extreme poverty and establishing household surpluses that lead to improved resilience. Additionally, livestock interventions are correlated with improved food consumption and dietary diversity scores and higher value household asset levels.

### PRI.3 IMPROVED MARKET SYSTEMS FOR DIVERSIFIED AND CLIMATE-RESILIENT FISHERY-BASED LIVELIHOODS

- Several successful projects used a training of trainers (ToT) approach during project implementation, so that after the project ends, intervention benefits and reach continue, expanding impact of the program after its conclusion.
- All of the programs that produced evidence included a value chain strengthening and market linkages component, specifically focusing on connecting Somali produce with international markets through shows and international events, as well as getting certification.
- Projects emphasized engaging the government to create an enabling environment and make standards/ certifications for seafood safety that are in line with global markets.
- Projects that achieved results related to improved sales by fish producers included components such as providing fishing equipment (i.e. used boats or nets), use of improved fishing technologies and investment in cooling facilities.
- Several projects (PIMS, Growth, Enterprise, Employment, and Livelihoods [GEEL] and Joint Program Youth Employment Somalia [JYPES]) collaborated to achieve common objectives and worked with the government to create an enabling environment in Somalia to help fish producers gain access to international markets (i.e. promoting international food safety standards). IRiS could build on these developments by providing technical assistance to the Federal Government of Somalia (FGS) to institutionalize Hazard Analysis and Critical Control Points (HAACP) and food safety standards within the government and market system. This could include helping the FGS develop an official Food Safety policy and holding regular trainings on seafood safety regulations with government personnel, fishery associations and businesses.
- The main challenges the fishing industry face are lack of start-up capital; lack of equipment; lack of access to international markets (and thus lack of consumers); and the seasonal nature of the industry. Additionally, assisting firms with loan applications to invest in new cooling facilities and fishing materials/gear can have a long-term benefit and help firms access finance after a program ends.

### PR2. FACILITATE THE INTEGRATION OF INTERNALLY DISPLACED PERSONS (IDPS) AND MIGRANTS INTO URBAN ECONOMIES, AND; PR5. STRENGTHEN ECONOMIC AGENCY OF MARGINALIZED POPULATIONS

- Nearly all programs used private sector engagement to provide services (such as financial services), help youth and women find employment, and provide skills development and apprenticeship opportunities.
- Leveraging partnerships of youth- and women-focused organizations can help facilitate linkages and the development of the services needed to enable youth- and women-led businesses to expand in agriculture-related subsectors.
- The Push-Pull-Match model

is successful with youth in a variety of sectors (i.e. agriculture and renewable energy) and different country contexts, especially when including youth savings and loan associations (YSLA), gender mainstreaming and longer-term coaching and mentoring.

- Programs that created systemic change invested resources in advocacy with government and financial service providers, capacity building of government and local service providers, and other local organizations that could carry on trainings/activities after the program ended. Nearly all the programs that produced evidence related to systemic change also engaged the private sector.
- Sensitization of the private sector and service providers to better serve youth, women and other marginalized populations results in an increase of access to services. This includes helping providers develop products that are more targeted to marginalized groups.
- Training participants often start their own businesses. Access to business development services, finance facilities, and start-up kits should be an integral part of employment training programs.

# PR3. PROMOTE INVESTMENTS AND REMITTANCES BETWEEN RURAL AND URBAN POPULATIONS

- There is potential for activities that support urban-rural linkages even in projects that do not have this as their primary goal.
- Evidence for systemic change could predominantly be found in projects working on supporting digital linkages. This may be because digital linkages are easier to sustainably maintain than physical corridors or transport such as roads.
- Digital linkages through mobile money schemes and other apps (such as DigiFarm) have strong potential to improve access and achieve systemic change. However, this is a complex process and involves supporting Somali financial institutions nationally and internationally to establish the baseline networks needed to achieve widespread success.
- A human-centered approach that considers the needs and usage of key beneficiaries is extremely valuable when setting up and developing digital linkages.
- Rolling out mobile money has shown success in other East African contexts to promote urban-rural remittances, and in turn is a promising method to support food security of rural communities.

# PR 4. PRIVATE SECTOR EXPANSION INTO LOW-INCOME URBAN AND RURAL AREAS

- Several projects implemented in Somalia and in similar environments have shown that it is possible to bring sustainable financial services to Somalia's rural areas. Successful projects worked with farmers who already recognized that they could use credit to expand their livelihoods, and reduced risk for formal institutions by building capacity and establishing linkages in rural markets.
- The evidence shows a clear correlation between access to financial services and improvements in wellbeing indicators such as food consumption or dietary diversity scores.
- Redesigning financial services brings new possibilities for rural access. For example, one program (Élan RDC) established branchless banking to provide services for the most vulnerable, particularly poor Congolese women and adolescent girls. Another program, the Pastoralist Areas Resilience Improvement through Market Expansion program (PRIME) worked as a liaison between communities and financial institutions resulting in the formation of 100 village savings and loan associations (VSLAs) with 2200 clients and a mechanism for buying down risk that incentivized enterprises to move into rural areas.
- There is a strong correlation between participation in VSLAs and improvements in food security.

### PR6. INCLUSIVE MARKET SYSTEMS THROUGH THE IMPROVED FUNCTIONING OF GOVERNMENT AND BUSINESS-TO-BUSINESS (B2B) GOVERNANCE STRUCTURES

- There is significant potential for systemic change in the Somali context through activities tackling policy work and advocacy, particularly around good handling standards, in the fishing industry and addressing barriers to trade through the East Africa Trade and Investment Hub. In this process, it is essential to ensure sustainability through local ownership of state actors.
- Dynamic programming is important to maximize the success of programs, especially in a quickly shifting and ever evolving context like Somalia. For example, one program (PIMS) took a direct advocacy approach with relevant government stakeholders instead of working through civil society or the private sector, which may point to increased project success when there is direct government involvement.
- Digital services provide a valuable tool for creating a widely accessible platform for dispersing information, accessing financial services and growing business management capacity.
- Programs have found most success in reducing poverty by approaching this in a sustainable manner. This means focusing on activities that have the end goal of long-term employment and capacity building around business management skills, so people can support themselves and rely on their skills in the long-term and after program activities conclude.

## KEY LESSONS TO BUILD ON

Below are key lessons learned from the programs included in the evidence review:

- Successful projects used a ToT approach during the program so that after the program ends, intervention benefits and reach continue, expanding impact of the program after its conclusion. IRiS could replicate this approach.
- Related to the fishing industry, harvest loss management is likely to maximize impact based on the evidence found related to PR 1.3 and may be an area for investing in under IRiS.
- There is evidence that life skills programming paired with skills training has a positive effect on improving the chances of obtaining a job, especially among youth (relevant to PR 2 and PR 5).
- For livelihood programs targeting IDPs, refugees, and host communities (relevant to PR2 and 5), some programs focus on key elements, including: promoting member owned agricultural cooperatives; improving farming and management skills; establishing environment-friendly irrigation systems; increasing production capacity of cooperatives; enhancing the business activity of various local value chains; enhancing potential private sector involvement; and reducing reliance on humanitarian actors.
- There are opportunities to incorporate new research related to approaches for adapting agricultural practices to increase climate change resilience. This report discusses using the Ficus thonningii tree as fodder and to improve grazing areas. IRIS should seek out other opportunities to apply new research.
- There was substantial evidence for the effectiveness of using private sector and nongovernmental structures to deliver services. Successful projects often worked through community organizations or lead firms to deliver interventions. These interventions often packaged services that worked together to improve animal or crop health, nutrition, productivity, and other benefits.
- Successful projects often created incentives that drove change in market systems. Projects focused on increasing demand by demonstrating new benefits and increasing supply by demonstrating the potential for increased sales and scale to vendors.
- Some projects, such as the UNHCR Ikea Foundation Livelihoods and Energy Project, showed potential for project-created structures, such as cooperatives or one stop shops, to be a significant job creator even after the project ended, something that should be considered for IRiS.
- Many programs had advocacy elements related to private sector expansion to marginalized populations (i.e. the UNHCR Ikea Foundation Livelihoods and Energy Project, and expansion of financial service providers [FSP] to refugee and host communities in Ethiopia). It is noted that program advocacy should not end once expansion occurs and must continue with private sector partners even after expansion (to ensure continuity of services, etc.). Additionally, IRiS should consider serving as the bridge between private sector, FSPs and beneficiaries even after expansion in order to build trust and ensure reliability and equity of services.
- There are opportunities in agricultural sectors for IRiS to serve as a **facilitator** between smallholder farmer communities and larger processing businesses in a way that increases income for smallholder farmers while reducing supply costs for the larger businesses.
- Financial services projects demonstrated the potential for IRiS to increase financial services to rural communities while reducing risk for financial services providers.
- Creating market linkages between urban and rural areas requires creative solutions and IRiS can build on the ideas of projects such as the Sustainable Urban Economic Development program (SUED) to achieve this. SUED proposed an aggregation and collection system, supported by improved storage and road access, to improve linkages between rural growers and urban markets in Kenya. IRiS can learn from this to support both economic growth in rural areas and also contribute to better transit corridors between rural and urban populations who can use the improved storage and road access to protect and preserve their goods in transit.

# KEY OBSERVATIONS, COMMON CHARACTERISTICS AND RECOMMENDATIONS

The Evidence Review Report concludes with common characteristics and key observations that were found across evidence related to the Program Result areas and makes recommendations regarding how IRiS can use the evidence review findings. The key observations and common characteristics include:

- **Effective projects plan for evolution:** The projects that created systemic change started with small changes that beneficiaries are ready to accept, such as providing grants to buy seeds or tillage services, and gradually introduced more market driven mechanisms, such as direct pay vendor services, that create incentives to sustainably change market systems and also have impact on individuals beyond the immediate beneficiary group.
- Achieving results requires coordination: Projects that created measurable improvements in the wellbeing of targeted populations worked directly with the targeted population and engaged with large domestic private sector firms, international markets, financial service providers, domestic institutions, and the government.
- The system needs cash and equipment: While the projects that the review team reviewed all sought sustainability, they also relied on cash and equipment grants to grow productive capacity, demonstrate the potential of new approaches, "buy down" the risk associated with behavior change, and increase demand.
- **Targeting women and youth:** Nearly all the programs that achieved results related to women and youth had specific strategies for targeting those populations and collected monitoring data that was disaggregated by gender and age in order to track women and youth progress within project interventions.
- **Expanding access via technology:** Projects that showed sustainable, systemic success around expanding access to markets and services relied on digital linkages.

For each of the common characteristics listed above, there are key takeaways and actionable recommendations provided for the IRiS Activity. The evidence review team hopes that IRiS staff, IPs, donors, and other stakeholders find this report useful and look forward to the discussion it will initiate. The findings from this report can be used by IRiS Activity staff and IPs when designing and rolling out interventions to help ensure successful implementation of IRiS and achievement of its objectives.

## OVERVIEW OF EVIDENCE REVIEW EXERCISE REPORT

This Evidence Review Exercise Report presents the scope, purpose and methodology of the evidence review exercise. It also contains Intervention Evidence Summaries for each of the program results (PR) from the IRiS Theory of Change (ToC). Each Intervention Evidence Summary includes the evidence found for the PR sorted by Results Level, as well as key considerations and gaps in the evidence related to that PR. The Intervention Evidence Summaries can be viewed separately from this report and serve as stand-alone evidence summaries for each PR. Finally, the report concludes with a section that presents key cross-cutting observations from the evidence base, and takeaways for IRiS in terms of how the findings from the evidence review exercise can be used by the Activity.

## I. SCOPE AND PURPOSE

## I.I. PURPOSE OF EVIDENCE REVIEW

The purpose of the evidence review exercise was to collate and synthesize evidence relevant to the IRiS ToC, focusing specifically on the six PRs intervention areas, in order to support programming decisions and build an evidence base for the selected interventions. The evidence review exercise also identified evidence gaps to inform further research and learning activities related to IRiS.

## I.2. SCOPE

The evidence review proceeded in two phases. Phase I of the review focused on documents only from programs in Somalia, whereas Phase II included evidence from other countries in East Africa. Initially the evidence review exercise included documents published between 2018 and March 2023, but to expand the evidence base used in the review, the review team expanded eligibility to include evidence from 2015 onwards. Documents that were included in the review measured the achievements of activities similar to IRiS' planned interventions or described academic studies related to IRiS' intended results. To align with the IRiS ToC, the documents were assessed by looking at reported results at intervention, systems, access to services, and poverty reduction levels.

In total, 139 materials were collected for the evidence review during Phases I and II. They included 52 regional documents, and 87 documents focused on Somalia. As displayed in Figure I, of the 139 documents and other materials collected, only 42 met the criteria for inclusion in this review. The remaining 97 documents were excluded because:

- Documents only included descriptive statistics, project descriptions, narrative text, or contextual analysis and did not provide evidence of results.
- Documents included redundant information about the same project.
- Documents were out of scope either because they were outside the time period, or the topic wasn't relevant.
- Documents did not include evidence relevant to the IRiS interventions.



## 2. METHODOLOGY AND APPROACH

## 2.1. TIMELINE AND APPROACH

The evidence review exercise was conducted in two Phases: Phase I ran from October 2022 to January 2023 and focused on Somalia only, and Phase II was from January 2023 to April 2023, and included documents from East Africa. Figure 2 shows an overview of the evidence review timeline and deliverables:

#### Figure 2: Timeline and deliverables for evidence review exercise

	October	November/ December Jan	uary February	March April/May
	PREPARATION	PHASE I	PHASE 2	REPORTING
Activities	<ul> <li>Agree on scope</li> <li>Finalize ToC</li> <li>Define learning questions (USAID/ FCDO input)</li> <li>Identify evidence sources and contact contributors</li> </ul>	<ul> <li>Collect evidence</li> <li>Review documents and add to Excel database</li> <li>Create Intervention Evidence Summaries, and identify gaps</li> </ul>	<ul> <li>Expand evidence to include East Africa region</li> <li>Review additional documents and add to Excel database, creating Intervention Evidence Summaries</li> </ul>	Prepare final deliverables including synthesis of evidence against the ToC interventions, identification of further gaps, recommendations
Deliverables	Updated slide deck on approach with learning questions and data sources	<ul> <li>Excel Evidence</li> <li>Database</li> <li>Presentation on status of Evidence review exercise</li> </ul>	Updated Excel Evidence Database	<ul><li>Final Deliverables</li><li>Report</li><li>Presentation of findings</li></ul>

## 2.2. LAUNCH AND EVIDENCE REGISTRY

The evidence review exercise was launched at the IRiS ToC workshop in Mogadishu in October 2022 where Itad presented the evidence review approach and asked IRiS' implementing partners to submit documents for the review from their programs in Somalia. The review team also requested evidence from other programs operating in Somalia that were engaged in the intervention mapping exercise Itad undertook in August 2022 for IRiS. The intervention mapping exercise identified and engaged six other programs operating in Somalia relevant to IRiS to capture some best practices of their programs and opportunities for coordination and collaboration.

Once evidence was collected, it was uploaded into a folder on Google Drive and each piece was assigned a unique identifying number. The evidence was entered into an evidence registry, which collected the following information:

- Unique identification number
- Author/publishing organization
- Title of document
- Date received
- Country of focus
- Type of evidence (internal review; case study; external review; impact evaluation; internal review; project monitoring report; contextual analysis)
- Method (before/after; case study; mixed method; observation/qualitative; quasi-experimental; randomized controlled trial [RCT]; N/A)
- Data source (mixed; interviews; monitoring data; primary surveys; N/A)
- Data quality (high; low)
- Systems level (yes; no)

#### Figure 3: Evidence registry example

Number	Organization	Title	Date received	Country	Туре	Method	Data cource	Data quality
EI	Save the Children	FINAL-Report-Gender Sensitive Comprehensive Labour Market Assessment and Youth Aspiration Study	01-Nov-22	Somalia	Internal Review	Mixed Method	Mixed	
E2	RTI	GEEL Final Report	01-Nov-22	Somalia	External Review	Mixed Method	Mixed	
E3	DAI	Promoting Inclusive Markets in Somalia (PIMS) Final Report	01-Nov-22	Somalia	Internal Review	Mixed Method	Mixed	High
E4	NRC- BRICS	RESTORE- BRICS Endline Report	02-Nov-22	Somalia	External Review	Before/After	Mixed	
E5	NRC- BRICS	BRCIS Midline Evaluation Report	02-Nov-22	Somalia	Internal Review	Before/After	Primary surveys	
E6	NRC-BRICS	Resilience-building through income generating activities- Preliminary Survey results	02-Nov-22	Somalia	Internal Review	Before/After	Primary surveys	High
E7	NRC-BRICS	Resilience-Building through Savings Groups- Preliminary Survey Results	02-Nov-22	Somalia	Internal Review	Before/After	Primary surveys	
E8	NRC-BRICS	Information Ecosystem for Resilience Access, Use, Needs of Somali Urban Youth	02-Nov-22	Somalia	Contextual Analysis	Mixed Method	Mixed	
E9	NRC-BRICS	BRCiS DEVCO 2 Annual Survey Endline Report- Drought recovery and resilience programme	02-Nov-22	Somalia	Internal Review	Before/After	Primary surveys	
EIO	NRC-BRICS	Multi-purpose cash assistance: Covid-19	02-Nov-22	Somalia	Impact Evaluation	Before/After	Mixed	
EII	NRC-BRICS	Multi-purpose cash assistance: Locust invasion	02-Nov-22	Somalia	Internal Review	Before/After	Primary surveys	
DI	NRC-BRICS	Real-time Risk Monitoring and Early Action Dashboard	02-Nov-22	Somalia	N/A	N/A	N/A	
E12	SATG	CROP YIELD AND LIVELIHOOD SUPPORT IMPACT ASSESSMENT DEYR 2019	03-Nov-22	Somalia	Impact Evaluation	Quasi experimental	Primary surveys	High
EI3	SATG	CROP YIELD AND LIVELIHOOD SUPPORT IMPACT ASSESSMENT GU 2020 - FINAL	03-Nov-22	Somalia	Impact Evaluation	Quasi experimental	Primary surveys	
E14	SATG	CROP YIELD AND LIVELIHOOD SUPPORT IMPACT ASSESSMENT GU 2021	03-Nov-22	Somalia	Impact Evaluation	Quasi experimental	Primary surveys	
E15	SATG	Crop Yield Assessment Deyr 2017 - Final Report	03-Nov-22	Somalia	External Review	Before/After	Primary surveys	
EI6	SATG	Crop Yield Assessment Deyr season 2018 The Final version	03-Nov-22	Somalia	External Review	Quasi experimental	Primary surveys	
EI7	SATG	Crop Yield Assessment Gu 2017-Final Report	03-Nov-22	Somalia	External Review	Quasi experimental	Primary surveys	

Labeling the evidence in this manner facilitated tracking the number of documents received, type of document, number of Somalia versus regional documents, and the quality of the evidence in each document.

Once an evidence document was entered into the registry, it was reviewed for relevant evidence related to IRiS' interventions. If a document had relevant evidence, a review team member would create an evidence summary for the document, and then link the summary to the Evidence Review Structure table, which listed the interventions/PRs vertically and the four results areas horizontally. See Figure 4 for the Evidence Review Structure table and number of pieces of evidence per Results Level and intervention that was collected.

#### Figure 4: Evidence Review Structure table

TYPE OF INTERVENTION	RESULTS LEVEL				
	Intervention	Systemic change	Growth and access to service	Poverty reduction	
Market systems for diversified and climate-resilient crop livelihoods	14	5	4	13	
Market systems for diversified and climate-resilient livestock livelihoods	9	3	3	10	
Market systems for diversified and climate-resilient fishery-based livelihoods	4	6	4	4	
Job creation for marginalized groups, including youth, women, IDPs, migrants, and other marginalized populations through: • Skills development • Linkages to employers • Business assistance for youth or women	18	4	6	13	
Promote investments and remittances between rural and urban populations for the expansion of infrastructure that supports: • Goods and services • Digital services	4	2	3	2	
<ul> <li>Private sector expansion into low-income urban and rural areas, particularly:</li> <li>Formal financial services</li> <li>VSLA's, cooperatives, associations linked to urban MSMEs</li> <li>Renewable energy products and services</li> </ul>	8	I	2	6	
Inclusive market systems through the improved functioning of government and B2B governance structures	7	4	4	4	

**TYPE OF INTERVENTION** 

## 2.3. PHASES I AND II

Phase I consisted of documents from Somalia only. This phase was completed in January 2023, after which there was a presentation held on January 31, 2023 with IRiS staff and IPs to update them on the status of the evidence review exercise, present the process, show evidence gaps in Phase I, describe next steps (which included requests for evidence for Phase 2) and discuss learning questions that IPs found interesting. The presentation was also used to solicit feedback from IPs on the final deliverable structure to make sure it was presented in a way that IPs would find useful.

Following the presentation, the review team collected relevant East Africa documents through an online search and liaising with partners and donor staff to access reports that could be included in the evidence review from the region. The new regional documents were added to the registry and the same process was followed for Phase II documents.

## 2.4. REPORTING

After all the documents were reviewed from both Somalia and the broader East Africa region, the review team began the synthesis process. This included synthesizing all the evidence for each Program Result (PR) into a spreadsheet, and then the relevant results areas were noted per piece of evidence. As a last step, the review team noted how the interventions in each piece of evidence aligned with the intervention and activities that are relevant to the PR per the IRiS Implementation Workplan. Figure 5 shows an example of how the review team undertook synthesis of the evidence related to each PR in order to develop the Intervention Evidence Summaries.

The synthesis, analysis and report writing took place from February to April 2023 with an Itad Senior Partner providing Quality Assurance and IRiS' MEL Director reviewing a draft before finalization of the report at the end of April 2023. After the submission of the final report, Itad will prepare a PowerPoint Presentation to present to USAID, FCDO, DT Global and IRiS IPs in May 2023. The presentation will present the evidence collected during Phase I and II against the PRs, and any gaps that remain, as well as any insights or reflections and how evidence mapping can be used for IRiS.

		Results	levels		IRiS PR 2 interventions/activities						
EVIDENCE FOR PR	Intervention results	Systemic change	Growth and access to services	Poverty reduction	Skills development	Facilitating linkages between trained IDPs, migrants and marginalized groups with prospective employers	Supporting youth- and women- oriented business acceleration assistance	Private sector engagement	Engages key social and economic networks working in urban economies	Legal and regulatory reform in support of IDP integration	Life skills training
E2. GEEL Final Report	Х										
E3. Promoting Inclusive Markets in Somalia (PIMS) Final Report	×			×							
E6. Resilience-building through income generating activities- Preliminary Survey results	Х			×	×						
E2.84 Improving Market Systems for Agriculture in Rwanda	×		X	×	×	X	×	X			
E.47 UNDP JPYES Terminal Evaluation Report	×		×		×		×	×	×	Х	Х
EI. FINAL-Report-Gender Sensitive Comprehensive Labour Market Assessment and Youth Aspiration Study	×										
E46. UNDP JPYES Evaluation Brief	×			×							
E44. Somalia UN MPTF - Consolidated 2019 Annual Progress Report- JPYES	×		×	×							
E62. European Business in Somalia	×										
E54. GEEL Y6 Q3 Report	Х			×							
E55. GEEL IDIQ Final Report	×			×							
E2.122 Impact evaluation of the 'South Sudan Peace and Prosperity Promotion' project	×			×	Х						
E2.83 Lessons learned from youth employment programmes in Kenya	×				×						
E2.119 Final Eval of SNV opportunities for Youth Employment	×		×	×	×	Х		×	×		Х
E2.90 ELAN Annual Report	×	Х	×	×				×		×	
E2.93 ELAN adapting to conflict affected areas	×		×	×							
E2.129 Midterm evaluation of Livelihoods and Energy Projects among Somali Refugees and Host Communities in Ethiopia	Х	×	×	×							
2.79 Market System Interventions and Resilience Assessment - Resilience through wealth agriculture and nutrition (RWANU)		×			×	×	Х				
E.2.102 Climate-smart agriculture – Women and Entrepreneurial Farming		Х			×		×	Х			
E2. 136 Stryde Final Report	X	Х		×	×	Х	×	×			×

## 3. INTERVENTION EVIDENCE SUMMARIES

This section contains Intervention Evidence Summaries sorted by Program Result (PR). Findings are presented at the Results Level for each PR, as well as gaps and key findings. Intervention Evidence Summaries are separate documents that serve as an easy-to-access resource for stakeholders working within a similar intervention area.

# 3.1. PRI.I IMPROVED MARKET SYSTEMS FOR DIVERSIFIED AND CLIMATE-RESILIENT CROP PRODUCTION



The IRiS project is conducting activities to improve Somalia's market systems for climate resilient crop production. Particularly, the project is planning to conduct activities that will:

- Formalize the seed production and distribution system to raise the quality and accessibility of climate resistant seeds.
- Improve grain farmers' productivity, yield quality, and processing systems.
- Expand engagement in climate resilient crop production.

To support IRiS' programming, this Intervention Evidence Summary captures rigorous findings from projects and studies conducted in Somalia or the broader East African region related to the design, decisions and implementation of similar interventions. It presents examples of the evidence at the intervention level, systemic change, growth and access to services, and poverty reduction Results Levels that were uncovered during the evidence review. Of the I39 documents that were included in this evidence review, 18 provide evidence for interventions related to PRI.I in one or more Results Levels. Of these I8 documents, 10 described the results of projects in Somalia, and 8 described projects in other East African countries. Table I provides the definition of each Result Level and the number of documents that contributed to each level's body of evidence. Note that some documents provide evidence for several Results Levels.

Results Level	Definition	Documents			
Intervention level	Results that show direct results of the intervention	4			
Systemic change	Results that show enduring changes in the targeted market system and with market actors due to the intervention	5			
Growth and access to services	Results that show the targeted market is functioning better for marginalized groups due to the intervention	4			
Poverty reduction	Results that indicate a correlated reduction in poverty – incomes, resilience, food security, and wellbeing due to the intervention	13			

#### Table I: Evidence collected per Results Level

## **KEY HIGHLIGHTS AND GAPS**

### **KEY HIGHLIGHTS**

- At the intervention level, research shows that achieving results requires the right combination of activities. Projects are successful when they bring a combination of technical assistance, market linkages, increased access to inputs, or access to finance. For example, the Food and Agriculture Organization (FAO) Cash+ Agriculture Intervention (Cash+), discussed below, shows that access to inputs and capital together was more effective than alone, or when combined with training.
- Projects in Somalia that provided evidence of intervention level results worked in the following crop-based sectors: Sesame seeds, maize, sorghum, other grains, and bananas.
- Interventions that created systemic change or pro-poor services gradually introduced that change through incentive systems such as guaranteed markets or seed vouchers.
- Though projects promoted climate change adaptations, like new seed varieties or livelihoods, there is no research that shows whether resilience to climate change was improved beyond the project's life.
- Projects that achieved results related to systems change worked at multiple nodes in the value chain simultaneously, and recruited the private sector to implement activities to supplant those traditionally implemented by non-profits.

### GAPS

- The review team found no current description of the functioning of agricultural input systems in Somalia. It is difficult to know the current state of seed distribution systems and the degree to which previous projects' results have lasted, or the degree to which any established out-grower schemes have persisted.
- The current drought and famine have changed the nature of agriculture in Somalia, so past projects' assessments will have to be re-examined to understand market systems and entry points for intervention.

## FINDINGS FOR EACH RESULTS LEVEL

Below we provide descriptions of the evidence found for each of the Results Levels

#### INTERVENTION LEVEL RESULTS

All projects that documented evidence of results at the intervention level implemented activities in combination to maximize effectiveness. For example, Promoting Inclusive Markets in Somalia (PIMS), an FCDO and DANIDA project operated in the sesame sector in the Balad, Afgove, and Jowhar districts from 2015 to 2019. The project trained six Somali lead firms in the sesame seed value chain. The project relied on these lead firms to serve as Good Agricultural Practices (GAP) trainers, establish demonstration plots, establish information sharing networks, and provide extension services. The lead firms also created market linkages by guaranteeing that they would purchase farmers' produce. Farmer capacity building utilized a farmer field school model that included 60 demonstration plots serving 35,875 smallholder farmers. The lead firms' extension services provided advice and technology to sesame farmers. These activities raised small-holder farm productivity from an average of 551 lbs/ha to 1043 lbs/ha. In turn, the linkages that the system created increased lead firm exports from an average of 6,099 metric tons to 23,736 metric tons (a 289% increase).

The FAO Cash+ agriculture intervention (Cash+), funded by a consortium of multilateral organizations and running for several years through 2019, provided cash, tools, and input grants with GAP training to enhance the livelihoods and productive capacities of poor and vulnerable rural households in Somalia. The program provided all participating

farmers with high quality seeds and farming tools. Some of those farmers also received cash inputs, and a smaller percentage received GAP training. The project's Deyr<sup>1</sup> 2019 report shows that project participants had higher yields than non-participants. Participants produced an average maize yield of 2.04 tons/ha compared to 1.74 tons/ha for non-participants. Participants also produced 1.89 tons/ha of sorghum compared to 1.6 for non-participants. However, the combination of interventions was important. Participants who received cash and maize seed had the highest yield (2.6 tons/ha), farmers who received seed and training produced 1.06 tons/ha, and farmers who only received seed produced 1.93 tons/ha. Similarly, farmers that received sorghum seed and cash produced 1.99 tons/ha, sorghum and training produced 1.89 tons/ha, and just sorghum seed produced 1.73 tons/ha. The indication is that access to inputs and capital was the most effective combination.

### SYSTEMIC CHANGE

Examples of projects that produced systemic change level results are: USAID's Somalia Growth, Enterprise, Employment, and Livelihoods (GEEL) project, which ran from 2015-21 and operated in 14 of Somalia's districts, and the Resilience through Wealth Agriculture and Nutrition project (RWANU), which ran in Uganda from 2012-17.

The GEEL project addressed the functioning of Somalia's agricultural market. GEEL improved productivity and quality at the farm level, developed markets so that farmers would have channels to sell their increased production, and contributed to financial sector development through attracting international investments and building the capacity of

Somalia's banks, microfinance institutions, and other financial services providers. Its intervention to improve incomes of sesame seed sector actors provides a good example of its approach to creating systemic change: the project worked to improve farmer knowledge and techniques, facilitate wholesale market linkages, improve sesame seed processing, and raise exporters' awareness of the value of quality in growing and exporting. The GEEL project also developed the domestic production of quality seeds. Rather than implement these interventions through project staff, GEEL worked with six lead firms that embedded the interventions in their business model, which increased the likelihood of the intervention's sustainability. The result was an increase in average production from 551 lbs/ha to 1041 lbs/ha, and an increase in exports from 6,099 metric tons to 23,746 metric tons.

RWANU used a gradual introduction of market mechanisms to build trust in the market system. Specifically, RWANU introduced a seed voucher system in which farmers bought inputs directly from agro-dealers. The farmers contributed 30% of the voucher's cash value and RWANU provided 70%. The voucher system helped to transition farmers to commercial agriculture operations where they directly buy inputs from agro-dealers as opposed to relying on donations from government and other actors that producers had often previously relied on to access and plant quality seeds. The seed vouchers allowed 1,044 individual farmers (723 female, 321 male) and 43 block farms, which are smallholder farms that share resources, to access quality seeds. To complete the transition to normal market systems, RWANU phased out the seed vouchers in October 2016, with beneficiary farmers paying the full market value. Findings from the program annual reports reveal that 6,279 RWANU farmers, including those from block and individual farms, and 2,462 non-RWANU farmers were linked to input dealers to access improved seeds and other inputs.

RWANU also introduced bulk grain marketing and block farming through aggregating centers. Households that sold through aggregating centers could educate customers about quality and could sell to big buyers/traders as opposed to selling to middlemen at the farm gate. Bulking also allowed farmers to hold on to their produce longer; selling it at higher prices than those who sold immediately after harvest. Households that bulked received UGX 150, 200 and 500 per kg more than those who sold unilaterally in 2015, 2016, and 2017 respectively. Members of bulking groups on average earned UGX 280 (US\$ 0.08) per kg of grain over and above prices received by those who sold unilaterally in the last three years.

I The Deyr season is a short, rainy season that occurs from October to December.

### GROWTH AND ACCESS TO SERVICES

RWANU increased the availability of tillage services for smallholder farmers through linking farmers and tractor owners. RWANU's 2016 annual report stated that seven tillage service providers were added to the list of 12 previously operating in the South Karamoja subregion. In 2016, a total of 1,051 farmers used tillage services on an average of 0.8 acres, an increase of 300 smallholder farmers in one year. The project reported that access to tillage services contributed to increased acreage for production from 0.25 an acre to 1-2 acres of land. Farmers who were interviewed by the report's authors stated that access to tillage services enabled timely land preparation and timely planting.

The Improving Market Systems for Agriculture in Rwanda project (IMSAR), funded by FCDO from 2018-2022 and implemented by Palladium and Swisscontact, worked to improve market functioning for low-income farmers. IMSAR looked at constraints to the market for low-income farmers and then identified ways to overcome those constraints. In the crop-centered interventions, IMSAR's approach led to improving access to high quality, crop specific fertilizers, crop aggregation opportunities, and access to factoring loans. The result was IMSAR's five major partners increasing sales by US\$1,638,805, exceeding the project's target.

#### POVERTY REDUCTION

Two projects that demonstrated results correlated with a reduction in poverty were PIMS and Cash+, both mentioned above.

PIMS tracked the percentage of beneficiaries that achieved at least a 10% increase in income. The project reported that 60% of sesame sector firms recorded an increase. The project's final report attributed the increase in income to the application of GAPs, the expansion of cultivation into additional land, and the rehabilitation of irrigation infrastructure.

Cash+ tracked the correlation between the intervention's results and improvements in food security. The project's 2019 Deyr report measured the food consumption score (FCS), Dietary Diversity Group (DDG) ranking, and Resilience Capacity Index (RCI) score. The report measured the beneficiary group's scores compared to a sample of non-beneficiaries. There were improved measurements for beneficiaries compared to non-beneficiaries in each measurement, as shown in Table 2.

Measurement	Beneficiaries	Non-beneficiaries
FCS	56.3	48.97
DDG	11% high	9% high
RCI	46.9	44.8

#### Table 2: Beneficiaries versus non-beneficiaries scores

The report utilized a survey that drew on participant households as respondents, and non-participant households as a "control" group. The sampling strategy was sound. However, there are some inconsistencies in the report. It attributes several broadly realized benefits to training, which was only received by a small percentage of participants. Also, while the "control" group provides an interesting point of comparison, the report claims that differences provide proof of causality, which is not the case.

## 3.2. PRI.2 IMPROVED MARKET SYSTEMS FOR DIVERSIFIED AND CLIMATE-RESILIENT LIVESTOCK LIVELIHOODS



The IRiS project is conducting activities to improve Somalia's market systems for climate resilient livestock livelihoods. This Intervention Evidence Summary captures rigorous findings from projects and studies conducted in Somalia or the wider East African region to support IRiS' programming related to the design, decisions and implementation of these interventions. For example, IRiS intends to improve livestock market systems, supplement feed for livestock, improve animal healthcare services, and link livestock traders to financial services. This document presents examples of the evidence at the intervention level, systemic change, growth and access to services, and poverty reduction Results Levels that were uncovered during the evidence review.

Of the 139 documents that were included in this evidence review, 14 provide evidence for interventions related to PRI.2 in one or more Results Levels. Of these 13 documents, 7 described the results of projects in Somalia, and 7 described projects in other East African countries. Table 3 provides the definition of each Result Level and the number of documents that contributed to each level's body of evidence. Note that some documents provide evidence for several Results Levels.

Results Level	Definition	Documents
Intervention level	Results that show direct results of the intervention	9
Systemic change	Results that show enduring changes in the targeted market system and with market actors due to the intervention	3
Growth and access to services	Results that show the targeted market is functioning better for marginalized groups due to the intervention	3
Poverty reduction	Results that indicate a correlated reduction in poverty – incomes, resilience, food security, and wellbeing due to the intervention	10

#### Table 3: Evidence collected per Results Level

## **KEY HIGHLIGHTS AND GAPS**

#### **KEY HIGHLIGHTS**

- Climate change brings recurrent droughts and makes livestock herds more susceptible to disease. Several projects mitigated these risks with improved fodder, which allows livestock to better survive dry periods, and improved access to animal healthcare services. For example, one study (discussed below in the intervention level results section) showed the effectiveness of using Ficus thonningii trees as fodder and to prevent erosion.
- There is substantial evidence for the effectiveness of using private sector structures to deliver livestock sector services effectively. Working through lead firms and establishing community animal healthcare workers led to efficient distribution of information and inputs.
- Many projects successfully improved livestock value chains. However, there is no research into the degree to which these changes survived the life of the projects. IRiS should understand the degree to which previous projects created persistent change, and develop a strategy for creating changes that are resilient during its implementation.
- Several of the projects the team reviewed conducted assessments that showed that the livestock sector was crucial for reducing extreme poverty and establishing household surpluses that lead to improved resilience.
- Livestock interventions are correlated with improved food consumption and dietary diversity scores and higher value household asset levels.

#### GAPS

No projects that the team reviewed discussed possibilities of value-added business opportunities in the livestock sector. There is evidence that livestock interventions provide the most relief for the poorest members of a community. However, there was no research into whether livestock interventions are best for the largest portion of the population, or whether they contribute effectively to longer-term systemic change.

## FINDINGS FOR EACH RESULTS LEVEL

Below we provide descriptions of the evidence found for each of the Results Levels.

#### INTERVENTION LEVEL RESULTS

Climate change resilience requires innovations that manage drought and land degradation, while increasing the efficient use of resources. The projects and studies reviewed created innovations around resource efficiency, input and service distribution, and market development.

For example, a study by the Mekelle University, the Norwegian Life Sciences Institute, and the International Livestock Institute explored indigenous innovations in historically drought ridden northern Ethiopia. The study, published in 2016 and titled "Ficus thonningii Silvopastures: An Indigenous Innovation for Livelihood Improvement, Climate Change Adaptation and Environmental Resilience in Northern Ethiopia," documents the success that indigenous populations have had increasing livestock productivity by integrating the Ficus thonningii tree into grazing areas. Productivity increased because the tree, which is drought resistant, produces large amounts of nutritious foliage, contributes to soil fertility, and slows ecological degradation. The study points out that 33 other sub-Saharan African countries could utilize the practice, but lack of knowledge and established guidelines for implementation, along with lack of information about the pests that the trees could attract, limits the scaling up of the process. Other projects identified the need for increased access to veterinary care as a path to increasing efficiency. Two examples of projects that utilized community animal healthcare workers are Promoting Inclusive Markets in Somalia program (PIMS) and Somali Resilience Program (SomReP).

PIMS was implemented from 2015-2019 and funded by FCDO and DANIDA. PIMS worked with two lead firms, Vetcare and Alla Amin, to engage community animal health workers and agricultural input dealers in serving milk producers. The two lead firms provided services to 26,110 milk producers.

SomReP, which is a consortium of relief agencies that was founded in 2012, also utilized community animal healthcare workers to fend off the cattle diseases that spread more easily during drought and cattle movements. The project trained the workers, who then carried out vaccination campaigns in their communities. SomReP's 2017 evaluation found that livestock death from disease dropped precipitously because of the project's interventions.

Several projects focused on improving fodder production and preservation. For example, USAID's Pastoralist Areas Resilience Improvement through Market Expansion program (PRIME), which was implemented by DAI from 2012-17, taught pastoralists to produce and preserve fodder in a way that would improve the condition of livestock leading to higher yields and quality of livestock products. Improved fodder also helps livestock survive droughts. A study of the program's impact on household level resilience found that fodder production in combination with access to animal health services and a package of other interventions improved household wellbeing.

PIMS also sought to increase access to quality fodder. It worked with six commercial dairy farms that produced fodder to increase access to fodder for 800 smallholder farmers.

### SYSTEMIC CHANGE, AND GROWTH AND ACCESS TO SERVICES

In this report, the systemic change and access to services Results Levels are combined because livestock projects often created systemic change by creating incentives for the provision of services to poor and marginalized populations. PIMS provides an excellent example. PIMS's efforts at systemic change focused on discovering means for market-based actors to sustainably deliver services. The project's work to engage community animal health workers and reach agricultural input dealers to serve milk producers created incentives that drove a change in the market system. As a result of this implementation, the lead firms increased their sales by 35%. The smaller input dealers also benefited from increasing average sales of veterinary drugs from an average of US\$150 to US\$245, and the community workers increased sales from US\$52 to US\$176.

PIMS identified a number of constraints to fodder production, including lack of demand for fodder which reinforced low capacity in fodder production. Accordingly, PIMS engaged in an information campaign about the value of fodder to raise awareness among pastoralists while establishing an out-grower fodder production system. The out-grower system engaged 100 small scale growers. Over the course of the project, out-grower production that helped raise capacity, production, and quality involving 120 milk producer pastoralists. However, those output level results may not be as important as the establishment of a quality fodder production system that overcame supply and demand constraints. The fodder system was held back because it was in no individual's or firm's direct interest to act as a first mover into fodder production or consumption. The risk was high and benefits were unknown. PIMS established a market-driven system incentivized to continue fodder production through local providers after the project ended.

The UNHCR project Ikea Foundation Livelihoods and Energy Projects Among Somali Refugees and Host Communities in Ethiopia (2019-2021) sought to create systemic change by forming sector-based cooperatives to provide a number of services to members. According to the project's final evaluation, the project's livestock sector cooperatives became the most firmly established among all of the sectors. The cooperatives build livestock value chains for products including animals, milk, meat, and biogas. They also became a source of self-employment and business management training, which led to increased incomes. The project's final evaluation determined that cooperatives in the livestock sector were likely to become self-sufficient.

Another project that created systemic change was the Approach to Inclusive Market Systems program (AIMS), which was funded by BMZ, Germany's Ministry of Economic Cooperation and Development, and implemented by the International Labor Organization (ILO) and UNHCR from 2018-19. The goal of AIMS was to integrate refugees and host communities in Jijiga, Ethiopia into targeted sectors. The project worked through developing the skills of the target population, while enhancing value chains in targeted sectors to increase demand for the targeted population's labor. It identified the small ruminants sector as having the greatest potential of achieving its aim and three constraints that it had to overcome, namely:

- 1. The target population did not know how to aggregate animals for bulk sale to a newly opened exporting slaughterhouse, which had insufficient supply to meet its capacity.
- 2. The targeted population sold mostly through informal networks that dealt in small numbers of animals. The new slaughterhouse did not know about these networks and did not know how to approach working with them.
- 3. The targeted populations lacked skills to organize and operate as small businesses.

The project conducted an information campaign, connected herders to the new slaughterhouse, and provided business training, resulting in higher sales through improved animal aggregation and a more stable supply for the slaughterhouse.

The systemic change occurred because the project created an animal aggregation facility, which converted informal networks that had a high user cost for the slaughterhouse into a formal network that lowered the cost of sales for the targeted population, and lowered supply costs for the region's major buyer.

### POVERTY REDUCTION

Several of the projects that the evidence team reviewed achieved poverty reduction results. For example, PIMS tracked the percentage of beneficiaries that achieved at least a 10% increase in income. The project reported that 38% of dairy sector firms recorded an increase despite a severe drought during the project which killed over 30% of Somali livestock.

PRIME conducted a study using quasi-experimental methods to understand if the project's characteristics led to lower poverty and increased resilience. The study found a positive impact on household wellbeing, including greater diet diversity, lower poverty rates, and greater access to assets. Particular to the livestock sector, the study found that participants in PRIME had "smaller, healthier, and more productive herds."

SomReP highlights in its final evaluation report that its program participants were more prepared to withstand drought than non-participants. SomReP participants had better food consumption scores, more productive household assets, and better coping strategies.

## 3.3. PRI.3 IMPROVED MARKET SYSTEMS FOR DIVERSIFIED AND CLIMATE-RESILIENT FISHERY-BASED LIVELIHOODS



The IRiS program will implement activities that aim to help Somalia realize the economic and social rewards of productive, efficiently managed fisheries. IRiS' interventions in this PR could include improving fish catch and handling practices, post-harvest loss management, strengthening market linkages between fish cooperatives and offtake processors, and improving quality standards and certifications to improve market access. IRiS aims to achieve:

- Improvement to fisheries market systems.
- Increased fish production among small-scale fisherfolks in the rural coastal communities.
- Strengthened market access and linkages.
- New innovation capacity through trial and iteration activities for fisheries.

To support IRiS' programming, this Intervention Evidence Summary captures rigorous findings from projects and studies conducted in Somalia or the East African region related to the design, decisions and implementation of similar interventions. This document presents examples of the evidence at the intervention, systemic change, growth and access to services, and poverty reduction Results Levels that was uncovered during the evidence review. Of the I39 documents that were included in this evidence review, nine documents provide evidence for interventions related to PR 1.3. in one or more Results Levels. Table 4 shows the definition of each Results Level and the number of documents that contributed to each level's body of evidence. Note that many of the nine documents provide evidence for several Results Levels.

#### Table 4: Evidence collected per Results Level

Results Level	Definition	Documents
Intervention level	Results that show direct results of the intervention	4
Systemic change	Results that show enduring changes in the targeted market system and with market actors due to the intervention	6
Growth and access to services	Results that show the targeted market is functioning better for marginalized groups due to the intervention	4
Poverty reduction	Results that indicate a correlated reduction in poverty – incomes, resilience, food security, and wellbeing due to the intervention	4

## **KEY HIGHLIGHTS AND GAPS**

#### **KEY HIGHLIGHTS**

- Several successful projects used a Training of Trainers (ToT) approach during the program so that after the program ends, intervention benefits and reach continue, expanding impact of the program after its conclusion.
- All of the programs that produced evidence included a value chain strengthening and market linkages component, specifically focusing on connecting Somali produce with international markets through shows and international events, as well as getting certification.
- Projects emphasized engaging the government to create an enabling environment and make standards/ certifications for seafood safety that are in line with global markets.
- Projects that achieved results related to improved sales by fish producers included components such as providing fishing equipment (i.e. used boats or nets), use of improved fishing technologies and investment in cooling facilities.
- Most projects did a constraint analysis and then focused on targeting constraints to productivity increases for example identifying an issue with international food safety standards and working with the Somali Government to address this.
- Three programs (PIMS, GEEL and JYPES) collaborated to achieve common objectives and, working with the government, to create an enabling environment in Somalia to help fish producers gain access to international markets (i.e. promoting international food safety standards). IRiS could build on these developments by providing technical assistance to the Federal Government of Somalia to institutionalize the HAACP standards and food safety standards within the government and market system, for example, helping them develop an official Food Safety policy and holding regular trainings on seafood safety regulations with government personnel, fishery associations and businesses.
- The main challenges the fishing industry face are lack of start-up capital; lack of equipment; lack of access to international markets (and thus lack of consumers); and the seasonal nature of the industry.
- Assisting firms with loan applications to invest in new cooling facilities and fishing materials/equipment can have a long-term benefit and help firms access finance after the program ends. This also includes providing maintenance trainings related to cooling facilities and equipment.
- There is an opportunity to leverage the work GEEL did with the private sector related to collecting fishery management data. IRIS could use this data to inform activities related to this PR in terms of sustainability and to inform fishing and processing practices.

#### GAPS

- Lack of evidence from East Africa evidence only found in programs in Somalia.
- None of the projects had components that will be included in IRiS' interventions related to fisheries including: Incentivizing fish processors/exporters to provide in-kind support to fish cooperatives; setting up of vendor shops for selling products; and the trial and iteration approach related to expanding fisheries in the geographical focal zone (GFZ).

### FINDINGS FOR EACH RESULTS LEVEL

Below we provide descriptions of the evidence found for each of the Results Levels.

#### Intervention level results

Most programs' intervention level results were related to job creation in the fishing industry, increased fish production, and reduced waste due to better cold storage practices.

One example, the USAID-funded Growth, Enterprise, Employment, and Livelihoods project (GEEL) in Somalia, ran from 2015-21. GEEL promoted sustainable growth in the fisheries value chain by supporting partners to obtain cold chain facilities, improve fish processing techniques, reduce production costs, and work with fisherfolks and businesses to capture data for short-term, data-driven decision-making and long-term fisheries management that is sustainable.

GEEL facilitated training on international food handling and safety standards to enable exports to high-value markets, introduced solar and other renewable technologies on boats and on land, and helped partners build relationships with exporters and buyers. GEEL engaged in micro, small, and medium-sized fishery sector business. During the program, seafood sales volumes improved significantly. For example, in 2018, the combined areas of Puntland, Somaliland, and Banadir sold one million lbs of seafood to both export and local markets. The same combined areas sold 74.1% more in 2020 (1.8 million lbs). The GEEL final report indicates that increases were attributed to more availability of new and used fishing boats and the use of improved fishing technologies (45%) and investment in cooling facilities (70%). Other factors were reductions in fish losses (15%), engagements with new suppliers/buyers (15%), access to new markets with better prices (5%), more favorable fishing conditions (10%), and increased market demand (20%). Finally, participants in the fisheries value chain adopted new management practices: 44% improved quality management, 13% improved operations management, and 8% adopted new sustainable fishing practices and improved fish-handling techniques. This was in line with intended intervention results.

The FCDO- and DANIDA-funded market systems development program, Promoting Inclusive Markets in Somalia (PIMS), which ran from 2015-2019, focused on addressing market failures in three sectors, including fisheries. In the fisheries sector, interventions included improving quality and hygienic handling of fish, increasing fish catch and reducing spoilage in parallel to improving infrastructure at landing, cooling, transportation and market points. The program worked with eight private sector companies and improved the practices of 2,638 fisherfolks. PIMS' work had two intervention streams: 1) increasing post-harvest value addition by investment in new technologies, building the capacity of market actors on frying and filleting and expanding local market of value-added fish; and 2) improving good handling practices through mainstreaming best practice in fish handling, processing and packaging in the fish value chain, and supporting investment in cold chain, fish storage, HACCP and transportation facilities. Examples of intervention level results include a decrease of spoilage rates across surveyed firms from 25% to 4%, and an increased in their catch from an average of 441 lbs to 829 lbs per day during the peak fishing seasons.

Another example is the Joint Program Youth Employment Somalia (JPYES), which was implemented in Benadir Region, Jubaland, Puntland, Somaliland, South West State, and Hirshabele from 2015-19 by the Government of Somalia, FAO, ILO, UN-Habitat, the UN Development Program (UNDP) and the United Nations Industrial Development Organization (UNIDO). JPYES was funded by the governments of Denmark, Italy, Sweden, Switzerland and the UN Peacebuilding Fund (UNPBF). JPYES was designed to address the national youth unemployment problem by creating employment opportunities in a variety of sectors, including fisheries. JPYES provided vocational training, enterprise development, value chain development, and infrastructure rehabilitation.

One intervention was an apprenticeship program for youth. JYPES had apprenticeship partnerships with 40 fishing private sector companies from the Bossaso Chamber of Commerce. I50 youth were placed in the fishing companies for a four-month on-the-job training course. Afterwards, many of the youth were hired by the fishing companies, and those who were not started their own businesses. The Chamber of Commerce gave youth who started their own businesses entrepreneurship training services, business development support, and a grant. Due to JYPES, I40 young fisherfolks (70 women), mainly IDPs, were self-employed and managing micro, small and medium enterprises (MSMEs), generating incomes for their households. An impact assessment of beneficiaries showed that program interventions had positive impact on the lives of beneficiaries. Interventions improved the employment status, income levels, and quality of life.

#### SYSTEMIC CHANGE

One of the barriers to connecting Somali fish producers with international markets is the lack of safety standards related to seafood in Somalia. As such, all of the programs that produced evidence addressed this barrier and enabled an environment for HACCP-certified seafood production that met international market standards. Additionally, specific to the fishing industry, GEEL and PIMS collaborated to build an enabling environment related to meeting seafood safety standards and establishing certification, as well as facilitating international exposure to markets and best practices for the Somali fishing companies. All of these interventions led to systemic change for the fishing industry in Somalia.

GEEL included a component that focused on training fish business owners on fish catch and handling practices, and provided opportunities for them to attend competitive events and the Dubai Sea Foods Fair, then mobilized participation for fishing firms to attend trade and food fairs, linking them to global markets. This led to many of the fishing companies adopting better processes and establishing HACCP plans, and pursuing standards benchmarked at international levels such as the International Organization for Standardization (ISO), and even connecting with independent bodies such as Société Générale de Surveillance (SGS) to assist in achieving certification.

GEEL's fishery value chain interventions also supported Somalia's fisheries management through policymaking assistance to federal and state governments and local communities, and by facilitating scientific studies to promote fact-based decision-making about Somalia's fisheries resources. GEEL provided support to companies to ensure fish stock sustainability and management of marine resources through training on environmentally safe fishing methods. In Gara'ad, for example, GEEL implemented a biodiversity project on sustainable lobster fishing. In the same vein, the program worked with the private sector to collect fisheries management data to inform fishing and processing practices and to contribute to the growing national fisheries database, which could be used for monitoring stock levels and assessing environmental impact. This encouraged the private sector to review their supply chains and prioritize practices that have a systemic impact beyond the program for the future of the fishing industry in Somalia.

PIMS and GEEL also collaborated in planning and facilitating the participation of Somalia fisheries lead firms in the Sustainable Blue Economy Conference in Nairobi in 2018 in order to link Somali fisheries with international markets. Additionally, both projects supported the government and the private sector in Somalia to establish the necessary mechanisms and infrastructures for the certification of Somalia fish and fish products. Specifically, the two projects worked together to help improve the end market requirements for the fish and fish products by supporting the development of policies and regulatory frameworks relating to hygienic fish handling, quality assurance for fish products

for export and domestic markets, and other international food safety standards. This enabled an environment for HACCP-certified seafood production in Somalia that met international market standards.

In addition to the above, PIMS interventions provided evidence of systemic results that would have impact beyond the program's end. For example, as lead companies strengthened their fish supply and management capacity, PIMS supported lead firms to strengthen relationships across the value chain. PIMS helped identify market opportunities and build relationships with businesses that led to end market buyers. Results of value chain strengthening saw sales increase across all lead firms. Additionally, PIMS delivered ToT to each of the eight lead firms in the fisheries industry. Lead firm staff in turn provided technical training to their main suppliers, with lead firms now firmly embedding and adopting PIMS practices independently beyond program conclusion. One of the lead partners organized a ToT for staff from the Puntland Ministry of Fisheries and Marine Resources and the Chamber of Commerce.

PIMS also supported lead firms in strengthening relationships across the value chain, assisting them with undertaking domestic market surveys and identifying and examining markets such as in Kenya, Ethiopia, and the United Arab Emirates that they could benefit from. Linkages were also facilitated with fisheries equipment suppliers. The results of these interventions show that demand for Somali fish products both in the domestic market and in regional markets does exist, and the potential for growth is high for fisheries in Somalia.

Due to PIMS training, fish spoilage rates dramatically decreased from 25% to 4%. With improved knowledge and skills, fisherfolks are advocating in their communities about the importance of ice in maintaining quality of fish products, raising awareness of the issue with non-beneficiary fisherfolks. Additionally, due to PIMS providing new cooling technology, fisherfolks are staying out on their fishing vessels longer and are able to increase the quantity of their catch. Finally, firms that were not originally part of PIMS are promoting cooling technology to fisherfolks.

All programs that produced evidence engaged in capacity building of the government and other fish industry stakeholders related to seafood safety. This capacity building led to accessing international markets. For example, the JYPES program worked on developing regional HACCP guidelines on seafood safety and exports. Over 150 representatives of the government, fishery associations and businesses were trained in seafood safety regulations.

During PIMS, as the firms in the fishing industry became more export orientated, it became clear that a limiting factor for growth was the lack of proper standardization and compliance with global standards. In response to this, PIMS developed interventions that would support the enabling environment, reforming and meeting standards, as well as brokering linkages with firms and end market buyers with new regional end markets. Examples of these interventions include a training PIMS conducted for Fish Inspection and Quality Assurance (FIQA) officials and Somalia Bureau of Standards (SoBS) in Nairobi. These activities were implemented in order to create awareness on national, regional and international market access requirements for fish products and to validate the National Fisheries Development Policy. PIMS supported the Federal Ministry of Fisheries to develop a manual for standard operating procedures (SOPs), reviewed policy and regulatory frameworks of Somalia and proposed the necessary steps to establish the FIQA Unit within the Federal Ministry of Fisheries in consultation with Federal Member States.

#### GROWTH AND ACCESS TO SERVICES

In terms of growth and access to services, all of the programs invested in fish processing units and cold storage facilities. Lack of cold storage facilities was mentioned in nearly all pieces of evidence as a major constraint for fisherfolks. Additionally, some of the programs focused on helping beneficiaries/firms access finance. One example is the JYPES, which worked with the private sector to build ten fish processing units equipped with solar convection driers and advanced fish processing equipment, and provided fishery processing business start-up funds to beneficiaries as well as business service development training. JYPES equipped the processing units with fish drying equipment and cold storage facilities and trained beneficiaries in fish drying, packaging, cutting, and processing. This gave local fisherfolks access to processing units and cold storage that could be used beyond the program to continue making livelihoods. GEEL also invested in cold storage infrastructure to preserve the quality of fish, reduce waste, and increase private sector capacity to store fish in bulk. GEEL rehabilitated older cold storage facilities and trained a group of technicians to maintain them. Finally, GEEL also provided new boats and fishing equipment. Equipment and cold storage facilities were provided via a combination of firms investing with their own capital and matching grants for equipment from GEEL. Where a firm did not have the working capital on hand, GEEL also assisted facilitation of loan applications to local financial institutions; also increasing access to finance.

### POVERTY REDUCTION

All of the programs that had evidence for this PR had an impact on poverty reduction through job creation and increased incomes for beneficiaries and their families. Below are several examples that highlight these results.

Under the fisheries value chain, GEEL helped businesswomen maximize their earnings and growth potential by providing trainings on handling, sanitation, and business management along with in-kind grants for cold storage. These initiatives enabled 47 women to become fish vendors or improve their retail facilities. GEEL leveraged over US\$33.5 million in private capital investments and created more than 7,400 full-time jobs and an estimated 15,700 secondary and part-time jobs. The project prioritized inclusivity, and helped to create 5,600 jobs for women, youth, and IDPs bringing technical and soft skills training to rural areas at an important time in Somalia's growth.

GEEL identified unmet demand for training. For example, gill nets are a low-cost technology that make fish harvesting more accessible to women and have a low environmental impact. GEEL worked with women from fishing cooperatives in Mogadishu to build the skills to create and repair gill nets. With their new capacity the women are earning additional income and contributing to the growth of the Somali fishing industry. Additionally, through the PIMS fishery intervention as described in the section above, 67% of producers in the fisheries sector recorded increased incomes because of improved fish catch and reduction in post-harvest losses. Due to the program there was a nine million US\$ net additional income change for the fishing industry, and the program created over 650 full time equivalent jobs in the fishing industry. Finally, through JYPES, I20 fishing families, with around 900 people total, improved their livelihoods by using fiberglass reinforced fishing canoes supplied by the project and 68% of respondents indicated that their incomes increased because of the program's fishery intervention. In one project area, it was observed that the fish processing groups use their cold chain equipment to do other forms of income-generating activities such as making ice cream during seasons when there is no fish.

## 3.4. PR2. FACILITATE THE INTEGRATION OF IDPS AND MIGRANTS INTO URBAN ECONOMIES AND PR5. STRENGTHEN ECONOMIC AGENCY OF MARGINALIZED POPULATIONS



The IRiS project is conducting activities to facilitate the integration of IDPs and migrants into urban economies and strengthen the economic agency of marginalized populations. This work will foster employment and entrepreneurship in traditional sectors where IDPs and migrants are known to find opportunities, while also expanding into private sector activities that rarely engage these communities. Particularly, the project is planning to conduct activities that will create jobs for marginalized groups, including youth, women, IDPs, migrants, and other marginalized populations through:

- Skills development of IDPs, migrants and marginalized groups.
- Facilitating linkages between trained IDPs, migrants and marginalized groups with prospective employers.
- Supporting youth- and women-oriented business acceleration assistance.

Both PR2 and PR5 are covered in this summary because they share the activities and outputs per the IRiS Theory of Change, with the PR5 having only one output and activity "Supporting youth- and women-oriented business acceleration assistance" which is also an output and activity for PR2.

To support IRiS' programming, this Intervention Evidence Summary captures rigorous findings from projects and studies conducted in Somalia or the East African region related to the design, decisions, and implementation of similar interventions. This document presents examples of the evidence at the intervention level, systemic change, growth and access to services, and poverty reduction Results Levels that were uncovered during the evidence review.

Of the 139 documents that were included in this evidence review, 20 provide evidence for interventions related to PR2 and PR 5 in one or more Results Levels. Of these 20 documents, 10 described the results of projects in Somalia, and 10 described projects in other East African countries. Table 5 provides the definition of each Result Level and the number of documents that contributed to each level's body of evidence. Note that some documents provide evidence for several Results Levels.

#### Table 5: Evidence collected per Results Level

Results Level	Definition	Documents
Intervention level	Results that show direct results of the intervention	18
Systemic change	Results that show enduring changes in the targeted market system and with market actors due to the intervention	4
Growth and access to services	Results that show the targeted market is functioning better for marginalized groups due to the intervention	6
Poverty reduction	Results that indicate a correlated reduction in poverty – incomes, resilience, food security, and wellbeing due to the intervention	13

## **KEY HIGHLIGHTS AND GAPS**

#### **KEY HIGHLIGHTS**

- Youth, women and marginalized groups needs skill development that is based on market assessments; is demanddriven; and linked to employers in both private and public sectors.
- Nearly all programs used private sector engagement to provide services (such as financial service), help youth and women find employment, and provide skills development and apprenticeship opportunities.
- Training participants often start their own businesses. Access to business development services, finance facilities, and start-up kits should be an integral part of employment training programs.
- Social networks are seen as valuable by youth in skills development and training programs. The opportunity to expand social networks (with peers, government officials, or other leaders in their communities) is viewed as a benefit of programming that includes networking opportunities.
- Leveraging partnerships of youth- and women-focused organizations can help facilitate linkages and the development of the services needed to enable youth- and women-led businesses to expand in agriculture-related subsectors.
- The Push-Pull-Match<sup>2</sup> model is successful with youth in a variety of sectors (i.e. agriculture and renewable energy) and different country contexts, especially when including youth savings and loan associations (YSLA), gender mainstreaming and longer-term coaching and mentoring.
- YSLAs are a stabilizing pillar for youth because it forces them to function as a group. They create leadership, they serve as a social security net, and they provide access to funding to start a business.
- Several successful programs included in the evidence review had basic life skills training and mentoring components. Life skills were an element of nearly every program that engaged women and youth.
- Programs that created systemic change invested resources in advocacy with government and financial service providers, capacity building of government and local service providers, and other local organizations that could carry on trainings/activities after the program ended. Nearly all the programs that produced evidence related to systemic change also engaged the private sector.
- Many projects included components that linked youth and women to other actors that would help them become employed or succeed in their self-employment. For example, programs made links to employers and equipment providers.

<sup>2</sup> For the Opportunities for Youth Employment (OYE) program, the push factor consists of building relevant, marketable skills among young people, including hard technical and business skills, and soft skills. The pull factor sources private sector job opportunities for young people through job placement and apprenticeship programs, or helps them capitalize on opportunities for self-employment. The match factor connects the push and pull factors, placing young people with private sector enterprises, or supporting them with connections to markets, access to finance and mentorships.

- Sensitization of the private sector and service providers to better serve youth, women and other marginalized populations results in an increase of access to services. This includes helping providers develop products that are more targeted to marginalized groups.
- Consider training and developing skills in economic growth sectors that can be transported or re-established elsewhere: for example, training in skills such as tailoring or beauty services. Tailoring and beauty services are neither scarce nor high growth, however these sectors are marketable and can be potentially portable businesses that can feasibly grow into a newer more profitable market or in times of displacement, re-established elsewhere. This is especially important when working with IDPs.

#### GAPS

- There is a lack of evidence related to the effectiveness of job fairs and networking events.
- There is no evidence related to innovations in bridge-building between IDPs/migrants and host communities. None of the documents we reviewed had a bridge-building component in program design.
- Incubation hubs were not included in any of the documents we reviewed.

## FINDINGS FOR EACH RESULTS LEVEL

Below we provide descriptions of the evidence found for each of the Results Levels

### INTERVENTION LEVEL RESULTS

Many programs targeting youth and women had components that included life skills and mentoring, and focused on developing youth-led enterprises. The Push-Pull-Match approach seems to work in multiple country contexts. Two projects that provide good examples of this finding are the Kenya Youth Empowerment Project (KYEP) and the Opportunities for Youth Employment program (OYE).

KYEP was a four-year World Bank-funded program in Kenya. The Ninaweza initiative was launched as part of KYEP, designed for young women living in poverty in Nairobi. Ninaweza was an eight-week training program designed to provide life skills and information and communication technologies (ICT) skills relevant to the market. It also included workplace placement. The program included classroom-based and on-the-job training. The purpose of the program was to promote employment in the formal sector rather than self-employment. A randomized control trial was undertaken to evaluate the success of the project with regards to knowledge of life skills and ICT, finding employment, and improvements in self-confidence. The findings indicate that life skills training had a positive effect on improving the chances of obtaining a job among female youth in Kenya. Respondents who participated in the program were more likely to have found better quality jobs. Those working in the ICT sector were five times more likely to be from the beneficiary group (versus the control group). Beneficiaries of the program had higher earnings than women from the control group.

From 2013-18, SNV, in partnership with the MasterCard Foundation and the Swiss Agency for Development Cooperation, implemented a regional program in East Africa called the Opportunities for Youth Employment program (OYE). The main objective of OYE was to select 20,500 rural out-of-school youth and train them in market-relevant skills in order to improve their employability (push factor). Once they were trained in basic life skills and business development, the youth entered into internships or to started up youth-led enterprises (pull factor). The program also facilitated market linkages/opportunities and access to start-up capital and investment funds for the trained youth (match factor) and included business coaching of new youth-led enterprises. The program targetted rural out-of-school youth, with a focus on young women (often young mothers). OYE was implemented in three countries in East Africa, focusing on different sectors, specifically agriculture in Mozambique, renewable energy in Rwanda and agriculture and renewable energy in Tanzania. Most of OYE's targets were met in all three countries in terms of youth enrolment, creation of youth-led enterprises and finding (self) employment.
Overall, 81% of the youth found work after their training and 78% continued employment after they had entered it. In all, OYE helped 15,767 youth enter employment in three countries and supported the establishment of 716 new youthled enterprises. While OYE intended to use the Push-Match-Pull approach, it was more like a Pull-Match-Push-Match-Pull model. Key drivers of the success of the program included youth saving and lending associations (YSLA), gender mainstreaming and longer-term coaching and mentoring for at least one year. Longer engagement requires proper funding and capable local service providers. Selecting sectors that are of interest to youth was a successful approach to be able to establish the Pull and Match component of the program. This approach was a key strategic choice as part of the OYE model by design that has proven to work well during the implementation of the program.

### SYSTEMIC CHANGES

Programs that invested resources in advocacy with government and financial service providers and built government, local service providers', and other local organizations' capacities created systemic change. Nearly all of the programs that produced evidence related to systemic change engaged the private sector. Four examples of this include:

The multi-stage IKEA Foundation and UNHCR Livelihoods and Energy Projects Among Somali Refugees and Host Communities in Ethiopia program is implemented by the Relief Society of Tigray (REST), Save the Environment Ethiopia (SEE), the Women and Pastoralist Youth Development Organization (Wa-PYDO), and ZOA International. The program has continued in multiple phases since 2014. This evidence focuses on Phase 3, which is implemented in five Somali refugee camps and nearby host communities located in a remote, rural area of south-eastern Ethiopia near the Kenyan and Somali borders. This three-year phase consists of integrated livelihoods and energy projects focused on cooperative business strengthening, along with improved access to financial services and government capacity strengthening. The key aims of Phase 3 for the livelihood project are: to promote member owned agricultural cooperatives; develop value chains for agriculture products; improve farming and management skills among refugees; establish environment-friendly irrigation systems; increase production capacity of cooperatives; enhance the business activity of various local value chains; enhance potential private sector involvement; and to reduce reliance on assistance from UNHCR and other humanitarian actors. The energy project is comprised of two main strategies: I) scaling up the photovoltaic/solar technology, while improving the quality of service and maintenance and enhancing livelihoods in the energy sector (e.g. through cooperatives); and 2) establishing, optimizing, and scaling the local production of cookstoves by leveraging the available workforce and material, improving refugee household's energy consumption of different products, and linking the cooperative concept with the market. UNHCR worked with FSPs to extend their services to underserved areas, to the cooperative members and to the broader refugee and hosting populations.

Systemic change is a key focus for the program. UNHCR's advocacy efforts laid the groundwork for establishing an inclusive enabling environment promoting employment and freedom of movement for refugees. Advocacy on behalf of Somali refugees with the government facilitated the Government of Ethiopia's January 2019 decision to give fundamental rights not previously had by refugees, such as the right to work, freedom of movement, and access to financial services. The project also helped secure the commitment of the Government of Ethiopia to provide support and resources for refugees, including the land, cooperative development (formation and legalization) and agricultural extension services. Finally, the program included a component focused on building government capacity to facilitate co-op registrations.

Another program demonstrating systemic change is Resilience through Wealth Agriculture and Nutrition in Uganda project (RWANU), which was a five-year Development Food Assistance Program funded by USAID's Office of Food for Peace from 2012-17. The program was implemented by ACDI/VOCA in partnership with Concern Worldwide and Welthungerhilfe in 16 sub-counties in Uganda. RWANU awarded grants to groups of youth and women and linked them to equipment and capacity building opportunities. It also trained them to manage businesses and connect them with technical service providers, which helped with sourcing equipment and maintenance. Training included business skills, group dynamics and leadership and business planning. The report found that the grants improved household resilience by enabling youth and women to invest in income-generating activities that helped households build assets and increase their adaptive capacity. The grants enabled beneficiaries to enter into a higher value-added function in the value chains positioning them to earn more. For instance members of Apeded Tyre Mending youth group sold

milled rice in Jinja, Kanegu, and Kanamokol livestock trading groups traded in markets outside the district. The grants also have allowed women to venture into livestock marketing, which was not common before the project. The result was an increase in decision-making power for women in the household, and the development of social and economic networks that improved learning and value chain upgrading having a systemic impact.

TechnoServe's and the Mastercard Foundation's Strengthening Rural Youth Development through Enterprise program (STRYDE) also focused on youth. STRYDE delivered a comprehensive package of services including skills training, life skills, business development and mentoring to youth (50% women) aged 18 to 30 in Kenya, Rwanda, Tanzania and Uganda. The second phase of the program, STRYDE 2.0, ran from 2014-19. The STRYDE model provides self-efficacy and business skills to start enterprises, secure formal jobs or engage in agribusiness. The intervention trained rural youth on basic life and career skills and links them with employers. It also supported youth in developing microenterprises. STRYDE's innovative design element centers around their "systems" approach to sustainability. This approach involved transferring key STRYDE implementation functions to local partner organizations in the youth economic engagement network (i.e. government ministries, vocational training institutes, and community based organizations) to ensure that STRYDE training components would be carried out by local stakeholders after the program ended.

While STRYDE youth engaged in multiple income earning activities, agriculture was the most important sector. About 70% of men and 66% of women report engaging in some kind of agriculture activity for their livelihood. Microbusiness was more important to women than to men. Around 46% of women compared to 34% of men engaged in microbusinesses. Most STRYDE youth built their livelihoods around several different income-generating activities, which TechnoServe categorized as agriculture, microbusiness, and employment. Analysis of income gains by gender showed that specific combinations of income-generating activities lead to benefits for men and women. Men appear to have an advantage in 'employment' activities, which includes formal and informal employment as well as seasonal and part-time employment. Women who combined agriculture with microbusiness increased their income by US\$93/ month or 60% more than men. In terms of results, youth participating in the program increased their income by an average of 84%; beneficiaries' average assets increased by 101% and savings by 89%. Besides the benefits to their own livelihoods, each STRYDE graduate created an average of one additional job. Monthly incomes two to three years after STRYDE training for women went from US\$55 to US\$92 and for men US\$59 to US\$117.

Finally, the five-year (2014-19) Improving Smallholder Livelihoods through Climate-Smart Agricultural Economic Development project in Ethiopia aimed to alleviate poverty and build resilient, sustainable livelihoods in Ethiopia's Southern Nations, Nationalities, and People's Region (SNNP) and Oromia regions. Funded by IrishAid, a consortium of SOS Sahel Ethiopia, Self Help Africa, Vita and Farm Africa worked with more than 50,000 households, with a particular focus on poor farmers, women, children and landless youth. The project engaged women in climate adaptive agribusinesses such as poultry, sheep and goat rearing; developed their financial literacy; and improved access to saving and credit services. These activities enabled women to become economically empowered key decision-makers within their households, and contribute towards the economic growth of their communities. The project aimed to create gender and nutrition-sensitive sources of income for women and their families by providing pullets and cockerels to enable women to start poultry keeping businesses and organizing village savings and loan associations (VSLAs). The project also provided training and extension support on improved poultry husbandry, nutrition, savings and credit utilization and business skills.

In terms of women in the program, 4,120 women engaged in poultry farming,10,515 women got viable saving and credit services from VSLAs initiated by the project and 5,921 women got experience undertaking decision making roles through their participation in cooperatives supported by the project. The project promoted poultry breeds that lay eggs every day, giving the ability to earn a daily income. This enabled women to access and control money for their households. Most of the women have been able to transition to other businesses such as dairy cow, sheep and goat raising or have opened small businesses to improve their household assets.

## GROWTH AND ACCESS TO SERVICES

Access to services increased when service providers and businesses were sensitized to providing better services to women and youth, and were also provided incentives to include women in their activities and services. Additionally, advocacy is critical to encourage FSPs to expand services in new areas in a way that benefits the FSP. Some examples include:

Improving Market Systems for Agriculture in Rwanda program (IMSAR), funded by FCDO, ran from 2018-22 and was implemented by Palladium and Swisscontact. IMSAR analyzed agriculture markets according to their relevance to marginalized groups, opportunities for growth and scale, and feasibility. It specifically sought to understand the extent to which systemic constraints can be addressed successfully within the IMSAR scope and timeline. Interventions included a focus on women's empowerment and youth. IMSAR collaborated with the Rwanda Youth in Agriculture Forum (RYAF) to identify the business development service needs of youth-led businesses in Rwanda. By leveraging its partnership with RYAF, IMSAR facilitated linkages and the development of the services needed to enable youth-led businesses to expand in agriculture-related subsectors.

Additionally, IMSAR helped partners understand how their products and services are or could be made relevant to women and how inclusive business practices can improve their sales and operations. Specifically, IMSAR helped make innovations accessible to women. Finally, through its performance-based grants, the program incentivized businesses to reach women by including milestones which are specific to women's activities. For instance, special incentive mechanisms to engage, motivate and enable female agro-dealers were initiated under the partnership with Yara, a global agro-input company. The program supported service providers to better understand its female client-base and then to develop targeted promotional video materials to better engage with women-led agribusinesses. As a result of IMSAR, 20,799 women accessed a combination of new and improved inputs, services, markets, jobs and skills development opportunities and 16,790 women increased their incomes directly. Additionally, as a result of IMSAR's interventions, 19 companies had a new or improved product or service reaching farmers and agribusinesses still available in the market at the time of program closure.

The IKEA Foundation and UNHCR Livelihoods and Energy Projects Among Somali Refugees and Host Communities in Ethiopia\_program (Phase 3) expanded access to financial services immensely for refugee and host populations. Advocacy by UNHCR with FSPs on continuity of services brought other FSPs to the project area; additional accounts were opened (nearly double) and coverage expanded. The project effectively responded to the need to advocate with FSPs for expanded services. At the midterm evaluation, due to the expansion of FSPs, 60 percent of savings deposits were by women, and 64 percent among refugees. Cooperatives in the energy sector vary in terms of progress toward goals. Solar energy co-ops that are part of the program are expanding service to 750 clients in the camps and host communities, as well as to government and NGO actors. The midterm report noted that the program should continue the strong advocacy with private sector actors, and specifically FSPs to continue to see results. In this project example, UNHCR serves as the primary bridge between FSPs and the refugees and host population. This builds reliability, equity and trust in financial inclusion, and UNHCR recognizes that refugees and the host population may require different advocacy approaches.

### POVERTY REDUCTION

Nearly all of the pieces of evidence related to this PR resulted in poverty reduction. That said, programs that had the most success used multi-intervention approaches, including apprenticeships, enterprise development, vocational training, and also linking the beneficiaries to employers/private sector. Life skills and basic literacy and numeracy training were also elements of programs that had an impact on poverty reduction.

The first example is the Joint Program Youth Employment Somalia (JPYES), which was implemented in Benadir Region, Jubaland, Puntland, Somaliland, South West State, and Hirshabele from 2015-19 by the Government of Somalia, FAO, ILO, UN-Habitat, UNDP and UNIDO and was funded by the governments of Denmark, Italy, Sweden, Switzerland and the UN Peacebuilding Fund (UNPBF). JPYES was designed to address the national youth unemployment problem

by creating employment opportunities for youth in Somalia. JPYES activities included vocational training, enterprise development, value chain development and infrastructure rehabilitation. Interventions included a cash for work (CFW) program; skills development; fish value chain intervention; construction intervention; and, solar intervention.

An example of an intervention having results related to poverty reduction is the skills development intervention of JYPES. The main objective of the skills development component was to equip 20,000 youths (13,000 urban and 7,000 rural) with basic literacy, numeracy and life skills and sector-specific vocational and business training. It also aimed to create vocational training and one-stop youth resource centers for youth to meet and learn. The program created a total of 11,686 short-term and long-term youth jobs. Of these, 7,236 were short-term Cash for Work (CFW) jobs and 4,450 were long-term jobs from skills development and value chain interventions. JPYES targeted unemployed youth who lacked employable skills and enabled them to earn average salaries of US\$383.00 per month. Income levels are a key indicator of the impact of employment programs and interventions. The skills development intervention improved the quality of life indicators; 83% of respondents mentioned that the program improved their social networks; and 71% mentioned that the program improved their incomes.

Related to the value chain component of the youth employment program, the program was designed to improve the competitiveness of the sectors and companies, enhance the business environment, open the economy to trade, foster investment and growth, increase productivity and, as a final outcome, create sustainable jobs. 68% of respondents indicated that their incomes increased because of the program's value chain intervention. In Bossaso, fish processing groups used their cold chain equipment to do other forms of income-generating activities such as making ice cream during seasons when there is no fish. Related to economic agency, about 88% of the beneficiaries reported that the program empowered them to participate in financial decision-making and other important economic decisions. Related to employment, of the 39% who got jobs after being trained by JPYES, 64% became self-employed after training, while 36% of respondents were employed by private companies or NGOs.

Another program that helped to reduce poverty is IMSAR in Rwanda, as mentioned above. The program's interventions helped 111,721 rural households to increase their incomes. Of these, 38% are living below the extreme international poverty line while the remainder fall under the international poverty line. Additionally, OYE in Tanzania, Mozambique and Rwanda helped 15,767 youth enter employment in the three countries and supported 716 new youth-led enterprises to be established. From their revenues and profits, youth bought plots and built houses, reinvested in their businesses or in their YSLAs, have been able to help family and siblings with school fees and hospital bills, and some of them have been able to go back to school.

# 3.5. PR3. PROMOTE INVESTMENTS AND REMITTANCES BETWEEN RURAL AND URBAN POPULATIONS



The IRiS project is conducting activities to promote investments and remittances between rural- and urban-based people to support inclusive markets in Somalia. Particularly, the project will conduct activities that:

- Foster expanded understanding of high-potential relationships across urban and rural communities.
- Reduce risks along corridors of commerce between rural and urban populations.
- Streamline digital linkages that support investment and remittances.

To support IRiS' programming, this Intervention Evidence Summary captures rigorous findings from projects and studies conducted in Somalia or the East African region related to the design, decisions and implementation of similar interventions. This document presents examples of the evidence at the intervention level, systemic change, growth and access to services, and poverty reduction Results Levels that were uncovered during the evidence review.

Of the 139 documents that were included in this evidence review, eight provide evidence for interventions related to PR6 in one or more Results Levels. Of these eight documents, two described the results of projects in Somalia, and six described projects in other East African countries. Table 6 provides the definition of each Result Level and the number of documents that contributed to each level's body of evidence. Note that some documents provide evidence for several Results Levels.

Table 6: Evidence collected per Results Level

Results Level	Definition	Documents
Intervention level	Results that show direct results of the intervention	4
Systemic change	Results that show enduring changes in the targeted market system and with market actors due to the intervention	2
Growth and access to services	Results that show the targeted market is functioning better for marginalized groups due to the intervention	3
Poverty reduction	Results that indicate a correlated reduction in poverty – incomes, resilience, food security, and wellbeing due to the intervention	2

# **KEY HIGHLIGHTS AND GAPS**

### **KEY HIGHLIGHTS**

- There is potential for activities to support urban-rural linkages even for projects that do not have this as their primary goal, as evidenced by the follow-on investments coming out of the PIMS program.
- Evidence for systemic change could predominantly be found in projects working on supporting digital linkages. This may be because digital linkages are easier to sustainably maintain than physical corridors or transport links such as roads.
- Digital linkages through mobile money schemes and other apps (such as DigiFarm) have strong potential to improve access and achieve systemic change. However, this is a complex process and involves supporting Somali financial institutions nationally and internationally to establish the baseline networks needed to achieve widespread success.
- A human-centered approach that considers the needs and usage of key beneficiaries is extremely valuable when setting up and developing digital linkages. Mobile Money for the Poor's (MM4P) coffee value chain project in Uganda emphasizes the benefit of a human-centered approach, which they adopted in the third stage of the program after recognizing the need for more user involvement to maximize uptake of the services provided.
- Similarly, poverty reduction along key corridors of commerce through job creation needs to be long-term to achieve sustainable success, as well as considering the needs of populations living along the corridors.
- Rolling out mobile money has shown success in some East African contexts to promote urban-rural remittances, and in turn is a promising method to support food security of rural communities.

### GAPS

- There was limited evidence for the Somalia context. Out of the eight pieces of evidence that were used, only two specifically talked about Somalia. While evidence for broader East Africa is still extremely valuable for IRiS, it should not be assumed that successful interventions in other East African areas will also automatically be successful in Somalia as the Somali context is unique.
- Sustainability is key, especially when it comes to infrastructure projects that create linkages in rural areas. This was particularly obvious as a shortcoming in the Rural Roads Development Project (RRDP), where lack of road maintenance limited the long-term success of the project.

# FINDINGS FOR EACH RESULTS LEVEL

Below we provide descriptions of the evidence found for each of the Results Levels.

#### INTERVENTION LEVEL RESULTS

Projects that contained evidence on the intervention level dominantly carried out activities focusing on corridors of commerce and facilitating transit of goods between urban and rural areas. One of these is Promoting Inclusive Markets in Somalia program (PIMS) whose objective was strengthening market systems in Somalia through a market systems development (MSD) methodology and it worked across three value chains - dairy, sesame, and ocean fisheries - to address market failures in these sectors. For this PR, outcome four of PIMS is particularly relevant. It measured follow-on investments attracted to the target sectors mentioned above, emphasizing mobilization of finance from external sources, including from the partner lead firms, service providers, the producers and/or entrepreneurs, buyers, and/or investment/financial institutions and other programs. As part of these, PIMS measured investment made by the lead firms and end target beneficiaries, which included investment in new equipment/machinery, expansion of agricultural land, investment in storage facilities/buildings, and motor vehicles (among others). Across all interventions, PIMS leveraged US\$16,811,380 of additional private sector investment against a target of US\$15,965,000. While supporting better transport and transit throughout Somalia was not one of PIMS' primary objectives, these investments in storage facilities/buildings, and motor vehicles demonstrate the intervention level results that PIMS was able to achieve in this area.

Another project with the objective of building increased connections between urban and rural areas in Tanzania is the USAID-funded Rural Roads Development Project (RRDP). Phase 1 of RRDP ran from 2012-16 and focused on the rehabilitation of a set of roads in the Kilombero, Kiteto, Kongwa, and Mvomero Districts in Tanzania. Based on qualitative data from project beneficiaries and stakeholders, both the successes and shortcomings of RRDP can be used as a learning opportunity for this PR. One of the positively observed effects of the road rehabilitation was around agricultural inputs and increased opportunities for passenger transportation. As such, the intervention provides evidence for better economic and social connections across rural and urban communities. The rehabilitation of these roads also opened up functional corridors and key transit services for commerce, further building economic opportunity. However, the key shortcoming of RRDP that significantly hindered its success was insufficient maintenance. There was a lack of an enforcement mechanism to require that Roads Fund Board money be spent on routine maintenance, as well as a lack of reference materials and equipment provided to road users associations (RUAs) in order to execute routine maintenance tasks, and issues of payment to RUAs.

### SYSTEMIC CHANGE

For projects with results on a systemic level, a prominent intervention area is digital linkages, perhaps because digital linkages are easier to sustainably maintain than physical corridors or transport links such as roads.

Launched in 2012 (and still ongoing through various activities in Eastern Africa), the Mercy Corps AgriFin program was created with the purpose of supporting the expansion of digital services to farmers across Sub-Saharan Africa. The program works with private and public sector scale partners (e.g. banks, mobile operators, agribusinesses, technology innovators, governments) to develop smart farming, financial services, market access and logistics supporting data driven partnerships. DigiFarm, a digital service provided by AgriFin's partner Safaricom is one of the activities implemented under the AgriFin umbrella that offers evidence for systemic change in regards to strengthening digital linkages and improving access and connectivity to more rural areas in Kenya. Easily accessible through mobile phones, DigiFarm provides farmers with access to products and services, enabling them to source, transact, learn, and grow their farms. An impact assessment conducted between 2020 and 2021 in Kenya across 1,439 DigiFarm provided a number of services but those observed by users to have the biggest positive impact on their lives and business practices were:

- Arifu (Learn): Users gaining farming knowledge via interactive SMS.
- Loans: Users can get credit from DigiFarm which can be exclusively spent on DigiFarm to get farm inputs.
- Access to markets: Users are able to sell their products via DigiFarm (and part of the revenue automatically goes to repaying the loan mentioned above).

A majority of study participants agreed that DigiFarm supported them in the areas of capacity building (i.e. better farming practice), provision of food and money for family, and improved standards of living. In the longer term, users agreed that learning better farming practices and mobile saving helped them cope with financial stresses. As such, DigiFarm offers evidence that systemic change can be achieved through the integration of digital solutions into financial inclusion activities. By being able to buy and sell their products through DigiFarm, farmers were able to overcome constraints in terms of security of traders as well as expanding their access to markets outside of their immediate area and combat issues around fluidity of resources.

While not providing any concrete evidence from a specific project, the World Bank Country Partnership Framework for Somalia, published in 2018, does provide valuable evidence specific to the Somali context around digital development of financial services. In particular, the report states that remittances form an important part of better economic outcomes and food security in Somalia. However, because of lack of access to formal banking services, the most vulnerable and rural populations are not able to receive remittances in the same way that more wealthy Somali households are.

Thus, the report makes the argument that improving mobile money may be a way to better support those most vulnerable populations in Somalia to be able to receive remittances. As of 2018, 73% of the population aged 16 and above uses mobile money (83% in urban areas), with a very low gender gap of 4%. With such a high uptake of mobile money services already, there is great potential in expanding these digital linkages to rural areas. This offers an opportunity to empower marginalized and vulnerable populations in a systemic way by improving access and connectivity to economic services. This would also be in line with supporting the Somali Government's 2019 Digital Policy and Strategy, which is one of IRiS' objectives under PR3. The report also highlights potential obstacles around developing and rolling out mobile money schemes. Somali financial institutions lack access to global banking and remittance and insurance networks, and financial transactions are often insecure, under-regulated and not taxed. Because of this, achieving sustainable and systemic change through a proliferation of mobile money in Somalia requires not only interventions that specifically target mobile money, but further support to the Somali financial system more broadly, on a national and international level.

### GROWTH AND ACCESS TO SERVICES

The FCDO-funded Sustainable Urban Economic Development program (SUED) launched in 2016 (ongoing until 2024) operates in Kenya across 12 fast growing municipalities to develop sustainable urban economic plans. As part of its objectives, SUED is working to improve rural links with larger markets that were previously difficult to access. In most of the 12 municipalities, an aggregation and collection system, supported by improved storage and road access, was proposed to improve linkages between rural growers and urban markets. The aggregation systems provides a platform to supplement farmers' incomes, stabilize prices, and support investment back into the agriculture sector. Through these activities, SUED provides an opportunity to link goods and services between rural and urban areas, as well as creating economic growth for both urban and rural populations who can make use of the improved storage and road access to protect and preserve their goods in transit. Rural areas also gain access to urban markets by suppling their produce to urban processing plants and markets; enabling both economic and social connections between rural and urban populations in Kenya. As an example, SUED engaged the private sector to help set up and operate a new climate-friendly fruit drying facility. Working with the fruit processor, SUED is reaching more than 4,000 smallholder farmers to link them with high value markets and improve their productivity.

Tackling the coffee value chain in Uganda through the digitization of agricultural payments, the United Nations Capital Development Fund's (UNCDF) Mobile Money for the Poor program (MM4P) (which started in Uganda in 2015 and is

still ongoing) demonstrates how digital linkages offer an opportunity to enable growth and access to services. In 2015, the MM4P team partnered with Kyagalanyi Coffee Limited (KCL), one of the largest coffee exporters in Uganda, to digitize payments to KCL's 6,000 certified farmers over the following two years (2016 and 2017). Through three coffee seasons, KCL and MM4P worked with other partners such as the telecommunications network provider MTN Uganda to roll out digital payment adoption of coffee farmers included in the program. While there was less than 50% digital payment adoption across KCL's farmers after the three seasons, the stakeholders involved in the program still consider it a success, particularly due to the valuable lessons learned.

After the project concluded, one of the key takeaways was that agriculture value chains are a long-term investment and may not necessarily fit typical project cycles. In this particular instance, MM4P recognized that a two or three year timeframe is not likely to be long enough to digitize an agriculture value chain, especially if the value chain being targeted is in a rural and underserved area.

Another key lesson was around the inclusion of partners for the success of the project. At the beginning of the project, there were only two partners, but by the end, there were seven, including a payment aggregator, a consulting firm and an agent network manager. Inclusion of these diverse partners was necessary to make the activities seamless. In season 3, the project introduced human-centric design to improve the relevance of services. This demonstrated that engaging farmers using financial strategies could lead to improve farmer awareness of mobile money services. Merchants also provided a key "pull" opportunity for mobile money by setting up a mobile-money only pop-up shop that offered goods, including agricultural inputs, in a rural location. This intervention demonstrates that increased access to services, in this context mobile money services for rural coffee farming communities in Uganda, is a complex and nuanced process that can only be successful through collaboration with target beneficiaries. While there was not a particularly high uptake of farmers who receive partial payment through mobile money (16% of 4,200 farmers), the wider community ended up adopting MTN's GSM and mobile financial services in significant numbers - out of 24,108 targeted customers (community and farmers included), 84% registered for MTN's telecom service, 53 percent of whom were 90-day active mobile money customers, leading to financial inclusion of numerous low-income rural populations.

## POVERTY REDUCTION

Evidence that mobile money also offers the potential to bring about results on a poverty reduction level can be found in a randomized field experiment conducted in rural Mozambique over three years and published in 2021 through the Center for Research and Analysis of Migration (CReAM). Titled 'Is Mobile Money Changing Rural Africa?', the authors Catia Batista and Pedro C. Vicente summarize the findings from their study which entailed following a sample of households in 102 villages in rural Southern Mozambique. They evaluated the effects of making mobile money services available to rural populations who previously had no access to any formal financial services. Around migrant remittances, the study showed that these increased significantly, both in value and frequency, after the rural populations had access to mobile money. After one year, households included in the study were 32.5% more likely to receive remittances and 303.9% higher in value than remittances received by the control group. Further to this, trial households also reported increased subjective wellbeing, and ''an index of non-vulnerability, averaging the degree of access to food, water, medicines, and school supplies, improved by 6.1% and 7.3%'' (Batista and Vincente, 2021, p.15) in years one and two of the trial respectively. Particularly around hunger reduction, the introduction of mobile money showed significant positive results, showing how mobile money and the promotion of urban to rural remittances can improve food security as well. As such, this study demonstrates the process of facilitating urban to rural remittances through making mobile money available to rural populations which in turn reduces poverty and improves wellbeing.

Providing evidence of poverty reduction through the promotion of functional corridors, 'The Rural Livelihood Impact of East Africa's New Development Corridors' is a study that examines how East Africa's new development corridors are affecting rural livelihoods. Specifically, the study collected empirical evidence on the rural livelihood impacts along the Lamu Port–South Sudan–Ethiopia Transport (LAPSSET) Corridor and the Central Corridor between 2017 and 2018. According to the LAPSSET Corridor Development Authority (LCDA), LAPSSET has been able to create employment opportunities in Kenya in multiple fields of work (both specialized and manual labor), thus reducing poverty across the country. LCDA claims that around 1,600 people were able to become employed directly because of LAPSSET between 2012 and 2016, and by 2030, more than 50,000 jobs will be created through LAPSSET. However, those rural communities who participated in the study were more critical about the overall success around the creation of employment opportunities as claimed by LCDA. While participants agreed that their material wellbeing had improved through the short-term employment created through LAPSSET, they also raised unsafe working conditions and uncertainty around whether this short-term employment will lead to long-term poverty reduction.

For the Central Corridor, findings around job creation and poverty reduction were similar to those on LAPSSET. Rural farming communities benefited from new job opportunities during the construction of the corridor, including through increased amounts of customers in small restaurants and shops in the villages along the road during the construction. Nevertheless, these communities also flagged that these short-term material gains likely won't improve their livelihoods long-term.

Rural communities who participated in the study located on the Central Corridor did point out that the road made travel significantly easier and cheaper, which led to improved business, as buyers were more likely to travel to more rural locations to purchase farm products. Almost all villages included in the study along the corridor reported growing demand and higher prices for their produce. By overcoming constraints in transport costs, security and ease of travel for traders, rural communities experienced improved material wellbeing that has the potential to be maintained sustainably.

## 3.6. PR 4. PRIVATE SECTOR EXPANSION INTO LOW-INCOME URBAN AND RURAL AREAS



The IRiS project is conducting activities to expand the private sector in poor urban and rural areas. Particularly, it will explore private sector development through initiatives such as expanding formal financial services, establishing village savings and loan associations (VSLAs), and developing cooperatives linked to MSMEs. The project will also work with the private sector to expand renewable energy product access into rural areas.

To support IRiS' programming, this Intervention Evidence Summary captures rigorous findings from projects and studies conducted in Somalia or the East African region related to the design, decisions and implementation of similar interventions. This document presents examples of the evidence at the intervention level, systemic change, growth and access to services, and poverty reduction Results Levels that were uncovered during the evidence review.

Of the 139 documents that were included in this evidence review, 11 provide evidence for interventions related to PR4 in one or more Results Levels. Of these 13 documents, five described the results of projects in Somalia, and six described projects in other East African countries. Table 7 provides the definition of each Result Level and the number of documents that contributed to each level's body of evidence. Note that some documents provide evidence for several Results Levels.

Results Level	Definition	Documents	
Intervention level	Results that show direct results of the intervention	8	
Systemic change	Results that show enduring changes in the targeted market system and with market actors due to the intervention	I.	
Growth and access to Services	Results that show the targeted market is functioning better for marginalized groups due to the intervention	2	
Poverty reduction	Results that indicate a correlated reduction in poverty – incomes, resilience, food security, and wellbeing due to the intervention	6	

#### Table 7: Evidence collected per Results Level

# **KEY HIGHLIGHTS AND GAPS**

## **KEY HIGHLIGHTS**

- Several projects implemented in Somalia and in similar environments have shown that it is possible to bring sustainable financial services to Somalia's rural areas. Successful projects worked with farmers who already recognized that they could use credit to expand their livelihoods, and reduced risk for formal institutions by building capacity and establishing linkages in rural markets.
- The evidence shows a clear correlation between access to financial services and improvements in wellbeing indicators such as food consumption or dietary diversity scores.
- Redesigning financial services brings new possibilities for rural access. For example, the Élan RDC established branchless banking to provide services for the Democratic Republic of the Congo's (DRC's) most vulnerable communities.
- There is a strong correlation between participation in VSLAs and improvements in food security.

#### GAPS

- It is unclear the degree to which VSLAs and other financial services have persisted in IRiS' targeted population.
- Somalia's population movements and shifts in the private sector have likely altered needs for private sector investment. A new assessment is required to map these needs.
- The review team did not find any evidence for trade credit in Somalia's value chains, though it must exist. Trade credit flows could provide insight into opportunities for reducing transaction costs in key sectors.

# FINDINGS FOR EACH RESULTS LEVEL

Below we provide descriptions of the evidence found for each of the Results Levels.

### INTERVENTION LEVEL RESULTS

The Promoting Inclusive Markets in Somalia program (PIMS) set as one measure of its success the value of private sector investment that actors made in targeted value chains. This indicator measured the amount of investment that came from sources external to the program. Specifically, PIMS measured co-financing for project initiatives that came from private sector actors, lead firm investments, beneficiary investments, investments made by new service providers, entrepreneur investments, and others. PIMS attracted US\$16,811,380 in private sector investments.

USAID's Growth, Enterprise, Employment, and Livelihoods project (GEEL) engaged Premier Bank and the International Bank of Somalia (IBS) to implement access to finance initiatives. Premier Bank and IBS provided small and micro loans of US\$157,500 and US\$500,000 respectively. GEEL also worked with the Gargaara Investment Fund, which increased its lending to IBS to provide loans in South Central Somalia. Finally, GEEL held an Access to Finance Expo in Baidoa to improve financial inclusion for micro and small enterprises. A total of 112 participants (38 women) attended, drawn from village savings and Ioan associations, self-help groups, farming cooperatives, and agriculture youth associations.

Like GEEL, the USAID-funded Pastoralist Areas Resilience Improvement through Market Expansion program (PRIME), implemented in Ethiopia, engaged with formal financial institutions, such as microfinance and commercial banks, and informal institutions like VSLAs and rural savings and credit cooperatives. Working with these institutions the project established 100 new VSLAs with over 2,200 clients. It also provided a mechanism to "buy down" risk for private enterprises to incentivize them to move into rural areas.

The IKEA Foundation Livelihoods and Energy Projects among Somali Refugees and Host Communities in Ethiopia project included a strategy for bringing efficient energy to five Somali refugee camps. The project relied on two tactics, working through cooperatives to make solar technology and maintenance services available, and establishing local production of efficient cookstoves. The project used these tactics to create private sector expansion in rural areas, create jobs, and bring efficient technologies into the camps' households.

### SYSTEMIC CHANGE

The Resilience through Wealth Agriculture and Nutrition in Uganda project (RWANU) provides an example of private sector expansion through systemic change. The program was implemented in 16 sub-counties in Uganda. RWANU provided groups of farmers who articulated a need for credit with training, systems, and facilities for the formation of savings and credit groups. Training sessions covered topics such as savings, loan management, group cohesion and how to identify microenterprises.

The groups helped households access affordable credit to smooth consumption and to allow households to hold on to their produce when prices were low and sell when prices were higher. Credit access also allowed farmers to afford quality inputs and tillage services, which helped increase the size of their acreage.

As a result of RWANU, the number of financial service providers operating in South Karamoja increased during the project life, from only one in 2012 to three commercial banks. Access to credit empowered bulk sales groups and households to hold on to their crops and negotiate better prices from buyers of agricultural produce.

## GROWTH AND ACCESS TO SERVICES

Élan RDC was a market systems development (MSD) program funded by the UK Government which was active in the DRC between 2014 and 2021. Élan RDC grew access to financial services through branchless banking and tailored products. The project worked in partnership with private businesses, government, foundations, business associations, and aid organizations, to test out new ways of doing business with the goal of improving revenue for the DRC's most vulnerable communities. It targeted six sectors: specialty crops (agri perennial); renewable energy; branchless banking; small and medium enterprise (SME) finance; grains & horticulture (ag non-perennial); and transport. It expanded access to solar energy services and bank services. For example, Élan RDC engaged solar lamp home kit distributors and worked with them to develop payment terms that were acceptable to targeted households, grew access to finance through branchless banking and tailored products.

## POVERTY REDUCTION

PRIME had a positive impact on important wellbeing outcomes during the worst drought in decades to affect the area. In the months following the drought, households in PRIME communities could consume a more diverse diet, were less likely to be impoverished, and more likely to have greater household asset bases than their comparison group counterparts. Positive effects were also observed with respect to livestock ownership and management, with PRIME households having smaller, healthier, and more productive herds.

The Somali Resilience Program (SomReP) aimed to build resilience across Somalia. It promoted preparation, adaption, and endurance through shocks without eroding productivity or assets. SomReP publishes an annual resilience measurement report that describes changes in the population's resilience and the degree to which those changes are attributable to SomReP's activities.

The annual report uses multinomial logit models to test if participation in the project has an effect on household food consumption scores or hunger scales. This factsheet particularly describes the VSLAs that the project established and its efforts to promote improved productivity in the livestock sector.

The study looked at two measures of resilience: the food consumption score (FCS) and the household hunger scale (HHS). The FCS measures dietary variety and frequency. The HHS uses a five-point scale ranging from no hunger to sever hunger to measure the level of hunger in a household.

The study found that participating in a VSLA is positively correlated with improvements in FCS. FCS improved generally in Somalia between 2017 and 2019. The study further found that households that participated in a VSLA had an FCS score ten points higher than households not participating in a VSLA. The study's results also "show that 73% of the households who had little to no hunger (HHS) were participating in VSLA while only 60% of the households who had severe (HHS) were participating in VSLA." The study compared these findings to other studies and concluded that VSLAs and other forms of savings groups are "among the interventions that have the most persistent effects and is one of the key interventions that predict acceptable food security."

## 3.7. PR6. INCLUSIVE MARKET SYSTEMS THROUGH THE IMPROVED FUNCTIONING OF GOVERNMENT AND BUSINESS-TO-BUSINESS GOVERNANCE STRUCTURES



The IRiS project is conducting activities to improve functioning of government and business-to-business (B2B) governance structures to support inclusive markets in Somalia. Particularly, the project will conduct activities that:

- 4. Foster greater accessibility and responsiveness of public economic institutions to the economic interests of women and other marginalized groups.
- 5. Support more inclusive and responsive private sector networks.
- 6. Improve access to high-quality market information.

To support IRiS' programming, this Intervention Evidence Summary captures rigorous findings from projects and studies conducted in Somalia or the East African region related to the design, decisions and implementation of similar interventions. This document presents examples of the evidence at the intervention level, systemic change, growth and access to services, and poverty reduction Results Levels that were uncovered during the evidence review.

Of the 139 documents that were included in this evidence review, nine provide evidence for interventions related to PR6 in one or more Results Levels. Of these nine documents, four described the results of projects in Somalia, and five described projects in other East African countries. Table 8 provides the definition of each Result Level and the number of documents that contributed to each level's body of evidence. Note that some documents provide evidence for several Results Levels.

#### Table 8: Evidence collected per Results Level

Results Level	Definition	Documents
Intervention level	Results that show direct results of the intervention	7
Systemic change	Results that show enduring changes in the targeted market system and with market actors due to the intervention	4
Growth and access to services	Results that show the targeted market is functioning better for marginalized groups due to the intervention	4
Poverty reduction	Results that indicate a correlated reduction in poverty – incomes, resilience, food security, and wellbeing due to the intervention	4

# **KEY HIGHLIGHTS AND GAPS**

#### **KEY HIGHLIGHTS**

- There was a high level of intervention results that focused on improvements in access to financial credits and capacity building around business management.
- There is significant potential for systemic change in the Somali context through activities tackling policy work and advocacy, particularly around good food safety handling standards as seen with the PIMS program, and addressing barriers to trade through the East Africa Trade and Investment Hub. In this process, it is essential to ensure sustainability through local ownership of state actors.
- Dynamic programming (like in the example of PIMS evolving towards more policy and advocacy work) is
  important to maximize success of programs, especially in a quickly shifting and ever evolving context like Somalia.
  PIMS took a direct advocacy approach with relevant government stakeholders (on behalf of PIMS private sector
  partners) instead of working through civil society or the private sector, which may point to increased project
  success when there is direct government involvement.
- Digital services provide a valuable tool for creating a widely accessible platform for dispersing information, accessing financial services and growing business management capacity.
- Programs have found most success in reducing poverty by approaching this in a sustainable manner. This means focusing on activities that have the end-goal of long-term employment and capacity building around business management skills, so people are able to support themselves and rely on their skills in the long-term and after program activities conclude

#### GAPS

- While there was significant success documented around government involvement, especially around policy reforms, there was only limited evidence available regarding the process of consultation in these reforms and changes. It is unclear how much women and marginalized communities in particular are represented in these governmental decision-making processes.
- Many of the projects reviewed below have successfully recognized the financial needs and economic interests of marginalized groups (including women and youth) and addressed these accordingly. However, only a few activities were organized and led by these marginalized groups. As the setup of governance mechanisms led by marginalized communities with oversight and accountability roles in economic inclusive decisions is one of IRiS' objectives for PR6, this is something that requires particular focus as it represents a gap in existing evidence.

# FINDINGS FOR EACH RESULTS LEVEL

Below we provide descriptions of the evidence found for each of the Results Levels.

#### INTERVENTION LEVEL RESULTS

Improvements in access to financial credits and capacity building around business management were dominant areas tackled across projects that contained evidence on intervention level results.

One example of this is USAID's Somalia Growth, Enterprise, Employment, and Livelihoods (GEEL) project, which ran from 2015-21 and operated in 14 of Somalia's districts. Throughout its lifetime, GEEL's activities were aimed at promoting sustainable and inclusive economic growth in Somalia, with a focus on agriculture, livestock, fisheries, and energy value chains. To promote financial inclusion, GEEL's investment activities included access-to-finance projects led by Premier Bank and the International Bank of Somalia (IBS) to enterprises in South Central and Somaliland. As part of these activities, small loans (US\$157,500 from Premier Bank and US\$500,000 from IBS) were provided which led to the creation of 236 jobs. In terms of specifically targeting youth and women in their access to finance activities, GEEL held an Access to Finance Expo in Baidoa, which was attended by youth and women involved in village savings and loan associations (VSLAs), self-help groups (SHGs), farming cooperatives, and agriculture youth associations. Through GEEL's good agricultural practice training, it was able to support 150 microenterprises and build up individuals' capacity for business management practices. Further, in Q3 of Year Six of the program, women constituted 32% of participants in GEEL activities, which included trainings, jobs, and competitiveness events.

Essor, a UK Government-funded program to improve the business environment in the Democratic Republic of the Congo (DRC), provides another example of intervention level results. It forms part of a wider private sector development program in DRC, running from 2015-20. One of Essor's initiatives was the establishment of a single window model, or Guichet Unique de Création d'Entreprise (GUCE), to improve the process of business registration. Based on an impact assessment in 2019, results showed a positive impact of the GUCE on the business environment. The study found that through the establishment of GUCE, there was a clear reduction in business registration costs and the time required to register a new business. This was evaluated across 2,017 businesses; 1,026 registered in 2017, before GUCE, and 991 registered in 2018, after GUCE.

### SYSTEMIC CHANGE

The Promoting Inclusive Markets in Somalia (PIMS) project, funded by FCDO and DANIDA, operated from 2015 to 2019, and had the objective of strengthening market systems in Somalia through a Market Systems Development (MSD) methodology. PIMS worked across three value chains - dairy, sesame, and ocean fisheries - to address market failures in these sectors. Particularly in the ocean fisheries sector, PIMS was able to achieve systemic change through developing interventions that would support the enabling environment, reform and meeting of international food safety standards. In addition to this, PIMS facilitated the brokering of linkages with firms and end market buyers with new regional end markets. For example, PIMS organized a three3-day training for Fish Inspection and Quality Assurance (FIQA) officials and Somalia Bureau of Standards (SoBS) in Nairobi. Through these activities, PIMS was able to contribute to a greater awareness on national, regional and international market access requirements for fish products, as well as progressing further an approach and government endorsement for SoBs and beginning the validation of the National Fisheries Development Policy.

Another area in which PIMS was able to support Somalia's market in a systematic manner is through an increased focus on policy development and advocacy throughout the program's lifetime. To respond to the complex and fluid context of Somali politics, PIMS opted to take a direct advocacy approach with relevant government stakeholders (on behalf of PIMS private sector partners) instead of working through civil society or the private sector. Through this approach, PIMS was able to find success with policy advocacy in the face of ongoing changes in the people involved at government level, and the limited experience of the private sector in policy advocacy. Faced with complex regional political dynamics, PIMS applied an essential degree of flexibility in adapting policy messages and engagement strategies. This entrepreneurial approach to policy advocacy yielded particular successes with regards to irrigation and good handling standards for the fisheries sub-sector.

Overall PIMS delivered reviews/revisions and drafting of:

- An irrigation policy
- A fisheries good handling standards policy
- Seed production, import and export policy; and,
- The National Fisheries Development Policy.

These policies were reviewed and accepted by the FGS and either enacted or are under review and waiting to be finalized by the completion of PIMS.

In the broader East African region, evidence for systemic change is provided by the East Africa Trade and Investment Hub. Partially funded by USAID's Feed the Future initiative, it was USAID's flagship regional trade project aiming to increase trade and investment in the area. Running from 2014-19, the Hub's locations of focus were: Burundi, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Tanzania and Uganda. The objectives of the Hub were structured along four components: investment and technology; agriculture and agribusiness; trade promotion and the African Growth and Opportunity Act (AGOA); and policy and regulatory reforms.

The Hub's implemented activities around policy work resulted in the approval of nine East Africa Community (EAC) staple food standards by the East African Standards Technical Committee on Cereal and Pulses and the removal of five nonconforming restrictions on the movement of goods, services and capital. This has been identified by stakeholders in Kenya, Rwanda, Uganda and Tanzania as a primary reason for making it easier to carry out crossborder business. To systemically support more inclusive and responsive private sector networks, the Hub worked with private sector federations in Kenya, Rwanda, Tanzania and Uganda to enable policy reforms and reduce tariff and nontariff barriers to trade that have facilitated movement of goods and services in the region. For example, the Hub successfully lobbied against the Companies Act that required 30% Kenyan ownership in foreign companies, facilitating increased movement of capital. With a focus on increasing global competitiveness and thus strengthening businessto-business linkages on an international scale, the Hub supported AGOA strategies and action plans, trade missions and product development. The inclusion of Ethiopia in the Hub contributed to AGOA exports and in 2017, Ethiopia's AGOA exports increased 33% (US\$ 84 million). The Hub has also worked extensively to support sanitary and phytosanitary (SPS) standards and to address technical barriers to trade (TBT), and stakeholders believe these efforts have contributed dramatically to increased exports. To support capacity building of public economic institutions, the Hub's investment in permanent entities such as governments, the EAC Secretariat, apex bodies, and business support organizations delivered immediate results but also worked towards enabling an environment where these results could be impactful systemically and long-term. This is evidenced through the institutionalization of SPS and measures to address TBT through entities with a state mandate. Further, continuous presence of embedded advisors within government agencies has significantly impacted these agencies' institutionalizing of learning and practices. Local ownership and continued stake for success in the Hub's activities is facilitated through memoranda of understanding (MOUs) with state actors formalizing their role in Hub initiatives, such as the Export Processing Zone. Sustainability is also furthered through the Hub funding training materials to support awareness and implementation of the policies, standards and practices of these initiatives.

## GROWTH AND ACCESS TO SERVICES

Several of the reviewed programs contained evidence around growth and access to services, mainly around accessing business development services in a number of sectors and tackling a diverse group of beneficiaries.

Aiming to improve access to high-quality market information, Mercy Corps provides evidence for this through the AgriFin program. Launched in 2012, AgriFin was created with the purpose of supporting the expansion of digital

services to farmers across Sub-Saharan Africa. The program works with private and public sector scale partners (e.g. banks, mobile operators, agribusinesses, technology innovators, governments) to develop smart farming, financial services, market access and logistics supporting data driven partnerships. An impact assessment of DigiFarm, a digital service provided by AgriFin's partner Safaricom provides concrete evidence of successful increased access to information and financial services, as well as an improvement in business practices in the agricultural sector. DigiFarm is easily accessible through mobile phones and provides farmers with access to products and services enabling them to conveniently source, transact, learn, and grow their farms. The impact assessment, based on a quantitative panel study and qualitative follow up, was conducted between 2020 and 2021 in Kenya across 1439 DigiFarm users (38% women farmers). The majority of participants observed positive changes brought by DigiFarm services. The three main services of interest are:

- Arifu (Learn): Users gaining farming knowledge via interactive SMS.
- Loans: Users can get credit from DigiFarm which can be exclusively spent on DigiFarm to get farm inputs.
- Access to markets: Users are able to sell their products via DigiFarm, and part of the revenue automatically goes to repaying the loan mentioned above.

Through these activities, users have been able to expand their farms or agricultural businesses as well as gaining knowledge on good farming practices and modern farming techniques.

Youth employment was the main focus of the Joint Program Youth Employment Somalia (JPYES), which involved FAO, UNDP, UNIDO, UN HABITAT, and ILO working jointly with the Federal Government of Somalia through the Ministry of Labor and Social Affairs. The three intervention focus areas were value chain development, skills development, and rehabilitation of productive infrastructure through labor intensive employment methods, which were tackled to respond to the high level of youth unemployment in Somalia.

Activities around fish value chain development wielded particularly relevant results for this assessment. In these activities, FAO and UNDP worked jointly in implementing their initiatives in Bossaso, Kismayo and Berbera. As a result, 120 disadvantaged young people (70 women), mainly IDPs, became self-employed by setting up and managing 24 fishery MSMEs. They were supported in acquiring entrepreneurship and vocational skills. In addition, they were also provided with access to business development services (BDS), micro-grants and fish processing facilities. Through this, the youth involved were able to improve their skills in fish catching, processing and marketing of their products. Ten fish processing facilities became fully functional by equipping solar convection driers and advanced fish processing equipment. Fish processing skills were further improved by providing hand-operated, mechanical slicers that produced superior quality finished dried fish products. As a result, youth working in the fishery industry were able to fish more effectively and efficiently in their coastal waters. JPYES supported youth in capacity building of business management practices, as well as providing increased access to financial products for this group, thus supporting more inclusive and responsive private sector networks.

### POVERTY REDUCTION

A number of projects included as evidence had results that pointed to poverty reduction. For example, AgriFin's DigiFarm initiative mentioned above reported not only increased access to services for users of the service in Kenya; there was also clear evidence of DigiFarm being able to address the top three financial stresses mentioned by users included in the impact assessment: inputs for the farm; other agricultural expenditures; and education related expenditures. 75% of users claimed improved resilience because of DigiFarm and during the follow up to the study, most users said that they were experiencing an improved standard of living and an ability to provide for basic needs such as school fees or food.

Another program that shows clear evidence for poverty reduction and is focused specifically on capacity building of youth in economic activity is the Opportunities for Youth Employment (OYE) project, which was jointly developed with and funded by Mastercard Foundation across East Africa and has been implemented by SNV since 2013. The

main objective of OYE was to identify 20,500 rural out-of-school youth and train them in market-relevant skills, thus improving their employability. Similarly to JPYES mentioned above, OYE focused on providing increased access to markets through capacity building of business management practices for a marginalized group, which links to PR6's goal to support more inclusive and responsive private sector networks. The program aimed to achieve this by improving the skills of youth (push factor), linking them to market opportunities for employment and enterprise development (match factor) in growth sectors that have concrete potential for (self-) employment creation (pull factor). From 2013-18, OYE had helped 15,767 youth to enter employment in Mozambique, Rwanda and Tanzania, and supported 832 new youth-led enterprise to be established. From their revenues and profits, the youth supported by OYE were able to buy plots and build houses; they reinvested in their businesses or youth savings and loan associations (YSLAs); and they were able to support their families, pay school fees, bills and go back to school themselves.

# 4. KEY OBSERVATIONS FROM THE EVIDENCE BASE AND HOW IRIS CAN USE EVIDENCE REVIEW EXERCISE FINDINGS

## 4.1. OBSERVATIONS FROM THE EVIDENCE

This exercise compiled and summarized evidence to support the design and management of IRiS' interventions under each PR. It also produced descriptions of common characteristics that successful projects similar to those planned by IRiS demonstrated. This section describes those common characteristics across the PRs related to evidence, and gaps in the evidence. It also includes ideas for how IRiS and its stakeholders could use the findings from the evidence review. Most of the common characteristics are related to the systemic change Result Level which is of key focus and importance to IRiS.

Readers of this report should consider Somalia's dynamic context when judging the evidence that the report presents. Most of the projects that the team reviewed were completed by 2021, with many completed well before that year. Somalia has experienced several notable changes since those projects were completed that affect the weight and prioritization that readers may give to some key points of evidence.

In 2021, the rains that Somalia's agriculture sector relies on failed, and they have failed in each of the four wet seasons since then. Experts predict that rains will continue to fail in the near term.<sup>3</sup> The drought has led to unprecedented food insecurity, which is further exacerbated by Russia's invasion of Ukraine, which accounts for 90% of Somalia's wheat imports.<sup>4</sup> The implications for IRiS are significant. One possibility is that international development agencies will raise millions of dollars in donations to shore up food security.<sup>5</sup> IRiS should take into consideration the incentives that these aid inflows will create in the Somali agriculture sector when planning for market-based interventions. A second possibility is that international development budgets will instead go to repairing Ukraine or other international priorities. The absence of international food aid could create large population movements and make improving agricultural markets difficult. The ongoing drought will require agriculture programs to prioritize interventions that focus on water usage and efficiency.

Politically, Somalia has vacillated. The country experienced some political stability after President Mohamed was elected in 2017. This stability may have improved the likelihood of success for projects that focused on regulatory improvement to improve livelihoods. However, the turbulent 2021 elections, which were completed in 2022, along with tensions between the FGS and some regional governments, may have an impact on further reform efforts.

The security environment in Somalia has had several positive developments in the last few years. The government has reclaimed territory previously held by terrorist groups. The formation of the national army has presented an opportunity for greater collaboration with the US Government.

As recently as March 16, 2023, the FGS and US Government announced a new treaty to strengthen Danab, Somalia's elite commando force, to bring greater security to the country. The improved security environment may provide opportunities for IRiS interventions that previous projects could not take advantage of.

<sup>3</sup> The Economist (2003, March 25). Drought killed 43,000 people in Somalia last year. The Economist.

<sup>4</sup> Ibid.

<sup>5</sup> Save the Children. (2023, March I). About Half of Children Under 5 in Somalia Facing Malnutrition Although Fears of Famine on Hold: New Data.

# 4.2. COMMON CHARACTERISTICS AND KEY TAKEAWAYS FOR IRIS

## PROJECTS PLAN FOR EVOLUTION

The projects that created systemic change start with small changes that beneficiaries are ready to accept and gradually introduce other mechanisms that create market-based incentives to sustainably change market systems and also have impact on individuals beyond the immediate beneficiary group. Examples of projects that created systemic change through gradual evolution include the RWANU project's approach to improving Uganda's seed system and tillage services. The project established an incremental mechanism for changing farmers' behavior from receiving seed donations from the government to directly purchasing higher quality, climate change resilient seed from agro-dealers. RWANU dealt first with changing the behavior by setting up a seed voucher system, which put farmers in direct contact with agro-dealers. The voucher system transitioned farmers to commercial agriculture operations, where they directly buy inputs from agro-dealers as opposed relying on donations from government and other actors that producers had often previously relied on to access and plant quality seeds. By the end of the project, farmers were purchasing directly from agro-dealers in cash as they recognized the benefits of higher quality seeds.

The PIMS program's approach to improving fodder supply and usage also reflects this evolution. PIMS recognized that improved fodder would benefit the livestock sector on several levels; it would improve livestock survival during droughts, it would increase dairy sector productivity, and increase the quality of dairy products for factories and final consumers. However, there were constraints at several places along the value chain to improving fodder production, including lack of demand among livestock producers, lack of supply, and lack of investment from lead firms. The project planned a multiyear response that gradually changed behaviors and created market-based incentives. It started with an information campaign among small producers to increase demand and progressed to incentivizing out-grower schemes and building supply and demand of higher quality fodder.

#### • Key takeaways for IRiS:

- **General:** Achieving the type of transformation that IRiS is pursuing requires time and close observation of stakeholder reaction to the project's initiatives. IRiS should design its initiatives to evolve from incremental changes in behavior to systemic change. It should also make sure its management is structured so that assumptions about stakeholder behavior are recorded and tracked to allow for flexible program implementation. This structure will allow for program teams to clearly define short- and medium-term learning questions, frequently collect data from market actors, and adjust initiatives to learn from new information.
- **PRs I.I, I.2, and I.3:** Achieving IRiS' goals in agricultural sectors will require behavior change at different market entry points. Market actors may consider changing from a low-productivity behavior to a new behavior risky. IRiS should consider the incentives it will use to create behavior change and how it will buy-down risk in the early phase of the project to create longer term change that leads to better market functioning for the target population.

### ACHIEVING RESULTS REQUIRES COORDINATION

Achieving results for IRiS' targeted population requires coordinating partner and stakeholder activities at multiple levels and engaging with stakeholders in the public and private sectors. Projects that created measurable improvements in the wellbeing of targeted populations worked directly with the targeted population and engaged with large domestic private sector firms, international markets, financial service providers, domestic institutions, and the government (Federal and also state and community). Coordinating with all the actors in the market system ensured that the target population could capture the new value that the project was creating through its interventions. Job programs coordinated trainings for targeted marginalized populations, often youth and women, while engaging with the private sector to ensure that training translated into improved livelihoods. For example, the OYE program provided market-relevant skills development for rural youth. The program's success came from coordinating job and internship opportunities with the private sector and access to finance that were available just as skills training was completed.

Likewise, agricultural interventions recognized that successfully increased household resilience through systemic change required improving smallholder farmer productivity as the most direct entry point. However, realizing the benefits of those productivity increases required coordinating the productivity increases with changes in value chain structures, opening of market opportunities, focusing government attention on sector improvements, and finding new mechanisms for service provision such as community animal healthcare workers, lead firm embedded extension officers, and training led by input providers.

USAID's GEEL project provides a clear example of how coordinating interventions produces results for the targeted population. GEEL's final evaluation concludes that the project met its private sector development objectives despite operating in Somalia's highly complex environment. The evaluation attributes this success to two particular factors. The first was focusing early on the development of relationships. These relationships were developed with actors in targeted value chains, with financial service providers, with women and youth groups, and among the implementing partners. The evaluation states that "These relationships allowed GEEL staff to quickly identify 22 needs and opportunities in the face of shocks and to coordinate with other actors". The other characteristic was the project's adaptability led by a "probe-sense-response" approach to information collection and decision making. GEEL frequently collected information from project activities, interpreted it, and then used the relationships it had developed to make decisions and take action. The time invested in building relationships among partners, with lead firms, and in communities allowed it to coordinate action and efficiently use information to keep the project focused on results for targeted populations. The result was increased productivity, rising sales, and improved livelihoods for smallholder farmers in the sesame, banana, and vegetable value chains, as well as livelihood opportunities for IDPs, women, and youth.

#### • Key takeaways for IRiS:

- **General:** Several of the programs that produced successful results both in Somalia and the wider East Africa region coordinated with other programs who were working on similar projects in sectors in the same country. A good example of this is GEEL and PIMS. There are several other donor-funded programs operating in Somalia that are relevant to IRiS' interventions, for example, SomReP, and Resilience Population Measurement (RPM), etc. IRiS should seek to hold regular learning sessions with those programs with a focus on identifying coordination opportunities between the programs (and avoiding a focus on competition with other programs operating in Somalia).
- **General:** IRiS will rely heavily on its implementing partners and also various stakeholders (private sector, etc.) they engage for program delivery and information on project implementation. Accordingly, it's important that IRiS tracks partner capacity throughout the project to make sure that partners do not get overextended, can deliver results that they are assigned, and have the adequate resources to meet objectives as they develop during the program.
- **PRs 2 and 5:** Once relationships are developed with partners, sensitize private sector and service providers for how they can better employ or serve marginalized populations.

### THE SYSTEM NEEDS CASH AND EQUIPMENT

While the projects that were reviewed all sought sustainability, they also relied on cash and equipment grants to grow productive capacity, demonstrate the potential of new approaches, "buy down" the risk associated with behavior change, and increase demand.

The Cash+ intervention provides a basic demonstration of the need for cash in the system. Cash+ provided cash, tools, and input grants with GAP training in various combinations to enhance the livelihoods and productive capacities of poor and vulnerable rural households in Somalia. Farmers that received interventions were more productive than farmers that did not receive interventions. However, farmers that received cash in combination with other benefits were more productive than farmers that did not receive cash. Specifically, farmers who received cash and maize seed had the highest yield (2.6 tons/ha), farmers who received seed and training produced 1.06 tons/ha, and farmers who only received seed produced 1.93 tons/ha. Similarly, farmers that received sorghum seed and cash produced 1.99 tons/ ha, sorghum and training produced 1.89 tons/ha, and just sorghum seed produced 1.73 tons/ha.

Cash and equipment grants to catalyze demand and processing capacity were not limited to poor households. Several projects used grants to increase processing or storage capacity at the sector level to create greater demand for household level production. For example, GEEL provided cold storage technology, such as ice making facilities, ice storage sheds, solar powered freezers, and other cold storage related equipment to fish markets and cooperatives to boost industry capacity and improve HACCP compliance. Likewise, the PIMS project provided grants to lead firms in the fishery, dairy, and sesame sectors. These grants "bought down" the risk of investing in new equipment or market mechanisms that were required to convert household productivity increases into income that increased household resilience. Buying-down risk was successful, as shown by the large percentage of each investment that each grantee matched with its own funds.

#### • Key takeaway for IRiS:

 General: A central IRiS objective is to move Somalia away from reliance on humanitarian assistance toward sustainable systemic change. Cash and equipment grants may feel antithetical to that objective. However, as the evidence the review team has presented demonstrates, these types of grants are essential to overcoming Somalia's complex environmental disincentives to investment and market behavior change.

## EMBED ACTIVITIES IN THE MARKET SYSTEM

Delivering project interventions through lead firms, community members, cooperatives, and other entities embedded in the system seems to deliver more effective and sustainable results than direct delivery. For example, the Cash+ project effectively increased farm level productivity, but only to the extent that it was able to provide inputs and deliver capacity building trainings each season. However, projects like GEEL, PIMS, RWANU and PRIME delivered many of their interventions through lead firms, community animal healthcare workers, cooperatives, and other actors embedded in market systems. These projects more effectively overcame risks inherent in their markets and established new systemic relationships that promised to continue after the project was complete.

#### • Key takeaway for IRiS:

• **PRs I, 2 and 3:** Services delivered through market actors are more likely to continue beyond IRiS' implementation period. IRiS should seek opportunities to deliver training, value adding services, and investment through market actors whenever possible.

### TARGETING WOMEN AND YOUTH

Nearly all the programs that achieved results related to women and youth, including KYEP, OYE, JPYES, Élan RDC, and RWANU, had specific strategies for targeting those populations.

Programs collected monitoring data that was disaggregated by gender and age in order to track how interventions were engaging women and/or youth. Each program took a different approach to women and youth inclusion, including business development services training (especially relevant if women or youth are starting their own businesses), mentorships, grants and/or start-up kits, as well as life skills training and quota requirements with lead firms, and targeted communication materials. These activities led to employment and poverty reduction for women and youth,

an increase in decision-making power for women in the household, and the development of social and economic networks that improved learning and value chain upgrading. RWANU specifically had a positive impact on increasing decision-making power for women. Key activities of RWANU were grants and business development training. Additionally, the program grants allowed women to venture into livestock marketing, which was not common before the project.

Similarly, the Improving Smallholder Livelihoods through Climate-Smart Agricultural Economic Development project enabled women to become economically empowered and key decision-makers within their households, contributing towards the economic growth of their communities. The program activities included financial literacy training, improving access to saving and credit services and providing in-kind support, and business training and extension support. Élan RDC fostered and supported female leaders through mentorship and coaching programs to lift confidence and grow their networks. The program also developed a targeted product design, distribution strategy and marketing messages when targeting women.

Additionally, PIMS included incentives for partners to reach a certain target number of women and youth, including a quota requirement in their deal notes/contracts with partners. PIMS did not directly build the capacity of lead firms and partners to effectively identify and train women and youth. Based on the analysis from the program, PIMS could have had more systemic impact by approaching the inclusion of women and youth from the perspective of the value proposition to the businesses and partners instead of a contractual quota requirement. PIMS missed opportunities to identify and communicate the case for partners to increase the participation of women and youth in their supply chains. While having quotas in the deal notes/contracts were effective in the short term during the program, the inclusion of women and youth may not be sustained long term.

#### • Key takeaways for IRiS:

- **General:** IRiS should identify and communicate the case for private sector partners to increase participation of women and youth in their supply chain so that once IRiS ends, there is more likelihood of the partner continuing to engage women and youth, versus just including a women and youth quota in contracts with the private sector.
- **PR2 and 5:** IRiS should consider making targeted communication materials for youth and women, and also focus on network building for those specific beneficiary groups.
- **PR2 and 5:** IRiS should invest in relationship building with targeted private sector and service providers and leverage those relationships to provide internship, mentorship and job opportunities to youth and women, as well as grants and in-kind goods where relevant. Business development training and life skills (both already planned to be part of IRiS interventions) should be a part of PR2 and PR5 activities.

### EXPANDING ACCESS VIA TECHNOLOGY

One of IRIS' main focus areas is the expansion of access to markets, finances, and other services. Many projects covered in this evidence review had interventions relevant to this objective. Across the evidence for Somalia and the wider East Africa region, one of the key issues was the manner in which access to services is provided. Especially in rural areas, physical modes of expanding access such as building roads or corridors for transit proved to be successful in the short term (job creation in the construction process, facilitated travel and transport, access to new markets). However, in the longer term, upkeep and maintenance of these physical linkages were difficult due to insufficient resource allocation, and changes brought through new roads and corridors were not sustainable. Alternatively, projects that showed sustainable, systemic success around expanding access to markets and services relied on digital linkages. Both AgriFin (DigiFarm) and MM4P used technology as an important tool to achieve expanded access beyond the immediate implementation of program activities. This is a valuable finding for IRiS to consider for its planned activities, especially the work planned in more rural areas of Somalia where physical access may be difficult to maintain sustainably, especially after IRiS program completion.

#### • Key takeaways for IRiS:

- **PR 3:** IRiS should focus on developing digital linkages (which may mean setting up digital networks where they do not exist or incentivizing providers to expand services) between rural and urban populations as this is a way to promote investments and remittances in a sustainable and accessible way even in difficult-to-reach locations.
- **PR 6:** IRiS should consider using technology (e.g. apps on mobile phones) as a key component of its strategy to improve access to high-quality market information, as digital information is more easily accessible to a larger group of people, including those in rural areas.

## 4.3. GAPS IN THE EVIDENCE

Somalia is a complex and dynamic environment. This evidence review covered a large number of projects and studies that point to directions IRiS could take to achieve its objectives and help inform rollout of the interventions. However, there are some gaps in the evidence.

Many of the projects that we reviewed indicated some level of sustainability to their initiatives. However, the review team could find no studies that showed whether or not the results that the projects' produced lasted beyond the life of the project. This gap is important because IRiS has similar aims to several of the projects, particularly PIMS, GEEL, Cash+, and SomReP. IRiS should seek to understand the achievements of these projects and the degree to which those achievements have been sustained. For example, discovering the degree to which GEEL's achievements in domestic seed production have continued will allow IRiS to avoid duplicating initiatives in that area or making similar mistakes in the case that results were not sustained. The discovery would also provide opportunities for IRiS to build on GEEL successes.

There is a lack of evidence about building bridges between communities that IRiS aims to target. These bridges include relationships between IDPs and host communities and urban and rural populations. The review particularly lacked evidence of efforts to promote urban investment in rural areas. While there was some evidence pointing to the success of Mobile Money in promoting remittances from urban to rural areas which in turn led to improved food security and wellbeing of these rural populations, this was in the specific context of rural Mozambique. There was no evidence for the rural Somali context and it is difficult to say whether this type of Mobile Money model would function and find success in the same way due to various different circumstances that shape Somalia's rural locations.

Additionally, specific to Somalia, there were limited programs and related evidence for some of the envisioned activities under PR2, specifically incubation hubs were not included in any of the documents that were reviewed.

Finally, while some of the programs had success advocating with governments to help make an enabling environment for livelihood development (i.e. PIMS and GEEL addressing new food safety standards and the IKEA Foundation and UNHCR Livelihoods and Energy Projects Among Somali Refugees and Host Communities in Ethiopia program promoting employment and freedom of movement for refugees), there was only limited evidence available regarding the process of consultation in these reforms and changes. Specifically, it is unclear to what extent women and marginalized communities in particular are represented in these governmental decision-makings.

# 4.4. CONCLUSION

This evidence review has shown the results that projects with objectives similar to IRiS, both in Somalia and in other parts of East Africa, have produced to improve the wellbeing of vulnerable populations. It also provides indications of principles that IRiS should incorporate into its design and implementation. The review team hopes IRiS implementing partners will find the Intervention Evidence Summaries useful to ensure that best practices and key findings are considered for their intervention activities.

The team also believes that IRiS' Collaborating, Learning and Adapting (CLA) Specialist and IRiS Senior Management will find the review useful in creating oversight of evidence integration within PR activities and designing overall project coordination of best practices across the Activity as a whole. Additionally, the review team encourages the CLA Specialist to work with IPs to develop learning questions that can be answered during the implementation of IRiS and help to provide a more structured and targeted approach to learning as the intervention progresses.



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