

#### Ministero degli Affari Esteri e della Cooperazione Internazionale

## 2024 | Summary Report

## INDEPENDENT EVALUATION

**Egypt** 

"Initiatives for Local Development of Egypt trough the Support of Egyptians Abroad - ILDEA II"

AID 11625



# MINISTERO DEGLI AFFARI ESTERI E DELLA COOPERAZIONE INTERNAZIONALE

Direzione Generale per la Cooperazione allo Sviluppo
Ufficio III - Sezione Valutazione

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CIG: 9927459E51

**Summary Report** 

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## List of acronyms

Italian Agency for Development Cooperation
Central Agency for Public Mobilization and Statistics
Initiatives for Local Development of Egypt trough the Support of
Egyptians Abroad II
Interagency Working Group
Direzione Generale per la Cooperazione allo Sviluppo del Ministero degli
Affari Esteri e della Cooperazione Internazionale
Government of Egypt
International Organization for Migration
Ministry of State for Emigration and Egyptian Expatriates Affairs
Micro, Small and Medium Enterprise Development Agency
Ministero degli Affari Esteri e della Cooperazione Internazionale
Organization for Economic Co-operation and Development/
Development Assistance Committee
International Organization for Migrations
Qualifications Development Bank Association
Sustainable Development Goals
Terms of Reference

#### 1. Context of the evaluated intervention

According to the most recent estimates provided by Egypt's Central Agency for Public Mobilization and Statistics (CAPMAS), the number of Egyptian expatriates living abroad would have reached 10.247 million in 2017.<sup>1</sup> Of these, about 6.985 million live in the Arab countries, particularly in the Gulf region, while 155.892 are legal residents in Italy, according to data released in 2023.<sup>2</sup> Migration of Egyptian citizens to Italy began in the 1970s, when many young and qualified middle-class people, mostly men, moved to Italy attracted by the economic and cultural prospects offered by our country.

The relationship with the country of origin characterizes the entire migration process, from the arrival in the country of destination to the progress of the socioeconomic integration process. This mainly entails maintaining a constant relationship with the territories of origin primarily aimed at the economic support of family members, but also at the implementation of development or investment projects. Studies indicate, in fact, that remittances sent by the Egyptian diaspora are mainly used for general household consumption expenses, education-related expenses and, finally, medical care; the use of remittances for productive investments in Egypt remains marginal.<sup>3</sup>

Remittances from Egyptian expatriates reached \$28.33 billion in 2022. Although Egypt is among the top recipient countries for remittances, remittances from Egyptian expatriates decreased by about 31% in 2023, amounting to \$19.5 billion.<sup>4</sup> This decline is mainly due to the sharp drop in the use of official channels for transactions<sup>5</sup> and the existence of a substantial percentage of foreign nationals who do not have access to a bank account.

Over the years, the Egyptian government has made great efforts to promote the contribution of Egyptians abroad to the development of their country of origin. The first step towards institutionalizing relations with the Egyptian diaspora was the adoption in 1983 of a law regulating the rights of Egyptians residing abroad and promoting their commitment to the country's economic development (Law 111/1983 on Emigration and Egyptians' Welfare Abroad). The importance attributed by the Government of Egypt (GoE) to Egyptians living abroad led to the establishment in 2015 of the Ministry of State for Emigration and Egyptian Expatriates Affairs (MoSEEA). This ministry served as the competent authority to manage and oversee the affairs of Egyptian expatriates until June 2024, when a presidential decree sanctioned its merger with the Ministry of Foreign Affairs, thus creating the Ministry of Foreign Affairs, Emigration and Egyptian Expatriates.

<sup>&</sup>lt;sup>1</sup> <u>https://www.egypttoday.com/Article/1/71776/CAPMAS-reveals-number-of-Egyptians-abroad-migration-and-marriage-of.</u>

<sup>&</sup>lt;sup>2</sup> Italian Ministry of Labor and Public Policies, "The Egyptian community in Italy Migrant population", 2023 report. See: <a href="https://www.lavoro.gov.it/documenti-e-norme/studi-e-statistiche/egyptian-community-2023#:~:text=As%20at%201%20January%202023,EU%20citizens%20in%20numerical%20terms">https://www.lavoro.gov.it/documenti-e-norme/studi-e-statistiche/egyptian-community-2023#:~:text=As%20at%201%20January%202023,EU%20citizens%20in%20numerical%20terms</a>.

<sup>&</sup>lt;sup>3</sup> IOM 2010, "A Study on Remittances and Investment Opportunities for Egyptian Migrants"; Qutb, R. (2022), "Migrants' remittances and economic growth in Egypt: an empirical analysis from 1980 to 2017", Review of Economics and Political Science, Vol. 7 No. 3. In any case, the distinction between consumption and productive investments when it comes to the use of remittances is far from being clear-cut. For more on this, see Gelb, S., Kalantaryan, S., Mcmahon, S. and Perez Fernandez, M., "Diaspora finance for development: from remittances to investment", Publications Office of the European Union, 2021.

<sup>&</sup>lt;sup>4</sup> Dilip Ratha, Vandana Chandra, Eung Ju Kim, Sonia Plaza, and Akhtar Mahmood. 2024. "Migration and Development Brief 40: Remittances Slowed in 2023, Expected to Grow Faster in 2024", World Bank-KNOMAD. <sup>5</sup> *Ibidem*.

Among the measures adopted by the GoE to facilitate the involvement of the diaspora, the following are noteworthy:

- 1. Improving the procedures that allow Egyptians abroad to vote on constitutional amendments and in presidential and parliamentary elections.
- 2. Organizing national conferences to cooperate with Egyptians abroad, including representatives of expatriates in 66 countries, the so-called "Egypt Can" conferences.
- 3. Developing an online application that helps expatriates access various services.
- 4. Launching, in January 2020, the "Egyptian Expatriates Investment Unit" by the General Authority for Investment, aiming to guide expatriates in identifying the most advantageous business opportunities and act as a liaison between Egyptian expatriates and other stakeholders.

#### 2. Description of the evaluated project

The evaluation concerns the project "Initiatives for Local Development of Egypt trough the Support of Egyptians Abroad - ILDEA II," which was implemented from February 5, 2019, to December 5, 2021 by the International Organization for Migration (IOM), Egypt Country Office, in close collaboration with the Ministry of State for Emigration and Egyptian Expatriates' Affairs (MoSEEA). The project was funded by the Italian Ministry of Foreign Affairs and International Cooperation (MAECI) through the Italian Agency for Development Cooperation (IADC), Cairo office, with a total budget of €500,000.

The overall objective of the project was to support the GoE in consolidating efforts to involve Egyptian expatriates in the development of the country. The initiative represents the second phase and refinancing of the project "Initiatives for Local Development of Egypt trough the Support of Egyptians Abroad" (ILDEA), which was implemented in 2015-2016 for a total duration of 20 months. The implementation of ILDEA II has been subject to some adjustments and non-cost extensions.

The outcomes and expected results of the project were as follows:

Outcome 1: GoE has a coordinated and strategic approach to dialogue and engage with Egyptian expatriates in the context of a new policy framework.

- Result 1.1: A new political framework for engaging expatriates is approved by the Egyptian government.
- Result 1.2: A team of national coordinators is employed by IOM and seconded to MoSEEA (approved variation on 12.11.2020).

Outcome 2: GoE engages expatriate communities to promote investment and trade in/with Egypt.

- Result 2.1: The government's capacity to promote and facilitate investments and business opportunities for Egyptian expatriates is strengthened.
- Result 2.2: Egyptian expatriate communities in Italy are involved in projects aimed at promoting employment and creating income-generating activities in Egypt (approved variation on 12.11.2020).

22 ministries (including MoSEEA) and some subsidiary institutions (such as MSMEDA) are the direct beneficiaries of the project, while indirect beneficiaries include Egyptian expatriate communities

abroad, local communities with low economic returns and characterized by irregular migration, representatives from civil society, the Egyptian academic world, and the private sector, as well as international partners involved in consultations.

The project's Theory of Change (ToC) was reconstructed by the evaluation team following an indepth analysis of the documents and is illustrated in the diagram on the following page.

Figure 1: Theory of Change diagram

#### PRODUCTS (Output) **ACTIVITIES RESULTS (Outcomes)** IMPACT MAIN ASSUMPTIONS - GoE demonstrates an 1.1.1 Organize one virtual outreach activity to Egyptian expatriates and associations to ongoing interest in and discuss investment promotion and trade opportunities and the draft strategy and action commitment to developing, plan. supporting and implementing 1.1.2 Organize a workshop for interested stakeholders in Egypt (academia, civil society, a policy framework for private sector, Egyptian expatriates, Egyptian and Italian associations) to discuss the final expatriate engagement; draft of the policy document, strategy document and action plan. 1.1: A new policy - The expatriate communities 1.1.3 Deliver a training for IWG members on planning and monitoring the action plan on framework on expatriate maintain their interest in expatriate engagement. engagement is available continuing the dialogue with 1.1.4 Support skills enhancement for GoE officials on implementing the final version of and endorsed by GoE. the GoE in the context of a the Policy on Migration Governance and Strategy on Expatriate Affairs. 1. GoE has a coordinated policy framework on expatriate engagement for 1.1.5 Support MoSEEA develop a communication strategy/plan with expatriates to and strategic approach to implement the policy, strategy and action plan. dialogue and engages development; with Egyptian expatriates 1.1.6: Translate, print and disseminate the final version of the strategy, and action plan in the context of a new - IWG members maintain among government stakeholders. political framework. their interest and 1.2 A team of national involvement in the coordinators is recruited strategy/action process by IOM and seconded to planning development; 1.2.1 Recruit and train 2 national coordinators by IOM and second them to the Ministry of Supporting the the Ministry of State of State of Emigration, to oversee the project implementation. Government of Egypt **Emigration and Egyptian** - GoE ensures timely (GoE) in consolidating endorsement of the policy Expatriates' Affairs. efforts to involve framework: expatriates in the 2.1.1 Recruit international and national experts to train government officials on trade country's facilitation, investment promotion and expatriate engagement through a series of virtual - Expatriate communities are development. workshops. willing to communicate their 2.1 Strengthened GoE thoughts with GoE, and 2.1.2 Organise a national workshop on facilitating trade and investment to Egypt through capacities to promote and actively participate in expatriate communities. facilitate investment and consultations; 2. Enhancing national 2.1.3 Develop investment promotion tools and materials. trade opportunities to capacities to promote Egyptian expatriates. - GoE's continued willingness 2.1.4: Organize a 2-day workshop on mobilizing remittances towards socio-economic and investment and business and ability to reach out to the human development in Egypt. opportunities to/with Egyptian expatriate Egypt through the 2.1.5 Support the GoE in organizing one conference to promote Egypt's trade with Italy 2.2 Egyptian expatriate community in Italy and involvement of Egyptian through the engagement of Egyptian expatriates. communities in Italy promote trade and expatriate communities. engage in the investment. implementation of income-2.2: Funding of entrepreneurship and income-generating projects. generating and employment promotion projects in Egypt.

#### 3. Evaluation objectives

The purpose of the evaluation is twofold. On one hand, it aims to meet the need for accountability and transparency to all stakeholders involved in the project's activities, in order to understand the results and impact of the initiative. On the other hand, the evaluation seeks to facilitate a learning process by identifying lessons learned and formulating recommendations, with the goal of providing concrete guidance on how to shape new development and cooperation initiatives, thereby improving their quality.

Specifically, the evaluation aims to:

- Highlight how the initiative has strengthened the migration policies of the Egyptian government.
- Identify lessons learned and best practices to replicate in projects related to the inclusion of the diaspora in development initiatives.
- Verify the validity of the conclusions from the ex-post evaluation conducted in 2022.
- Determine whether the recommendations from the ex-post evaluation have been considered, implemented, and what results they have generated.

The evaluation is, therefore, summative as it focuses on how the intervention was implemented and its characteristics, highlighting strengths and aspects that can be improved. Furthermore, the evaluation is also formative as it emphasizes how obstacles encountered during project implementation were overcome.

The thematic and temporal scope of this evaluation corresponds to all activities covered by the initiative from February 2019 to December 2021. The geographical scope encompasses both the national and regional levels by focusing on the interventions implemented within Egyptian migration-related institutions, based in Cairo, and in rural areas, specifically in Sohag, where vocational training modules were delivered.

The evaluation adopted a Human Rights Based Approach, i.e. based on the respect for human rights, gender equality and equity. This means that our approach emphasized the rights, participation and empowerment of women and vulnerable groups, in order to achieve valid and useful results for all.

### 4. Theorical and methodological framework

The analysis of the initiative was conducted using the six criteria identified by the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD): relevance, coherence, effectiveness, efficiency, impact and sustainability. A cross-cutting criterion was also used with reference to lessons learned and best or promising practices of the intervention.

Qualitative methods were extensively used to gain a closer understanding of individual and collective experiences and to take into account multiple aspects of the intervention through people's representations and discourses. Quantitative data were not collected as the security clearance granted by the GoE did not allow the administration of the initially planned survey for participants in vocational trainings in Sohag.

The **review of the documentation** focused on the analysis of the intervention documentation (initial formulation, final formulation, annual and final reports, ex-post evaluation in 2022, and other documents generated by ILDEA II) as well as other relevant publications on the topic of migration and development. Some documents were not available, i.e lists of participants in the trainings.

**Key Informant Interviews (KIIs)** were conducted in person and online and were tailored to the different profiles of identified actors and stakeholders. Stakeholders belong to four main categories: (1) institutional actors, (2) consultancies involved in project activities and ex-post evaluation (3) vocational training providers, (4) Sohag-based organisations working on local development and (5) the project implementing partner, IOM. Interviews with diaspora members were not carried out due to the difficulties to get in contact with them. Overall, 33 stakeholders were interviewed.

**Focus groups discussions (FGDs)** allowed to gather collective but differentiated views of the project's relevance, effectiveness, impact and sustainability and, specifically, of delivered training. Three focus groups gathering a total of 16 participants in vocational trainings were conducted. The sample was not randomly chosen and included only individuals who passed training final tests. The number of female participants (7) represented more than 40% of the total number of participants, which complied with the minimum threshold of 20% indicated in the inception report.

The evaluation process faced some **limitations** that affected the capacity to duly understand the project's implementation strategy. First of all, some relevant project documents were not received by the evaluation team (e.g. the final logical framework, data on the achievements and sustainability of the results of the vocational trainings in Sohag, some Steering committee's notes). Another issue was the lack of handover when the former project manager left IOM, producing a loss of information for the colleagues who took over on the project afterwards. Another important limit was the lack of access to some important stakeholders, in particular IOM personnel who had previously left the organisation and GoE officials who participated in the diaspora investments training.

Interaction with MoSEEA and MSMEDA was possible only upon the issuance of the security clearance, which took two months to be delivered. The fact that two and half years had passed since the project's end implied that some stakeholders were unsure on certain circumstances of the project, which led to information gaps.

Concerning the focus groups conducted in Sohag, the evaluators did not have the freedom to set sample selection criteria and methods because disaggregated data concerning the target group was not being shared with the evaluation team. This was explained by the fact that this data is confidential and may not be shared with any party, despite the confidentiality clause binding the evaluators to non-disclosure. Most importantly, the presence of three members of the MSMEDA team during focus group sessions may have affected the neutrality of the target groups' responses.

#### 5. Evaluation findings

#### 5.1 Relevance

Relevance - To what extent do the objective and design of the initiative respond (and continue to respond in the face of changed circumstances) to the needs, policies and priorities of the beneficiaries, the country and its institutions?

The intervention is very relevant to the needs and interests of the Government of Egypt (GoE) which has taken relevant steps to strengthen its links with Egyptians living abroad, taking into consideration the importance of remittances and the potentialities that Egyptians abroad can bring to their country of origin.

Concerning the interests of the diaspora, the impact of the global COVID-19 pandemic resulted in a growing appreciation of the resilience of expatriate communities as development agents. Expatriates' engagement is emerging as front and centre to many recovery plans as public finances are substantially impacted by the pandemic. This means that the diaspora engagement strategy was launched at a unique moment in time to nurture a new culture of care and engagement of expatriates in Egypt.

Although not supported by an initial analysis to identify the most suitable location, the vocational training was implemented in an area, Sohag, that is characterised by high levels of poverty. Therefore, this activity is pertinent for the context in which it was provided.

The intervention presented a very limited focus on gender which is especially evident under output 2.2 "Egyptian expatriate communities in Italy engage in the implementation of income-generating and employment promotion projects in Egypt". Indeed, the needs assessment conducted to identify the skills with higher demand in the Sohag governorate did not carry out any analysis of the gender gap. Furthermore, the project delivered masculinised skills, i.e. electricity and plumber, to men and feminised skills, i.e. tailoring, to women. This also contributed to exacerbating the gender gap since, in the first case, participants were offered to attend two levels and certify their skills to work abroad, while this was not the case for women.

In terms of equity, the intervention relevance was weak. In fact, despite the vocational training was delivered free of cost, the requirements for selecting participants did not consider aspects related to the risk of exclusion, like poverty, disability or widowhood, when selecting trainees.

The intervention was adapted to the capacities of the institutional actors as it aimed to increase the capacities of the GoE in general and MoSEEA, in particular, to coherently interact with the diaspora. However, the technical capacities in place at MoSEEA at the beginning of the ILDEA II were higher than at the end, as the Project Coordination Unit (PCU) that was created during the ILDEA I and initially charged to secure funding opportunities, was replaced by two project coordinators, whose mandate was only focused on project implementation. In this regard, the evaluation fieldwork, showed that MoSEEA has limited capacity to monitor and coordinate the GoE's engagement with the diaspora.

#### 5.2 Coherence

Coherence - To what extent is the intervention compatible with other interventions in the sector, within the same country, both by Italian cooperation and by other partners?

ILDEA II has a high degree of coherence with many other initiatives promoting local development, while the number of funded interventions harnessing the diaspora engagement is very scarce. This is the case of interventions addressing topics related to strengthening the whole of GoE approach to implement diaspora communication and engagement strategies as there are no initiatives detected, neither in terms of capacity building nor in terms of actors' coordination.

Despite the presence of several complementary projects, especially the ones led by the GoE, the ILDEA II didn't seek any synergy with them, neither at national level, nor at Sohag governorate level, where the vocational trainings took place.

The project is coherent with the "Egypt Vision 2030", the global development plan approved by the GoE and setting the main development priorities and strategies for the coming years. Although diaspora engagement is not clearly mentioned, this document does reaffirm the duty of the state to "protect Egyptians abroad in order to take care of their interests and to benefit from their expertise". The "Three-year planning and policy document 2021 – 2023", the guiding framework for Italian development cooperation, acknowledges several contributions that diasporas can make to the development of countries of origin and destination and identifies specific priorities for Egypt that fully align with the "Egypt Vision 2030". However, the plan does not identify specific priorities in which such contributions are harnessed.

#### 5.3 Effectiveness

Effectiveness - To what extent were the direct and immediate expected results achieved, with attention to the different outcomes within the various target groups?

The project had the capacity to achieve valuable results, even if not all the expected, despite the difficulties faced during the implementation.

The ILDEA II was subjected to two reformulations that reduced the role of Egyptian diaspora in Italy both in terms of contribution to the communication and engagement strategy and implementation of income generating activities. As a result, ILDEA II ended implementing two siloed interventions: (a) The technical support to the GoE and (b) the vocational training in Sohag. In other words, the implementation of the ILDEA II is based on two separated sub-projects, and in the second intervention the diaspora contribution is missing.

At global level, the analysis of the achievements under the project's general objective "Support to the Government of Egypt (GoE) to consolidate efforts to involve expatriates in the country's development" is quite positive, as both the strategies listed, i.e. the Communication and the Engagement strategies, were produced and validated.

Indicators	Targets	Achieved <sup>6</sup>	Comments
I.1.A national strategy & action plan on the engagement of Egyptian expatriate communities for development, elaborated & endorsed by GoE	A strategy elaborated & endorsed		The strategy & action plan together with the communication & outreach strategy was produced on the basis of a draft version issued during the ILDEA I project.  The strategy was officially endorsed and launched during the conference: "The Role of
I.2 A communication and outreach strategy to expatriate communities in line with the provisions of the action plan developed & endorsed by MoSEEA	A strategy developed & endorsed		conference: "The Role of Remittances to Advance Investment and Sustainable Development", held from 10 to 11 October 2021 in Cairo. 103 attendees, out of them 53 women, attended the launch of the strategy. Among participants there were also members of the diaspora, whose number was not recorded.
I.3 Number of entrepreneurship and income-generating projects successfully implemented	5		Three vocational training courses were conducted in Sohag. Two of them were delivered in two levels, 0 and 1.
I.4 Number of trade & investment opportunities identified and pursued by GoE during the project lifetime	At least 2		There is no evidence of results achieved under this indicator.

Under Outcome 1 "GoE has a coordinated and strategic approach to dialogue and engages with Egyptian expatriates in the context of a new policy framework", the drafting of the policy framework involved 22 institutions, but only within the GoE, which is not aligned with the idea of a participatory process. Indeed, the consultative processes to discuss the engagement with diaspora actors involved only four expatriates as the contact with these stakeholders was largely unfruitful, and just four of them finally accepted to attend the two sessions. Two external experts were also hired as national coordinators by IOM and seconded at MoSEEA, though physically based in the IOM office.

Indicators	Targets	Achieved	Comments
I.1.1 Number of GoE institutions/stakeholders' involved in the formulation of the strategy & action plan on expatriate engagement	Up to 30		22 stakeholders involved. The target is achieved, but it was decided to not involve actors other than the institutions of the GoE, which limited the participatory process

<sup>&</sup>lt;sup>6</sup> Green = Completely achieved, Yellow = Partially achieved Red = Not achieved

I.1.2 Up to three national coordinators seconded at the Ministry of State of Emigration to oversee the project implementation for a duration of 6-9 months	3	1 Field coordinators and 1 M&E coordinator were hired and seconded at the Ministry of State of Emigration during the last 7 months of the project. The decision to hire two consultants instead of three, was taken in agreement with the Ministry in the coordination meeting of 27 October 2021
I.1.3 A communication strategy and tools with Egyptian expatriates formulated and endorsed by MoSEEA	A Communication strategy document produced	Communication strategy was formulated by the international consultant and approved by the Ministry of State of Emigration and Egyptians Abroad.

With respect to outcome 2 "Enhance national capacities to promote investment and trade opportunities to/with Egypt through the involvement of Egyptian expatriate communities", the most significant activity is the vocational trainings held in Sohag. A total number of 179 individuals took the examinations in their respective field and a total number of 275 courses were delivered. More in detail, the courses of plumbing and electricity had two levels, while tailoring just one. In terms of sex disaggregation, 158 participants were young men (88%) and 21 women (12%). The average success rate of this activity was 65%, which is considered by the training providers as a demonstration of the quality and the level of demand of the courses. Electrical installation was the most challenging examination, as only 50% passed both levels, while plumbing was less difficult, as 78% passed both levels. As regards the tailoring training, 70% trainees passed their examination.

The activities aimed at strengthening the GoE's capabilities to promote and facilitate investment and business opportunities for Egyptian expatriates were led by an external company, DMA Global, which developed the tool to drive trade and investment for expatriates. DMA was also involved in the attempts to create an Interministerial Working Group (IWG) which failed due to prolonged discussions on its scoping. DMA Global also delivered trainings to GoE officials that covered six topics and gathered 20 individuals.

Indicators	Targets	Achieved	Comments
I.2.1 Number of trade / investment / local business development opportunities identified and/or implemented	5 projects finalised in 2018 supported under ILDEA		3 vocational trainings funded in Sohag

The overall quality of the project logframe is positive and the vertical logic is coherent. However, the the horizontal logic presents some weaknesses in terms of indicators' choice and targets. In some cases, indicators with similar wordings overlap each other and a proper measurement of indicators' achievements is missing.

The evaluation did not find any unintended (positive or negative) outcomes. In particular, no linkages between diaspora and local development were identified and no expatriates from Sohag have so far invested in the activities/enterprises started by trainees.

#### 5.4 Efficiency

Efficiency - To what extent was the use of resources optimal for achieving the project results both in economic terms and in terms of timing and management efficiency?

The intervention achieved positive financial efficiency given that nearly 88% of the budget was spent, amounting to € 440,235.00. In this respect, it is important to highlight that the funding of 500.000 € provided by the Italian cooperation was integrated by the reallocation from the ILDEA I project consisting of an additional 1,326 €, totalling 501,326 €.

The overall budget assigned to IOM totalled 132,507 € and represented 30,10% of the whole project budget; staff expenses amounted to 100,960 €, namely 20,14% of the budget, which substantially respected the 20% threshold agreed with the Italian cooperation. The amount did not vary despite the increased duration of the project (from 16 to 34 months) and the IOM internal revision of the salary scale, which resulted in a salary increase. In terms of operational expenses, all the budget headings had a certain underspending due to delayed implementation of activities (i.e. late recruitment of national coordinators and lengthy identifications of the local development activities to be funded).

The efficiency of the output related to vocational training was very poor. Evaluators examined similar training activities delivered by public and private centres in Sohag and found that the amount paid for each certificate is usually at least four times lower than for amount paid the ILDEA II project. Part of the limited efficiency is due to the several subcontracting layers that characterised this activity and the corresponding overhead that each organisation retained.

In terms of management efficiency, the quality of the management of ILDEA II was not always in line with the expectations, the main reason being the personnel turnover within IOM, MoSEEA, and IADC office in Cairo, which resulted in a loss of the lessons learned from ILDEA I. The daily project management was ensured by IOM and stakeholders' committees were periodically held by the intervention partners, MOSEEA, MSMEDA, and the donor, the Italian Agency for Development Cooperation (IADC).

The personnel turnover exacerbated delays in the implementation as the project coordinator responsible at the beginning of the project resigned in March 2020, without any handover. Due to the budget constraints produced by the salary revision, it was not possible to hire another project manager. In his place, project coordination was ensured by the Head of the Labor Mobility and Human Development (LHD) unit, together with a Senior Programme Assistant. In February 2021, however, the Head of LHD unit left and until the end of the ILDEA II, the Senior Programme Assistant was the only professional responsible for its implementation. Overall, the salary revision had a broader impact on the IOM country office's capacity to deliver results with the expected quality and timeliness since the available budget did not cover personnel costs.

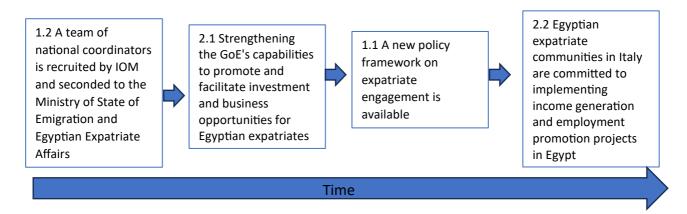
The budget constraints, the personnel turnover, and COVID-19 entailed the temporary suspension of the project and a lengthy and complex reformulation that had to be agreed upon by the implementing partners, who were also experiencing personnel turnover.

The narrower scope and capacities to reach the Egyptian diaspora abroad were in part balanced by direct contacts with some top-level representatives, i.e. former ambassadors. However, they were

mainly businesspersons, while the project needed individuals with interests in social inclusion activities.

The partners' meetings were useful to address critical issues and to provide an official endorsement of agreements negotiated in advance. However, the steering committees were not always effective in addressing all the topics of the project. For instance, the diaspora involvement was not part of the discussions for a long period and it was unclear which role each partner had to play. The fact that the implementing partners were national public actors also implied lengthy periods in order to agree upon decisions.

In terms of project design efficiency, ILDEA II represented another pilot edition (after ILDEA I) which hampered the adaption of a more ambitious and progressive approach necessitating more time and budget. Such an approach would have required to first ensure the presence of technical capacities, train GoE officials and then launch the Strategy participatory process and implement the employment promotion projects in Egypt.



Delays in project implementation forced to submit two no-cost extensions. The original implementation period agreed by IOM and IADC was of 16 months, from February 2019 to June 2020; however, after its expiration, the lack of meaningful project's results led to a revision of the intervention which then restarted in February 2021. Another no-cost extension of three additional months was finally requested by MSEMEDA and agreed upon during a Steering Committee meeting in June 2021, with a new end date of the project on the 5<sup>th</sup> of December 2021.

The COVID-19 outbreak was an additional limitation to project implementation, but, as explained above, it was not the most important one. In any case, it contributed to a delay in the identification and planning of local development activities.

#### 5.5 Impact

Impact - What significant effects of the intervention, both positive and negative, intended or unforeseen or foreseeable, have occurred in a broader sphere (community welfare, human rights, gender equality, economic and environmental) and over a longer time frame than the intervention itself?

ILDEA II produced a significant impact on the individual life prospects of people who had attended vocational training held in Sohag. Indeed, there are clear evidence, reported by interviewed participants, of living condition improvements in terms of, for example, increased purchase of new

household appliances, expenditure in children's education and health, and quantity and quality of meals. The reported impacts have benefited men and women indistinctly.

In Sohag, the project did not produce any structural effects, such as an improvement in living conditions at a local level. This is due to the very nature of the intervention, consisting of three-month training activities, which did not set objectives of this magnitude.

The project has not produced any significant impact directly related to its general objective of supporting the Government of Egypt (GoE) in consolidating efforts to involve expatriates in the country's development. In other words, all the efforts made to promote the diaspora engagement haven't produced clear effects, since the corresponding validated strategies and action plans have never been used neither by MoSEEA nor by MSMEDA and the Egyptian diaspora continues to be engaged on several and usually atomised policies as it was before the intervention. The lack of a consistent monitoring exercise by MoSEEA of such policies and their effects represents a major limitation to correctly understand their potential impact and to improve their effects.

#### 5.6 Sustainability

## Sustainability - To what extent can the benefits of the initiative be sustained in the medium and long term?

The ILDEA II project was conceived to ensure sustainability of the results achieved, thanks to the definition of a global framework of communication and engagement with the Egyptians abroad, the trainings strengthening officials' capacities, the development of tools and materials for the promotion of diaspora's investments, the creation of the Interministerial Working Group led by MoSEEA, and the support to income generating activities sustained by members of the diaspora in Italy.

In practice, there is clear evidence of a weak appropriation of results from institutional actors. In fact, despite its role of coordination, MoSEEA did neither monitor nor facilitate synergies with other ministries' activities related to diaspora communication and engagement. In line with this, there is no formal record of activities, metrics and targets to implement the action plan; the interministerial working group was never created, the trained officials are no longer working at MoSEEA, and there are no consultation bodies involving diaspora representatives. However, certain pre-conditions for a more structured monitoring framework are still in place, i.e. informal bilateral exchanges of information as well as a generalised interest for diaspora engagement from MoSEEA.

Despite this, the capacity of MoSEEA to be a leading actor was weakened by the limited competences that a ministry of state has compared with other full-fledged ministries,<sup>7</sup> the absence of a Project Coordination Unit (PCU), the difficulty to have a stable core team with strong policy mandate and the impossibility to have direct presence abroad.

The organisational sustainability of the intervention was never subject to an assessment despite being evident that there was an extreme dependency on external funding and, for this reason, a need for a resource mobilisation plan to explore potential funding avenues.

<sup>7</sup> The ministries of State have less competences than full-fledged ministries. More specifically, MoSEEA's functions are essentially ones of technical support and coordination, but it hasn't formal presence neither abroad, nor at Governorate levels across Egypt.

It is also important to underline that in June 2024 a presidential decision merged MoSEEA with the Ministry of Foreign Affairs (MFA), thereby creating the Ministry of Foreign Affairs, Emigration and Egyptian Expatriates. It is still unclear which results this can produce but there is the potential for a more consistent leadership in this domain.

As regards participants in the vocational trainings, there is solid evidence that confirms the sustainability of achieved results in terms of income generating opportunities. Even if training cannot be strictly considered as income generating activities, data collected after the project's end showed that a significant number of trainees improved their salary or found a job, and this regardless of the training type. This is also confirmed by the focus group conducted in the framework of the evaluation, more than two years and half later: 15 out of 16 participants in the focus group are currently employed, some of them have employed other workers, others have enlarged their business and diversified the production (tailoring).

#### 5.7 Transversal

#### Transversal - Have lessons learnt, best or promising practices of the intervention been established?

The evaluation has not singled out any best or promising practices established by the project. However, a number of lessons learnt were identified:

- It is necessary to ensure temporal continuity between different editions of the project, or between projects that have clear points in common. The lack of such continuity has the consequence of losing the historical memory of previous project's editions due to changes in the actors involved.
- The donor must make sure that a "critical" monitoring of the intervention is in place and not limit its supervision to execution of project activities. An appropriate monitoring system is crucial to detect deviations or difficulties that may represent a risk for the achievement of project's results.
- Special attention must be paid to cases when sub-contracting involves different actors at different levels, as in the case of the ILDEA II vocational training. In such circumstances, the actor managing sub-contracts must ensure that project's implementing organisations have access to transparent information and must provide periodic updates and coordination.
- ILDEA II had a steering committee, a formal space that periodically brought together the
  project members, with the aim of ensuring high-level discussion and decision-making. To
  ensure its proper functioning, specific technical support and project monitoring must be
  ensured.

#### 6. Conclusions

The evaluation conclusions are presented by evaluation criterion.

#### Relevance

The design of ILDEA II is very relevant for the GoE's needs as well as for those of a large part of the Egyptian diaspora interested in the development of its country of origin. However, during the project implementation, these needs were not always taken into due account. In fact, the development of the diaspora communication and engagement strategy did not rely on a sound needs' assessment

and consultations only involved a few Egyptian migrants in Italy although the Egyptian diaspora is overwhelmingly based in the Gulf countries.

Moreover, during the project implementation, an additional element was introduced to the intervention's logic: the fight against irregular migration. To this end, it was agreed to deliver income generating activities in a governorate characterised by irregular migration heading to Europe. However, the choice of Sohag did not meet this requirement. In addition, while for vocational trainings in Sohag jobs on high demand were correctly identified, the lack of a gender approach resulted in reiterated gender segregation in employment.

Concerning human rights, ILDEA II was instrumental to improving access to decent work, facilitated by strategic partnerships that contributed to a better achievement of such goals. Equity was not taken into sufficient consideration, as despite the fact that trainings were delivered free of cost, elements related to the risk of exclusion, such as poverty, disability or widowhood were not taken into account for the selection of trainees.

#### Coherence

Although there are few funded interventions promoting diaspora engagement, ILDEA II has a high degree of coherence with several initiatives promoting local development, especially the ones led by the GoE or funded by the Italian cooperation. In spite of this, ILDEA II did not create any synergy with them, neither at national level, nor at Sohag governorate level, where the vocational trainings took place.

#### Efficiency

ILDEA II had sufficient capacities to overcome the serious drawbacks suffered during the implementation and could spend a significant share of the budget. The project design foresaw the implementation, almost at the same time, of interconnected activities, which produced a domino effect when difficulties arose.

IOM, despite being the UN agency specialised on migration, had a weak role in providing guidance on issues that were fundamental for the successful implementation of the project, such as the involvement of the Egyptian diaspora in Italy, the choice of a governorate with high irregular migration, and the definition of appropriate selection criteria for trainees.

In 2020, IOM experienced personnel issues (due to the above-mentioned internal revision of the salary scale), that were exacerbated by the COVID 19 and resulted in a poor capacity to manage the intervention, especially between February 2020 and February 2021.

The role of MSMEDA in the intervention was residual as it didn't have the capacity to directly deliver the training. Several subcontracting layers that characterised the delivery of this activity jeopardised the capacity to monitor the implementation of the vocational training providers and resulted in the low efficiency of this activity.

The project steering committees were strategic spaces to address critical issues and to provide an official endorsement of agreements negotiated in advance; however, they were not always effective in timely addressing all the sensitive topics of the project.

Solutions provided to overcome these situations were appropriate and consisted in conducting a closer monitoring of the project, applying for project's reformulations and no cost extensions, and ensuring dedicated human resources.

#### **Effectiveness**

The project successfully implemented several activities that achieved large part of the results foreseen at output level, but some weaknesses in involving external actors limited the achievement of the project outcomes.

Among the most important outcomes achieved, it is worth citing the new diaspora communication and engagement policy framework and the strengthening of GoE's capabilities to promote and facilitate investment and business opportunities for Egyptian expatriates.

The expected commitment of the Egyptian expatriate communities in Italy to implementing income generation and employment promotion projects in Egypt was far to be attained, due to the weak participatory process and the lack of a structured diaspora engagement strategy implemented by the intervention.

#### Sustainability

The project succeeded in laying a cornerstone for dealing with the diaspora in the but the institutional actors, i.e. MoSEEA and MSMEDA, benefitted to a very limited extent from the project results over the medium and long term. In particular, the capacities built were not sufficiently harnessed to facilitate the diaspora engagement. In this vein, even if the GoE is launching ambitious initiatives, they are not based on a defined strategy, their results are not analysed and there is not a clear involvement of the Egyptians living abroad in the definition of priorities. The organisational sustainability of the intervention was never subject to an assessment, neither in the project proposal, nor during the implementation and additional support should have been ensured after the end of the project to operationalise diaspora policies. The recent merge of the MoSEEA with MFA can potentially entail a more consistent leadership in this domain.

The income generating activities conducted in Sohag are highly sustainable since final beneficiaries are still benefiting from vocational trainings' outcomes, but without any clear linkage with Egyptians expatriates.

#### **Impact**

Due to the low level of appropriation from the GoE, the impact that the project had on reinforcing its capacities is very limited, which do not ensure the consolidation of efforts to involve Egyptian expatriates in the country's development.

Participants in vocational trainings experienced significant positive change in their lives, since they improved the wealth of their households and increased savings for future investments. Such effects are likely to last longer, but, again, without any clear support by Egyptians living abroad. In addition, the lack of a more structured approach toward local development did not bring about any impacts on a more generalized improvement of living conditions In target areas.

#### 7. Recommendations

This section presents the recommendations resulting from the evaluation results. They are addressed to IADC and the Directorate General for Development Cooperation of the Ministry of

Foreign Affairs and International Cooperation (*Direzione Generale per la Cooperazione allo Sviluppo del Ministero degli Affari Esteri e della Cooperazione Internazionale* – DGCS).

- 1. Acknowledge the political will of the GoE and its actual leadership capacity to promote diaspora engagement. These conditions need to be in place:
  - Verify the GoE's interest in conducting a mapping of Egyptian communities and leaders in Italy, together with their needs assessment.
  - Based on the diaspora's needs assessment, verify the GoE's interest in identifying synergies with other funded development initiatives and promoting diaspora engagement.
  - Ensure that the minimum conditions for the implementation of the intervention are in place: first and foremost, technical and institutional stability, as well as the capacity of the actors involved.
  - Provide funding to further strengthen GoE capacities and identify strategic development initiatives with contributions from the Egyptian diaspora in Italy. It is preferable to avoid pilot interventions to maximize interventions' impact.
- 2. In case of pilot projects, develop a more strategic approach to harness their potential. Specifically, the following phases should be taken into consideration:
  - Project conception: Clearly identify the hypotheses and specify the innovations introduced, such as in methodology, domains of intervention, and actors involved. Highlight the added value of the expected results and the potential for scaling up, which motivates the adoption of a pilot project.
  - Project implementation: In addition to standard periodic reports, analyze the intervention in light of the above-mentioned criteria.
  - Project evaluation: Whether evaluations are internal or external, frame them using the above-mentioned criteria throughout the entire evaluation cycle in order to influence the planning and identification phases of the interventions.
- 3. Ensure that IOM provides the technical leadership and management capacity expected from actors of this caliber and with these characteristics.
- 4. Avoid subcontracting large and strategic activities in order to ensure transparency, full control over implementation and compliance with project commitments by the actors responsible for execution.
- 5. Pay more attention to transversal aspects such as gender and equity at both project conception and implementation levels, especially in case of subcontracting.