

Terms of Reference

Mid-Term Evaluation of Main Phase RECONOMY Program in Eastern Partnership & Western Balkans

1. Background

This document sets out the selection process and criteria related to the mid-term evaluation assignment of the RECONOMY Program. The Terms of Reference (ToR) describe the purpose, context, objectives (including guiding indicative review questions), scope and proposed evaluation methodology. They further describe the review process and the expected deliverables. The ToR will become a component of the contract for this evaluation contract.

2. Context of the Progress Evaluation

The RECONOMY program is in the main phase of its implementation for the Eastern Partnership (EaP) region from January 1st 2023 till December 31st, 2026, while for the Western Balkans (WB) region, the implementation of the main phase started on April 1st 2023 and will last until December 31st, 2026. Both phases follow the inception phase, which began in July 2020. The main phase design follows the consolidation of interventions conducted in the inception phase and follows the recommendations of the Inception phase progress evaluation. The impact hypothesis of the RECONOMY program for the EaP and WB region is as follows:

Better income and decent/green jobs are generated inclusively and sustainably as a result of (a) improved competencies of the workforce, either to join private sector enterprises (employment) or start their economic initiatives (self-employment); (b) relevant and quality business and technology services for increased investment and growth of private sector enterprises; and (c) enhanced industry or a firm-specific enabling environment for private sector enterprises, to do business in a better way and increase their efficiency by utilizing the opportunities of green and digital transformation

The key constraint that RECONOMY aims to address in the EaP and WB region during the Main Phase is the lack of relevant and accessible economic opportunities for women and the youth, including the most disadvantaged and excluded. This is mainly because of the failure or underperformance of the key support functions and rules. RECONOMY views inclusive and green economic opportunities as multi-function, multi-player arrangements comprising the core function of exchange by which goods and services are delivered (e.g., education and skills development) and the supporting functions and rules (e.g., standardization, quality, norms) which are performed and shaped by a variety of players.

The Main Phase of the program works on three workstreams: business and technology services; skills development and intermediation services and support systems; and business enabling environment. These three workstreams are mediated by one cross-cutting theme: knowledge management, learning, and communication (KMLC) to support the quality of addressing the main constraints. The workstreams and cross-cutting theme in inclusive and green economic development make up the different Outcomes and Outputs of the program which are described below. The Theory of Change, as well as Outcomes and Outputs, are linked to ideas from pilots and analyses during the Inception Phase.

Article 9.2 of the Grant Agreement between the Swedish International Development Cooperation Agency (Sida) and HELVETAS Swiss Intercooperation (Helvetas) for the RECONOMY program in EaP and article 9.2 of the Grant Agreement between the Swedish International Development Cooperation Agency (Sida) and HELVETAS Swiss Intercooperation (Helvetas) for the RECONOMY program in WB, Helvetas shall undertake the midterm evaluation by the end of 2024. The Evaluations shall conform to OECD/DAC's Quality Standards for Development Evaluation and shall use the Sida OECD/DAC Glossary of Key Terms in Evaluation. In addition, the evaluations should be utilization-focused, i.e. put emphasis on who the intended users of a specific evaluation are and the intended use of the evaluation. The evaluation process shall be designed, conducted, and reported to meet the needs of the intended users.

3. Overview of the RECONOMY Program

RECONOMY is a program of the Swedish International Development Cooperation Agency (Sida). It is implemented by Helvetas in partnership with other organizations. The program facilitates **regional inclusive and green economic opportunities** – in terms of improved income and decent/green jobs – for women and youth in 11 countries¹ in the WB and EaP regions. Sida has a long-standing commitment to the two regions: the agency's strategic objective is to facilitate the creation of accessible and relevant economic opportunities as a fundamental requirement for long-term inclusive economic development. The program inception phase was launched in 2020, while the main phase started in 2023 in both EaP and WB. The duration of the main phase is until December 31, 2026.

The objective of the RECONOMY program is to **support inclusive and sustainable economic opportunities that focus on people and the planet**. RECONOMY understands economic profit is key for the sustainability of the changes proposed.

- **Improved competencies of the workforce**, either to join private sector enterprises (employment) or start their economic initiatives (self-employment);
- **Relevant and quality business and technology services** for increased investment and growth of private sector enterprises; and
- **Enhanced industry or a firm-specific enabling environment for private sector enterprises**, to do business in a better green and inclusive way and increase their efficiency by utilizing the opportunities of green and digital transformation.

Currently, RECONOMY is implementing 10 projects in two regions, 4 through implementing partners and 6 are implemented in-house (Program Facilitation Unit - PFU-led projects) as presented below.

EaP:

- **Inclusive Jobs in ICT**, implemented by HELP in Armenia, Georgia, Moldova and Ukraine.
- **Digitizing Sectors for Competitiveness**, implemented by Strategic Development Agency NGO in Armenia, Georgia, Moldova, Azerbaijan (through Georgian partners) and Ukraine
- **Circular Business Models and Resource Efficiency for Competitiveness and Growth in the Textile Industry**, PFU-led project implemented in Armenia, Georgia, Moldova and Ukraine
- **Better Income and Employability in Energy-Efficient Construction and Renovation**, PFU-led project in Armenia, Georgia, Moldova, Azerbaijan and Ukraine
- **Fostering Entrepreneurship Ecosystems in Armenia**, PFU led in Armenia

¹ RECONOMY started its operation focusing on 11 countries (Georgia, Armenia, Azerbaijan, Ukraine, Moldova, Serbia, Albania, Kosovo, Montenegro, Bosnia and Herzegovina, and North Macedonia). Belarus was later removed from the focus countries.

WB:

- **Digitalization of sector with growth potential for better economic opportunities in WB**, implemented by HELP in Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia
- **Energy efficient construction and renovation in WB**, implemented by CeProSARD in Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia
- **Labour Market Policy Implementation and Employment**, PFU lead project in Albania, Bosnia and Herzegovina and Kosovo
- **Empowering disadvantaged through green and digital**, PFU lead project in North Macedonia, Albania, Kosovo, Montenegro and Serbia
- **Navigating the Road Ahead: Creating Shared Values through heavy-duty industrial equipment and commercial vehicles in the Western Balkans**, PFU led project in Serbia, North Macedonia and Bosnia and Herzegovina, in Partnership with VOLVO group.

The RECONOMY program is guided by the Swedish reform cooperation strategies for the WB and EaP. The strategies provide a framework for Swedish reform cooperation with the aim to support reform processes in those countries to strengthen their ties with the EU, which is the most effective way to achieve the overarching aim of Swedish international development cooperation in the region. Through various interventions, RECONOMY is promoting the conditions for sustainable and inclusive trade, through the facilitation of integration of economies in regional and international value chains, including the EU.

RECONOMY's specific value-addition lies in the fact that it is a regional program covering the EaP and the WB. The program operates in a dynamic and complex context. The program seeks to maintain both its distinctive value proposition of regionality and its strategic focus on long-term and sustainable results for the target group. This is accomplished by (a) applying a diagnostic and result-orientation focus, (b) strategically aligning with the region's development agenda for synergies and complementarity, and (c) applying risk management and mitigation measures in a setting that is changing extremely quickly. The RECONOMY program has three Outcomes and six corresponding Outputs for both EaP and WB programs. RECONOMY is a private sector-driven program that seeks to stimulate and improve the competitiveness of the private sector, as well as support the private sector to become more inclusive and sustainable in creating economic opportunities for the target group. By the end of the main phase, the program expects to reach 25,000 women and youth, including the most disadvantaged and excluded, with improved economic opportunities (better income and decent and green jobs) inclusively and sustainably, of which at least 50% are women, at least 10% of the most disadvantaged and excluded groups, and at least 30% have green jobs, in the EaP region.

In the WB, by the end of the main phase RECONOMY program plans to reach 30,200 women and youth, including the most disadvantaged and excluded, with improved economic opportunities (better income and decent and green jobs) inclusively and sustainably, of which at least 50% are women, at least 10% of the most disadvantaged and excluded groups, and at least 20% have green jobs.

To achieve this goal, RECONOMY applies a private sector-driven approach that builds on two key principles: consolidation of the partnerships from the Inception Phase and stimulation of the knowledge and learning culture across the region, through regional knowledge networks. Private sector engagement is a strategic process that focuses on a joint endeavor by RECONOMY and the private sector for greater scale, sustainability, and effectiveness of development outcomes. The private sector can include a broad range of actors, is large and diverse, and encompasses the part of the economy run by individuals and companies.

RECONOMY tactics are about building strong relationships with regional actors that have the will and capacity to address regional challenges and build on regional opportunities.

The overall strategy of the main phase is to work towards three outcomes of private sector growth, skills development and improved enabling environment, as follows:

1. Private Sector Growth:

- Facilitate the development of relevant business and technology services to enhance competitiveness and investment.
- Address supply-side constraints by improving marketing, market information, and access to financial resources.
- Promote circular business models and resource efficiency in key industries like textile and waste management (tires, non-hazardous e-waste, glass, construction waste).

2. Skills Development:

- Address skill mismatches and outdated training by enhancing educational programs and aligning them with green and digital sector needs.
- Improve access to training for women and disadvantaged groups and facilitate collaboration between educational providers and the private sector.

3. Business Enabling Environment:

- Focus on improving the implementation and clarity of existing policies and regulations to create a more inclusive and efficient business environment.
- Support sector-specific advocacy for policy improvements and ensure effective enforcement of regulations.
- Address the impacts of recent global events on businesses and support resilience and adaptation strategies.

Outputs and Outcomes for the RECONOMY Main Phase for both regions.

Outcome 1: *Private sector enterprises adopt improved/new business & technology services into their operations & boost their competitiveness*

Output 1.1. *A range of business & technology service providers offer relevant & quality services to private-sector enterprises*

Output 1.2. *A range of business & technology service providers identify & tailor the services based on the segmentation & needs of private sector enterprises*

Outcome 2: *Target groups increase their skills as well as access & use intermediation services & support systems to make informed decisions*

Output 2.1. *Skills & intermediation providers have the capacity & incentives to offer inclusive, affordable & demand-driven services & support systems*

Output 2.2. *Public agencies & private enterprises, employment/labor market institutions & other public authorities collaborate to design & ensure the quality of skills development & intermediation services & support systems*

Outcome 3: *Private sector enterprises have better policy support to do business & increase their efficiency*

Output 3.1. *Private sector enterprises have the capacity & will to identify, articulate & advocate for the improved industry- or firm-specific business enabling environment*

Output 3.2. *Private sector enterprises form or strengthen alliances & networks with like-minded organizations for the improved industry- or firm-specific business enabling environment*

4. Objective & Questions of the Mid-term Evaluation

The objective of this review is to assess the results, experiences, gaps and opportunities of the program realized from the beginning of the main phase. The main phase of the RECONOMY program ends in December 2026. It is thus important for this review to provide recommendations that can be taken up during the remaining period but also explore potential opportunities and strategies for extending the program's activities and impact beyond 2026. The review should follow the six criteria of the Organization for Economic Cooperation and Development's (OECD) Development Assistance Committee (DAC) for evaluations i.e., relevance, coherence, effectiveness, efficiency, impact, and sustainability.

1. *Relevance* of the program's objective of inclusive and green economic opportunities using the Market Systems Development (MSD) approach and strategic orientation in the context of the region, including the perception of Helvetas and its Implementing Partners by relevant stakeholders (public and private market players).
2. *Effectiveness* of the program's implementation towards reaching its objective.
3. *Efficiency* of the program's implementation in terms of set-up and steering.
4. *Impact* mainly assessing the likelihood of systemic changes and generation of economic opportunities (in terms of incomes and jobs) of the interventions designed and implemented.
5. The likelihood of *sustainability and scalability* of results of the interventions and the outlook for the future.
6. Based on the above five specific objectives, provide *recommendations* both for the remainder of the current phase and the design of a potential follow-up phase.

The following guiding questions will be addressed by the progress evaluation.

1. Relevance

- To what extent do the program's strategies and interventions respond to the region's needs, opportunities, and challenges?
- How do partners and stakeholders perceive the program's strategies and interventions and the results achieved?
- What have been the major challenges and potentials of the chosen economic sectors and intervention areas? How has the program addressed those challenges? What are the lessons learnt so far?
- To what extent has the program reached its target group, directly and indirectly?
- What is the relevance of the interventions and program partners' contribution in terms of economic opportunities?
- What has been the added value that Helvetas, as the lead partner, brought to the program?

2. Effectiveness

- To what extent has the program contributed to the likelihood of achieving its objective (Outcomes and Outputs) as set in the Program Document?
- What are the challenges faced by RECONOMY in achieving its targets? What are the projections of the program to still reach the targets realistically?
- What are the main improvements made in the Monitoring Result Measurement (MRM) and Knowledge Management, Learning and Communication (KMLC) systems? Do the MRM and KMLC systems have the capacity for effective steering? Are the systems effective and used for supporting the program's progress, including also serving for learning purposes, decision-making and adaptation?
- Are the strategies and related interventions starting to show their effects and potential to scale up? Or is crowding in and copying already taking place? And if yes, to what extent?
- How are key areas that are cross-cutting mainstreamed by the program in its intervention?
- What are the main results achieved at Output, Outcome and Impact levels, lessons learnt during the current phase?

3. Efficiency

- Is RECONOMY doing it rightly in a cost-effective way? Have the financial and human resources been efficiently allocated?
- Is the management model/program set-up adequate for achieving the set objective?
- Are the program management and steering mechanisms in place and adequate for the efficient implementation of program activities?
- Is there an established results-oriented monitoring system at Outcome level, with the necessary timing and responsibilities for results-oriented monitoring and steering?
- How has the program performed in terms of creating synergies with other initiatives?

4. Impact

- What is the likelihood that the program will have long-term effects on its overall objective?
- Are the interventions designed to allow systemic change? What is the likelihood of achieving scale?
- Have interactions, transactions and communication between the private sector, governmental and non-governmental organisations - facilitated by the program – supported the program to achieve its objective? If yes, in what way? If not, what needs to be improved?

5. Sustainability

- Will the interventions' results last beyond the program completion? What are the indications for this? Are they socially, economically and environmentally sustainable? What are the necessary steps in the remaining months to ensure this?
- What is the strategy for improving sustainability and opportunities for up-scaling (e.g. government, multilateral organisations, private sector)? To what extent has the MSD approach become accepted by stakeholders in the region?
- Which results are likely to be non-sustainable? Are there options to increase the chance of sustainability within the remaining period?
- How does the program interact/coordinate with other Sida and other donors' supported projects?

6. Recommendations

Based on the progress evaluation of RECONOMY, what are the key recommendations to be made: the team shall provide recommendations for:

- *The remainder of the current phase*, according to the above-mentioned evaluation criteria, allowing the program to consolidate and sustain its major achievements and carry out the necessary adjustments.
- *Design of potential follow-up phase of the program*, indicating elements of relevance to put in motion during the remainder of the current phase.
- *Complementary initiatives that could be implemented by the program*.

Recommendations should focus on the following key areas:

- Is the impact goals and over-arching objectives of the programme appropriate for its budget and regional, systemic nature? How can it be improved?
- Is the program applying effective strategies, results chains/logic and implementation modalities to deliver on its impact goals and over-arching objectives (including a well-justified balance between micro, meso and macro level interventions)? How can it be improved?
- Is the approach and achievements in building and leveraging partnerships effective? How can it be improved?

5. Scope & Method of Work

The main tasks of the assignment can be summarised below. The work shall mostly be organised through online interviews, however, visits to the project sites can be organized.

- a) Desk Research (information collection and analysis). Relevant documentation will be provided by the RECONOMY program.
- b) Interviews: the consultant will have a briefing with the Program Facilitation Unit (PFU) at the beginning of the progress evaluation. The consultant will conduct extensive interviews with team members of the program. This also includes interviews with the Implementing Partners as well as other stakeholders (including the Program Advisory Board [PAB] members, market actors, relevant Sida or Swedish embassy representatives in some of the countries, as well as other development projects/agencies.
- c) If necessary, at the end of the progress review, the consultant will also have a debriefing with Sida's Head Office representatives and other team members.

The above list of steps is not exhaustive, and the consultant(s) may suggest other activities deemed important for accomplishing this mid-term evaluation.

RECONOMY will provide the following list of program documents to the selected Consultant(s):

- Main phase proposal EaP
- Main phase Proposal WB
- Project Concept notes and all relevant information
- Intervention guides and intervention-related documents
- Inception phase report
- Semi-annual and annual reports
- Progress evaluation of RECONOMY for the inception phase
- Any other relevant documentation as requested by the evaluator

6. Deliverables

The consultant(s) is/are expected to produce the following deliverables:

- A brief 'script/program' before the start of the evaluation, including the stakeholders to be selected for the evaluation (including the target group) and topics to be addressed during the planned/confirmed meetings.
- Presentation of findings, lessons learnt, and recommendations, including the follow-up of the recommendation of the Inception Phase Progress Evaluation report.
- Draft midterm evaluation report to be submitted within 10 working days after the completion of the assignment.
- Final Report revised based on comments and remarks of Sida and the RECONOMY program and its partners shall be submitted to Sida and RECONOMY. It shall be written in English and not exceed 20 pages (excluding annexes). The report shall comprise the following chapters: (i) Executive summary (max 2 pages); (ii) Background and rationale for the assessment (max 1 page); (iii) findings (based on the ToR) and conclusions (max 12 pages); (iv) Main recommendations for improvement (max 5 pages); and (v) Annexes.

7. Schedule

The midterm evaluation is scheduled to take place between October 20 and December 10, 2024. The consultant should come up with a detailed workplan for carrying out the midterm evaluation and submit it to the RECONOMY program for approval, ensuring the following deadlines can be met.

Tentative schedule

Activity	Deadline
Workplan	By the 1 st of November, 2024
Interviews/mission	By the 30 th of November, 2024
Debriefing to Sida, Helvetas	By the 5 th of December, 2024
Report	By the 20 th of December, 2024

8. Qualifications of the Consultant(s)

The consultant(s) should have extensive evaluation experience with development programs/projects. This includes, but is not limited to:

- Extensive experience in evaluation of development programs/projects.
- Extensive experience as team leader of program/project evaluations.
- Expertise in assessing program/project impact, relevance, efficiency, effectiveness and sustainability.
- Extensive proven experience in evaluating market systems development/MSD programs/projects.
- Excellent analytical expertise, ability to propose recommendations, as well as proven knowledge of the strategic and technical aspects of the components of the program (e.g. regional programming).
- Excellent understanding of the transition economies and the context of the region(s).
- Expertise in the design and implementation of results-oriented evaluation processes.
- High report writing skills, and capacity to write independent and objective analyses.

9. Technical Proposal

In the Technical Proposal, the consultant(s) should:

- *Profile:* Provide a brief overview of the consultant(s), including name, location, size, and any key information that showcases the presence and history of the company/team in the field of program evaluations.
- *Proposed Methodology, Approach, and Implementation Plan:* Describe how the assignment will be implemented to achieve the objectives, by detailing the instruments and procedures for analysis, and how findings will be reported, including the expected deliverables.
- *Team Expertise:* Describe the qualifications and experience of the consultant(s) who will be assigned to the engagement. The CVs should highlight the relevant expertise and skills that make the team suitable for assignment.

- *Experience:* Present the consultant's experience in (mid-term) evaluation of regional development programs. Mention any notable clients or programs/projects that demonstrate it.
- *References:* Present references of satisfactory performance of similar programs/projects evaluation conducted.

10. Financial Proposal

Considering the above information the Financial Proposal should consist of the structure provided below.

Mid-Term Evaluation Estimated Cost: 30 working days in total

Consultancy Fee	Unit	Unit Fee *	Total Fee
	(days)	(CHF)	(CHF)
a) Team Leader	10		
b) Expert (s)	20		
Total	30		

* The consultancy fee must be VAT included.

For project site visits, RECONOMY will cover travel and other expenses in line with the approved plan, and in accordance with Helvetas' internal regulations.