



ЕВРОПЕЙСКАЯ КОМИССИЯ



Гуманитарная Помощь

International Rescue Committee

ECHO (European Community Humanitarian Aid Office)

Income Generation Project Northern Caucasus Republic of Chechnya

*Assistance to community recovery in Chechnya through skills
development and income generation opportunities*

FPA Number 3-061

Grant Agreement Number ECHO/-EE/BUD/2006/01005

Evaluation Report¹

**Sandra Basgall
Independent Consultant**

**Evaluation: July and August 2007
Report: August 7, 2007**

¹ This Evaluation report stands as the final evaluation for the ECHO (European Community Humanitarian Aid Office) Income Generation Project in the Northern Caucasus Republic of Chechnya in Russia.

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS.....	ii
EXECUTIVE SUMMARY	iii
1.0 INTRODUCTION.....	1
1.1 TERMS OF REFERENCE	2
1.2 TASK ORGANIZATION AND SCHEDULING	3
1.3 METHODOLOGY AND APPROACHES	3
1.4 CONSTRAINTS	5
2.0 PROGRAM SYNOPSIS	7
2.1.1 PROGRAM	7
2.1.2 PROGRAM GOAL.....	8
2.1.3 PROGRAM OBJECTIVES	8
2.1.4 PROGRAM INDICATORS	8
2.5. PROGRAM SOURCES OF EVALUATION	8
2.6.1 PROGRAM IMPLEMENTATION PROCESS.....	9
2.7 PROGRAM MANAGEMENT	12
3.0 EVALUATION FINDINGS	12
3.1.1 PROGRAM CONTEXT.....	12
3.2 PROGRAM DESIGN	13
3.1.2 PROGRAM COMPONENTS	16
3.1.4 PROGRAM IMPLEMENTATION	17
3.1.7 PROGRAM DATA NEEDS.....	18
4.0 ANALYSIS OF STRENGTHS AND WEAKNESSES OF THE PROGRAM.....	19
4.1.1 STRENGTHS.....	19
4.1.2 WEAKNESSES.....	19
4.1.3 OPPORTUNITIES	19
4.1.4 CHALLENGES	19
5.0 RECOMMENDATIONS AND CONCLUSIONS.....	19
5.1.1 RECOMMENDATIONS	19
3.1.1 CONCLUSIONS.....	23
LIST OF APPENDICES	25
Terms of Reference	29
List of Documents Reviewed	31
Evaluation Schedule	32
ECHO Income Generation Businesses sample	33
Sample by Location	34
Sample by Business	34
Sample by Gender	34
Sample by Location, Business, and Gender	35
International Rescue Committee Northern Caucasus Programme Work Plan for ECHO/-EE/BUD/2006/01005	36
ECHO Income Generationh Log Frame	38
Procurement Plan for ECHO/-EE/BUD/2006/01005	39

ABBREVIATIONS AND ACRONYMS

ECHO	European Community Humanitarian Aid Office
ECHO IGP	ECHO Income Generation Project
FGD	Focused Groups Discussion
IDP	Internally Displaced Person
INGO	International Non-Governmental Organization
IRC	International Rescue Committee
L&L	Learning & Livelihoods
LNGO	Local Non-Governmental Organization
NGO	Non-Governmental Organization
SME	Small and Medium Enterprises
ToR	Terms of Reference

It takes many people to complete an evaluation other than the evaluator. Special thanks goes to Amir Omanovic, the IRC Country Director when I started, and Pieter Devries, the IRC Country Director when I finished; to Neyrs Bannister, the woman of many titles, who always has a cheery face, a ready answer, and a helping hand; to Elina Amaeva, Project Manager, who helped me understand the people and culture of Chechnya; to my two translators, Maasheva Lika Alchazurovna and Fatima Matuteva, who not only made sense of the words, but were patient and understanding, and helped clarify the people and culture; to Tamila, the Acting Learning and Livelihoods Coordinator, and Ali, the ECHO Income Generation Coordinator, who were as proud of the beneficiaries as if they were their own children; and last, but not least, to ECHO who had the foresight to fund this project and with out whom the Chechen people would have been poorer in many ways and this evaluator would never have been touched by the resolution of the Chechen beneficiaries.

EXECUTIVE SUMMARY

The International Rescue Committee (IRC) Northern Caucasus program, *Assistance to community recovery in Chechnya through mobilisation for shelter rehabilitation, social improvements, skills development, and income generation opportunities*, implemented a pilot income generation program starting June 1, 2006 through June 30, 2007 in the six war affected villages of Chechnya, Alkhan-Yurt, Alkhazurovo, Argun, Mesker-Yurt, Prigorodnoe, and Staraya Sunzha, and the city of Grozny, funded by ECHO (European Community Humanitarian Aid Office).

This evaluation is the final evaluation of the ECHO program. The evaluation was conducted in July and August 2007 just after the program completion.

The aims of this evaluation were to look at lessons learned regarding the effectiveness of the income generation program, to identify best practices, and to provide recommendations for future programming.

The evaluation was coordinated from the IRC Northern Caucasus office in Nazran. Time was planned to allow for travel, time prior to arrival in the Northern Caucasus for document review, eighteen working days for interviews, focus group discussions and visits to community sub-project sites as well as a debriefing session with IRC program staff in Nazran, Ingushetia and ECHO staff in Moscow.

The evaluation included a number of different approaches in order to maximize the information gathered. The evaluation ToR focused on success or failure of the beneficiaries' businesses, continuation of the employment of new employees and apprentices, increase of knowledge from training, and reasons why ECHO shelter beneficiaries did not take advantage of the program. However, in order to ask the right questions and truly understand the program, the evaluator also reviewed materials and held discussions with the program staff, trainers, and other NGO personnel engaged in income generating projects in Chechnya.

In consultation with the IRC Program Coordinator and Grants and Monitoring and Evaluation Manager, a sample of the beneficiaries was chosen. They were broken down by location, type of business, and gender. The businesses types which were popular were evaluated less often than those types which were selected only once or twice. The sample includes all types of businesses and when there was a female and male beneficiary, both were selected. All beneficiaries receiving shelter assistance and/or training were included in the sample.

Focus Group Discussions (FGDs) were held with IRC staff to help determine economic indicators, a selected group of beneficiaries to determine their experience with the ECHO project, and a selected group of trainers to determine their experience with training the ECHO beneficiaries.

Program Summary

Chechens from the area around Grozny, who were certified as vulnerable² and who IRC further verified and used IRC's criteria in that they were unemployed, there was a single headed household in which the head was a widow or a single mother, they were orphaned, they were internally displaced persons, they had a big family, and/or there was a person in the family who was ill or handicapped.

Evaluation Findings

- Program Context: ECHO Income Generation program staff are handling the challenges presented by the program context (i.e. sensitive political context and fragile security situation) well.
- Program Design: The program has followed the intended methodologies and design outlined in the grant application and they have subsequently developed good procedures in which each part of the program runs well.
- Program planning: The program was found to have been planned properly. While there were delays in early implementation due to the delay in contract signing, the break while Russian NGOs had to reregister, and a program extension of one month, the beneficiary businesses were not able to be open for the full-three month business cycle which as initially planned.
- Program Components: The evaluation report speaks in detail about the findings about each of the program components. A few key points include:
 - The potential beneficiary selection process followed the criteria set out in the proposal. While evaluator felt that it could have been more transparent and systematic, any lack of these elements was due to the newness of program staff and not a deliberate choice to limit the objectivity of the process;
 - The evaluator was pleased with the additional poverty assessment criteria that were developed for the finalization of beneficiaries selected.
- The program has been very successful, based solely on the information received after business had been open one or two months. The evaluator is confident in predicting real growth in these businesses, with little attrition, and that many of the business growth plans will be realized and they will employ more people.
- An additional and unplanned finding is the real excitement the IRC staff feels about the project and their pleasure at hearing how successful the beneficiaries have been after only a short time in business. There is a real energized spirit from the staff.

Lessons Learned

There have been lessons learned about the income generation project. The three key observations are:

² Possession of a legal document certifying vulnerability, including: disability, aged over 60 years, female heads of household, who are supporting children, as well as families with five or more children.

- **Mistrust → Trust:** Many beneficiaries, because of their experiences with government and NGOs, were sceptic that the program would do what the IRC staff said it would. The success of this pilot program has gone a long way in giving credence to IRC's stated mission around income generation. It may backfire in the next cycle as IRG and ECHO's reputations preceded them. The evaluator believes there will be an abundance of applications and the IRC staff will be able to select more vulnerable beneficiaries as more people apply.
- **Beneficiary Manipulation → Beneficiary Transparency:** In a project such as this Income Generation project and, in fact, in any project, there is a want by locals to manipulate who benefits and who does not. By making the application selection very transparent from the beginning in as many ways as possible will help eliminate this phenomenon. Although, the gates that were initially developed in the selection process both at the initial review and at the internal review stages were excellent, there were still questions of favoritism. The complete selection criteria should be included on the front page of the application and it should also be stressed that eventhough an applicant satisfies all of the criteria, that if there are applications who are more vulnerable, they will be given preference.
- **“We want more” → “What more can you give us?”:** Beneficiaries in stressed communities have become dependent upon handouts from government and NGOs. The success of the ECHO Income Generation project has shows beneficiaries that they can maintain their own economic viability, but some beneficiaries still want more. The program needs to be couched in ways that stress economic stability and a self-determination through what they have received. The beneficiaries can also be encouraged to develop joint ventures where several beneficiaries should pool their resources and develop better economies of scale in their business venture.

Recommendations

- The application selection criteria should be included on the front page of the application packet to make the granting process completely transparent.
- Encourage joint ventures where several applicants pool their resources and develop grants which complement each other within a single business venture to maxamine economies of scale. This will result in more efficient businesses which higher profit margins.
- The application intake period should be only two weeks long, instead of one month and through a rolling application review, applications which do not fit the criteria can be weeded out eairery and for those applications which look like they will fit the criteria, staff can begin to verify potential beneficiary vulnerability.
- The poverty assessment tool developed for the internal review should be revised using criteria that was developed in the focus group discussion with the evaluator and the IRC Income Generation staff.
- During the internal review, outside NGO members and/or members of the community should be invited to be part of the review panal. This helps make the selection process more transparent and will keep IRC from receiving charges of unfair selection.
- Lists of equipment/supplies needed by the more popular business should be developed.

- The technical instructors should have input on these lists, any deviations from these lists, and for those beneficiaries who have new business ideas/needs.
- The training period should be reviewed. Some trainers and beneficiaries would like the trainings to be three days a week (Monday, Wednesday, and Friday) for six hours. This would allow the trainings to have more time for experiential learning and allow the practitioners time to study or do homework on the days when class is not in session. Other trainers and beneficiaries would like to have more flexibility in their class periods, i.e., the bakery trainer would like to have a three hour one day for theory and the next day six hour day for practice, other trainers might want to take their students on field trips, etc.
- The trainings need to have more literature for the students.
- Video and audio material are needed to supplement the training and would give more experiential learning to the students.
- Beneficiaries and trainers would like to have field trips to see businesses in action and talk to people already involved in the business.³
- A spread sheet needs to be developed for the monitoring information so that it can be accessible to the IRC staff so that trends can be seen and difficulties can be more obvious so help can be offered before it is too late.

³ I would recommend having the current beneficiaries as mentors for the new beneficiaries as they can help them learn from their experiences. The mentors should be reimbursed for their time or given an honorarium.

1.0 INTRODUCTION

The International Rescue Committee (IRC) Northern Caucasus received an ECHO (European Community Humanitarian Aid Office) grant, *Assistance to community recovery in Chechnya through mobilisation for shelter rehabilitation, social improvements, skills development, and income generation opportunities*, March 4, 2006. The income generation part of the project, which started June 1, 2006, was designed to develop income generating projects in the six war affected villages of Chechnya, Alkhan-Yurt, Alkhazurovo, Argun, Mesker-Yurt, Prigorodnoe, and Staraya Sunzha, and the city of Grozny to run through March 31, 2007, but the date was subsequently extended to June 30, 2007 (to be discussed in more detail under constraints).

GEOGRAPHIC LOCATIONS OF THE INCOME GENERATION PROJECT			
Rural District	Exact Location (rural villages/towns)	City	Urban District
Groznski Selski	Prigorodnoye	Grozny	Leninskiy
	Staraya Sunzha		Oktyabrskiy
Urus Martanovski	Alkhazurovo		Zavodskoy
	Alkhan-Yurt		
Shalinski	Argun		

As part of IRC's integrated approach to sustainable return and a commitment to fostering deeper community participation across all programs, IRC has adopted a market-driven and business-led approach to supporting economic recovery in villages where IRC is also supporting private shelter rehabilitation and small community identified projects. IRC's economic recovery activities include granting equipment and supplies to start up and/or expand micro-businesses as well as training in business management and development and relevant employment related skills.

The purpose of the grant was to provide income support to Chechens from the area around Grozny, who certify as vulnerable and who IRC further verified and used IRC's criteria:

1. They were unemployed,
2. There was a single headed household in which the head was a widow or a single mother,
3. They were orphaned,
4. They were internally displaced persons,
5. They had a big family, and/or
6. There was a person in the family who was ill or handicapped.

This evaluation was originally scheduled for April 2007 to coincide with the end of the ECHO project. Because IRC Northern Caucasus had to **suspend program activities as of October 19, 2006** in accordance with Federal Law #18-FL. This new legislation, *Concerning Non-Commercial Organizations*, stipulated that all international non-governmental organizations must be registered in the Russian Federation by October 18, 2006. Further, the law mandated that any organization failing to meet the deadline or that still had unresolved issues with

documents submitted would be forbidden by the Russian government to ‘work towards realization of program goals’ until their registration had been issued.

Consequently, contracts with local staff were terminated, sub-grant agreements with partners were suspended, and all program activities were halted. In late December, IRC was issued registration for an undetermined period and **program activities were resumed on December 28, 2006**. This pushed the ending of the project to June 2007 and the evaluation back to July and August 2007. This also resulted in reducing the time of delivery to the beneficiaries before the completion of the program and resulted in their not completing the anticipated three-months cycle of business.

The evaluation was carried out from July 23 through August 3, 2007, with a feedback session to IRC staff on 7th August and ECHO Moscow staff on 8th August. The evaluation, as per the Terms of Reference (ToR), essentially focused on the program success in terms of income generation, training, and future outcomes by the beneficiaries.

1.1 TERMS OF REFERENCE

The objectives/aims of the evaluation was to determine the extent to which the planned objectives, outcomes, outputs and activities have been accomplished in the IRC ECHO funded Income Generation project that started in April 2006 and finished in June 2007. The evaluator was expected to make recommendations for future income generation projects.

1.1.1.1 Evaluation Aims:

- Analyse both quantitative and qualitative information generated by project monitoring;
- Identify the major issues/factors influencing achievement or non-achievement of objectives;
- Examine the factors affecting the success and failure of income generation activities supported through the project;
- Examine the project's potential reported effects on income at individual and household levels;
- Examine the project's potential reported effects on job opportunities and the sustainability of apprenticeships and employment opportunities established through the project;
- Assess IRC monitoring, coaching and follow-up processes;
- Assess the effect of income generation activities on those who are also shelter beneficiaries and the benefits and/or drawbacks of linking these two interventions;
- Examine the effectiveness of project methodology; topics covered in training; use of in-kind grants and apprenticeships; and community mobilization techniques;
- Review and suggest revisions to the Logical framework of the project if necessary;
- Identify lessons learned, best practices approaches and form conclusions on the present project and make recommendations for future programming for IRC and the Income Generation and Economic Recovery sector in particular; integrating previous reports/assessments.

1.1.1.2 Expected Outputs

- A final report that includes an executive summary, methodology used, main findings, list of achievements, key recommendations, best practices and lessons learned, other opportunities and potential constraints.
- Debriefing of IRC Country Director and IRC program team on the main findings and recommendations at the end of the evaluation
- Debriefing of ECHO Moscow representative at the end of evaluation

1.2 TASK ORGANIZATION AND SCHEDULING

The evaluation was coordinated from the IRC Northern Caucasus program office in Nazran, Ingushetia, with logistical support from the IRC US office (travel arrangements to Russia) and the Moscow office (airport/hotel arrangements). Time was organized in order to allow for travel from the evaluator's base in Saxtons River, Vermont, USA to Moscow and then to Nazran; travel between sites within Ingushetia and Chechnya; document study; discussions with country office and program management; as well as feedback to the program team.

1.2.1.1 Work plan/Evaluation schedule

The IRC N. Program Coordinator, the Acting Learning and Livelihoods (L&L) Coordinator, and the ECHO Income Generation Coordinator, and their staff were responsible for preparing the plan/schedule for the evaluation as there were a number of security and logistical constraints that affect travel and scheduling of meetings within the republics. A copy of the schedule can be found in appendices, page 35. The schedule was designed to maximize the evaluator's time in each regional location as well as provide time for each Focus Group Discussion (FGD) and individual beneficiary interviews.

1.3 METHODOLOGY AND APPROACHES

The evaluator employed a number of different approaches in this evaluation in order to ensure comprehensive coverage and understanding of the program. The evaluation used the other following research methods:

1.3.1.1 Document Review

The evaluator was provided with critical documents needed to understand the program and its implementation both prior to and during the evaluation. The evaluator reviewed documents including: ECHO proposal; the mid-term report to ECHO; summary documents on program partners and communities; and program implementation documents and strategy papers. A full list of documents reviewed can be found in the appendices, page 34.

1.3.1.2 Selection of Communities for FGD and Interviews

The evaluator was presented with information on all beneficiaries of the ECHO Income Generation project and of other pertinent personnel involved in the project, e.g., trainers. Based on this information a sample of 28 out of 78 beneficiaries was selected, but due to time

constraints, only 21 were visited. Although all business types were included as were all locations, the criteria for rest of the selection included:

- Location, type of business, and gender.
- Businesses types which were the most popular having a smaller percentage.
- Businesses where there is a female and male beneficiary, both were selected.
- All beneficiaries received shelter assistance and/or training.

Interviews were also held with other NGOs involved in income generation activities to see how they were similar or different and to hear about their lessons learned. They included:

- International Committee of the Red Cross (ICRC)
- International Medical Corps (IMC)
- World Vision
- CARE

The Focus Group Discussions were held with:

- IRC Staff: Determine economic indicators,
- Beneficiaries: Determine their experience with the ECHO project, and
- Trainers: Determine their experience with training the ECHO beneficiaries.

1.3.1.3 Key Informant Interviews, Focus Group Discussions and Site Visits

Interviews were conducted with key country office and program staff. The evaluator visited sites (often in homes) where the ECHO program was being implemented. Each benefactor was questioned about how they heard about the ECHO Income Generation Project, what prompted them to apply, their experience during the process (including their training experiences), how they were currently doing financially, income generated per month, number of employees and apprentices employed, size of the beneficiary's family, size of employees and apprentices' families, total number of people being supported by the project, future plans for business, and any additional information they wanted to give about the experience for future beneficiaries.

Questions for the focus group discussions were dependent upon who the participants were in the focus group and the reason for the focus group. They are as follows:

- IRC Staff: Focus group was used to help determine economic indicators that could be used to evaluate the beneficiaries.
- Beneficiaries: Similar questions as above for the individual recipients were asked, but further discussion around their experience with the process to develop recommendations for future programs.
- Trainers: Focus group looked at their experience with training the ECHO beneficiaries and developing recommendations for further programs.

1.3.1.4 Key informant interviews:

Interviews were conducted with key informants to the program, these included the following:

- Program Management (Learning and Livelihoods Sector Coordinator, ECHO Program Manager, other staff involved with the ECHO program)
- Country Program Management (Country Director, Program Coordinator, Deputy Director Finance and Administration, Operations Coordinator, Senior Logistics Manager)

As will be discussed in the constraints, it was difficult to elicit criticism or feedback from the beneficiaries that could be considered negative, even with probing. The evaluator understood how grateful the beneficiaries are to be given an opportunity to have an income generating opportunity as they saw no hope for the future before, but this constrained the process of soliciting ideas and recommendations for future projects. This will be discussed more in the constraints section.

All information gathered during the interviews and FGDs was documented in such a way so that specific comments could not/would not be attributable to any individual. This was especially important during the FGDs, as the evaluator hoped to gain as much honest/candid information as possible, especially about areas that might seem sensitive or be seen as critical of IRC or the program.

1.3.1.5 Debriefing

A debriefing/feedback session was held on the final day of the evaluator's visit in the Northern Caucasus. The purpose of this session was to present the program implementation team (as well as senior country management) with an overview of the findings of the evaluation, and to discuss some basic recommendations.

1.3.1.6 Report Presentation

The evaluation report was discussed with the IRC Northern Caucasus Country Program Management and key implementers before it was finalized. The report was prepared for ECHO, with only grammatical (i.e., spelling) changes made.

1.4 CONSTRAINTS

The following constraints should be considered when reviewing this report.

1.4.1.1 Security

The IRC Northern Caucasus have a very strict security protocol in place. This protocol requires all expatriate staff and visitors to be accompanied by armed security guards, and limits trips to Chechnya.

1.4.1.2 Choice of sites to visit

Sites for the evaluation visit were chosen so as to visit all the areas and all types of business, as well as a comparison between urban and rural business and making sure that when female and male beneficiaries were engaged in the same business, both were visited. While the beneficiaries were chosen in order to provide a broadest cross-section, time constraints limited the number that could be visited. The evaluator feels that the ones chosen were sufficient for gathering

information related to the program, however, it may not always be possible to generalize based on the information gathered.

1.4.1.3 Time available

Initially the evaluation was limited to 10 working days.⁴ Due to flight delays from the United States, a mix-up in arrival time, and the fact that the evaluator could not get into Chechnya until August 1, 2007, the total evaluation was extended until August 8, 2007. Although this was an extension in time, the constraint of when the evaluator could enter Chechnya and how long she could stay limited the number of beneficiaries that could be visited.

In addition, due to other competing demands for IRC staff to be in Chechnya during the same period and return before the evaluator was done visiting beneficiaries, created down periods when the car and guards were not available for the evaluator to continue interviewing while the IRC staff returned to the boarder.

Initially, it was planned that the evaluator and her translator would stay overnight in Chechnya in the IRC guest rooms. Because the office site was moved exactly during the period of the visit to Chechnya, the evaluator had to spend three hours a day driving back and forth from Nazran and Chechnya, leaving less than four hours a day to interview the beneficiaries.

1.4.1.4 Timing of the visit

As mentioned previously, the evaluation was originally scheduled for April 2007 to coincide with the end of the ECHO funding. IRC Northern Caucasus had to **suspend program activities as of October 19, 2006** in accordance with Federal Law #18-FL. This new legislation, *Concerning Non-Commercial Organizations*, stipulated that all international non-governmental organizations must be registered in the Russian Federation by October 18, 2006. Further, the law mandated that any organization failing to meet the deadline or that still had unresolved issues with documents submitted would be forbidden by the Russian government to ‘work towards realization of program goals’ until their registration had been issued.

Consequently, contracts with local staff were terminated, sub-grant agreements with partners were suspended, and all program activities were halted. In late December, IRC was issued registration for an undetermined period and **program activities were resumed on December 28, 2006**. The program was rescheduled to end June 2007 and evaluation was then rescheduled for July 2007.

The change in time limited the evaluator interviewing any trainers except the vocational trainers⁵ as the Chechen Institute of Technology faculty were on annual leave. This limited the richness of the information about the training process of the beneficiaries.

⁴ July 19 to 30, 2007.

⁵ Bakery, shops, and cattle feeding.

1.4.1.5 Candidness of Respondents

While the evaluator did not overtly experience mistrust, it must be understood that it is difficult for an ‘outsider’ to elicit open, honest responses in interviews or focus group discussions with residents of the Republics.

Also, having armed guards standing nearby and watching the area made the situation not as conducive to discussions.

1.4.1.6 Translation

All meetings, focus groups, and interviews were conducted through translation (with the exception of conversation with some of the IRC staff) and difficulties attributable to translation-based responses are expected. The evaluator took notes in English, based on the translation.

1.4.1.7 Documentation

Some of the key program documentation was available only in Russian and the evaluator had to rely on a translator to find some of the information required. This resulted in some misunderstanding by both the translator and the evaluator as the evaluator had to rely upon documents translated into English and it was discovered that not all of them had been translated, consequently, some of the information had to be recollated and this wasted a considerable amount of time.

2.0 PROGRAM SYNOPSIS

This portion of the report presents an overview of the ECHO Income Generation program including the goals, objectives and outputs presented in the proposal.

2.1.1 PROGRAM

IRC in the Northern Caucasus is committed to providing economic recovery assistance to war-affected communities in Chechnya. The program has modelled small-scale interventions in vocational training and livelihood inputs to IDPs and returnees through an ECHO grant (EUR 500,000) for income generation activities, vocational training and support to SMEs.

The program was planned as a twelve-month program that was part of the original ECHO grant, *Assistance to community recovery in Chechnya through mobilisation for shelter rehabilitation, social improvements, skills development, and income generation opportunities*, approved March 4, 2006. The income generation part of the project, which started June 1, 2006, was designed to develop income generating projects in the six war affected villages of Chechnya, Alkhan-Yurt, Alkhazurovo, Argun, Mesker-Yurt, Prigorodnoe, and Staraya Sunzha, and the city of Grozny.

2.1.2 PROGRAM GOAL

To improve the quality of life for the most vulnerable families who had relocated to six war affected villages of Chechnya, Alkhan-Yurt, Alkhazurovo, Argun, Mesker-Yurt, Prigorodnoe, and Staraya Sunzha, and the city of Grozny through income generation development.

2.1.3 PROGRAM OBJECTIVES

70 sustainable micro-businesses established that lift selected beneficiaries out of poverty and decrease vulnerability, benefiting 158 people through micro-business ownership, employment or apprenticeship opportunities.

2.1.4 PROGRAM INDICATORS

2.1.4.1 At least 70 new employment opportunities created as a result of support to start-up or expand micro-businesses.

2.1.4.2 At least 90% of micro-business owners, new employees and apprentices have increased technical knowledge and skills in their chosen field after participation in custom-designed training courses.

2.1.4.3 At least 90% of apprentices show an increased knowledge and understanding in all areas of the small business operations, including basic management, project planning and accounting and demonstrate capabilities to run their own business. They form the direct logical population of future beneficiaries for follow-up income generation projects implemented by IRC and other agencies.

2.1.4.4 At least 70% of the micro-businesses show a significant increase in their productivity and a 10-25% increase in net profit by the end of the project cycle, indicating viable potential for future business growth.

2.1.4.5 Percentage of products sold and percentage of products for proper use/preserve for each micro-businesses producing goods

2.1.4.6 At least 95 % of the newly trained employees are still working in the micro-businesses three months after the end of project, indicating the sustainability of the jobs created.

2.5. PROGRAM SOURCES OF EVALUATION

2.5.1.1 Beneficiary files including the application file with business concept, assessment results, signed agreement outlining commitment to project, and monitoring reports

2.5.1.2 Pre and post tests for training course participants; report from trainers.

2.5.1.3 Business Plans for future micro-business development.

2.5.1.4 Pre- and post-tests assessing apprentices' progress and acquired knowledge

2.5.1.5 Micro-businesses book keeping records in compliance with Russian standards

2.5.1.6 Monthly visits and monitoring reports from IRC staff.

2.5.1.7 Monitoring visits to verify continued employment after project end

2.5.1.8 Final impact evaluation

2.6.1 PROGRAM IMPLEMENTATION PROCESS

DATE	EVENT	DETAILS
2.6.1 June 2006	Grant Announcement	<p>IRC staff conducted open informational meetings to introduce the program in target communities. Meeting agendas included introduction of the program's goals and methodologies, outlining of types of assistance available (including maximum size of grants to be awarded) and selection criteria.⁶ At each meeting, information sheets were distributed on the project. IRC also distributed information sheets at community recovery committees' meetings held for the realization of the quick impact projects under the shelter component of the program.</p> <p>Information sheets were also displayed in local administrations' announcement boards and in post offices, where a number of people usually gather as well as in newspapers</p>
23/06/06	Prigorodnoe	42 people attended
26/06/06	Staraya Sunzha	44 people attended
28/06/06	Alkhazurovo	32 people attended
29/06/06	Mesker-yurt	35 people attended
July-Aug. 2006	Governmental and administrative authorities: introduced to project by IRC Economic Recovery Program Manager	The Deputy Minister of Agriculture, President assistant, The Deputy Head of Grozny administration, The Head of Leninskiy district administration, The Deputy Head of Zavodskoy district administration, The Deputy Head of Oktyabrskiy district administration, The Deputy Head of Prigorodniy administration, The Head of Staraya Sunzha administration, The Deputy Head of Mesker-Yurt administration, The Deputy Head of Alkhazurovo administration, The Deputy Head of Urusmartanovsky district administration, The Head of Chechen TV,

⁶No meetings were held in Alkhan-Yurt and Argun since IRC staff was forbidden to conduct any public meetings in these locations.

18/05/06	State Radio	The Deputy Head of Education department, The Deputy Head of Argun administration, The Deputy Head of Alkan-Yurt administration, The Head of the Republican Business Center, The Head of Committee for Small Business development. IRC Economic Recovery Program Manager gave an interview to the local State radio to publicly launch ECHO/IRC's income-generating activity initiative in the region.
2.6.2 Aug. 1-31, 2006	Application Period	Application forms were made available to the public in IRC Grozny office. Interested candidates were given one month to prepare and submit applications.
2.6.3 Aug. 31, 2006	Application Deadline	280 applications had been received by IRC Grozny Office. Applications vetted for selection criteria and 150 remained ⁷
2.6.4 Sept.-Oct. 2006	Household Assessments	The IRC Economic Recovery team conducted household assessments to verify the vulnerability of each of the 280 applicants. The poverty assessment tool used for these assessments contained two parts: a description of the household and a description of living conditions. "Hard" information collected with this tool was evaluated on a program-specific scoring scale with a maximum of six points; only applicants scoring three points or more were considered eligible for further consideration.
2.6.5 Sept.-Oct. 2006	Business Concepts	Business concept forms were either filled in while the poverty assessment was taking place and submitted to field staff or completed later and submitted at the IRC Grozny office.
Sept. 2006	Revisit	When the business model did not specify exact equipment wanted, the IRC staff visited the applicants to find out exactly what was needed.
2.6.6 Oct. 6, 12, & 17, 2006	Internal Commission Review	The IRC Economic Recovery team convened an internal commission to review each applicant's case. Participants included the IRC Program Coordinator, all IRC Economic Recovery staff, and an additional neutral participant from another IRC program sector (the IRC Civic Recovery Program Manager, Water and Sanitation Program Manager, and Vocational Training Program Manager on subsequent days).

⁷A small number of additional applicants were disqualified at this stage because they could not be located, despite numerous phone calls and attempts to reach them through informal channels.

April-May 2007 Business Course A three week business management course was held at the end of the vocational training.

2.6.12 **Businesses** Although different businesses had different start up dates due to delivery of equipment, training, etc., all had begun by the end of May.

2.6.13 **Monitoring** 77 or the 78 businesses are up and running. Only 11 are registered in the tax service, but the rest promise to register. 52 of the grantees have earned a profit at the end of their first month of work. 2 have incurred losses and 3 have balanced result. The 22 grantees who are feeding cattle have seen a 50 to 90 kilo increase in weight.

2.7 PROGRAM MANAGEMENT

The program is managed by the ECHO Income Generation Manager who oversees a national staff. All the ECHO staff were brought on board with little or no previous experience. The program manager oversees the IRC development of business and the technical officers and all of the IRC management staff liaises with the NGO partner mobilization staff.

The ECHO Income Generation program received logistical and financial support (both for program operations and for partner projects) from the Nazran office logistics and finance staff.

3.0 EVALUATION FINDINGS

This portion of the report presents the evaluation findings in terms of program context, program design, program implementation, program outputs, program data needs, and program management (including country program support).

3.1.1 PROGRAM CONTEXT

The ECHO Income Generation program is operating in a very delicate/sensitive political environment. The recent re-registration of NGOs by the Russian government is just one example of this.

Important considerations in the program context include:

- The authorities were suspicious of activities that involve community meetings and in the two communities in which they would not allow meetings, the authorities wanted to give IRC their own list of people to receive benefits.
- The Republic of Chechnya is in the process of recovering from two conflicts and security in the area remains fragile.

¹¹ Vocational classes were held in livestock, shoe repair, laundry, massage/spa treatment, greenhouse, auto service, production of building materials, computer services, furniture repair, hairdressing, tailoring, bakery, shops, cosmetology, and cafés. See the IRC-NC Program Work Plan in the appendices, page 39-40, for time and length of each class delivered.

- Years of relief assistance have revolved around programs that provided goods, services or infrastructure to communities without consulting with them or requiring their input, participation or contribution. This has coloured the perceptions of community members regarding the role of international NGOs in the recovery process for the region with many feeling that it is the responsibility of international agencies to rebuild the region.
- Years of promises and subsequent cases where there was failure to deliver both by the government and by NGOs have led to a profound lack of trust by people that an organization will do as it promises.

All of these factors lend to an environment where the ability to mobilize people to solve their own problems is severely inhibited. The ECHO Income Generation program is about developing economic opportunity and economic self-reliance. Beneficiaries gaining the skills and opportunity and to control their economic future in both the short- and long-term. This is vital for the recovery process.

2.6.8 Findings

Though the factors mentioned above do cause challenges for a program like the ECHO Income Generation project. The program management has thought carefully about each of these factors each step of the way and implemented measures within the program to deal with them.

In reviewing the program, the evaluator feels that this was the right decision at the time. The program design was modified to fit within the context of Chechnya, considering the factors mentioned above. The program context has caused some delays (e.g., re-registration) and hesitancy on the part of community members to participate because they did not believe that any NGO would follow through with such a program.

After completion of the ECHO Income Generation project, community members that the evaluator spoke with saw value in being able to define the work they want to do, decide on what equipment they need, and receive the technical training designed for their own business needs, supplemented with the strong business management training.

3.2 PROGRAM DESIGN

The design of the current phase of the ECHO Income Generation project was reviewed with a view to determine the following elements for appropriateness:

1. Whether program implementation has followed intended methodologies and the design outlined in the logical framework;
2. Whether the original program design was appropriate and feasible in light of the realities

3.2.1. Program Design and Methodology

The ECHO Income Generation project was designed to begin to help improve the quality of life through income generation projects in Chechnya.

The program design included working with potential beneficiaries and then the selected beneficiaries in each step of the program implementation. In speaking with other NGOs¹² involved in income generation, they followed a similar plan with a few variations.

The design of the program had three main objectives:

- 70 sustainable micro-businesses established that lift selected beneficiaries out of poverty and decrease vulnerability, benefiting 158 people through micro-business ownership, employment or apprenticeship opportunities.
 - At least 70 new employment opportunities created as a result of support to start-up or expand micro-businesses.
 - At least 90% of micro-business owners, new employees and apprentices have increased technical knowledge and skills in their chosen field after participation in custom-designed training courses. through training, mentoring, technical assistance and resourcing,
 - At least 90% of apprentices show an increased knowledge and understanding in all areas of the small business operations, including basic management, project planning and accounting and demonstrate capabilities to run their own business. They form the direct logical population of future beneficiaries for follow-up income generation projects implemented by IRC and other agencies.
 - At least 70% of the micro-businesses show a significant increase in their productivity and a 10-25% increase in net profit by the end of the project cycle, indicating viable potential for future business growth.
 - Percentage of products sold and percentage of products for proper use/preserve for each micro-businesses producing goods. At least 95 % of the newly trained employees are still working in the micro-businesses three months after the end of project, indicating the sustainability of the jobs created. At least 95 % of the newly trained employees are still working in the micro-businesses three months after the end of project, indicating the sustainability of the jobs created.

Specific outputs were planned and a performance data monitoring table was developed for ECHO reporting.

Findings

1. Whether program implementation has followed intended methodologies and the design outlined in the proposal(s):

The ECHO INCOME GENERATION PROJECT followed the basic methodologies and design outlined in the proposals. They did not, though, develop a detailed working plan and relied upon a graphed work plan instead (see appendices, page 39-40). A detailed after-the-fact work plan is included previously in section 2.6, pages 10-14.

2. Whether the original program design was appropriate and feasible in light of the realities

The evaluator feels that the basic design was appropriate and generally feasible. It took into account the local context, but it also pushed the boundaries by allowing the potential

¹² ICRC, IMC, World Vision, and CARE.

beneficiaries to decide on the business they wanted to start or continue based on their skills and interests. The beneficiaries also were able to develop a strong work plan based on their interests which helped them with the initial start up and consequent running of the business.

However, after analyzing the design, conducting the evaluation and based on her own professional experience, the evaluator would point out a few aspects of the design that could have been better planned:

- 1) Develop a good marketing plan to introduce the program,
- 2) Design the application to clearly indicate on the first page of the application what villages, civil districts, and/or towns are eligible and include the selection criteria,
- 3) Limit the window of opportunity in which to submit an application to 2 weeks,
- 4) Equipment recommendations should be developed for the most popular businesses, and
- 5) Hire the trainers as consultants when beneficiaries are completing their business plan so that the appropriate equipment/materials are ordered.

Timeframe

Collapse the time frame from the time potential beneficiaries can apply through to the selection and training so that beneficiaries have more time in which to run their business within the granting period.

Program planning

The proposals to ECHO Income Generation project contained the work plan. Revisions to the work plans were presented to the donor with the required program reports.

Findings

It is the evaluator's finding that the program was planned properly. Revisions to the work plan were shared with the donors in a timely manner. There were delays in the program as IRC waited for ECHO to sign off on the program and IRC Northern Caucasus had to **suspend program activities as of October 19, 2006** in accordance with Federal Law #18-FL. This new legislation, *Concerning Non-Commercial Organizations*, stipulated that all international non-governmental organizations must be registered in the Russian Federation by October 18, 2006. Further, the law mandated that any organization failing to meet the deadline or that still had unresolved issues with documents submitted would be forbidden by the Russian government to 'work towards realization of program goals' until their registration had been issued.

Consequently, contracts with local staff were terminated, sub-grant agreements with partners were suspended, and all program activities were halted. In late December, IRC was issued registration for an undetermined period and **program activities were resumed on December 28, 2006**. Because of these delays, by the time of the evaluation (July 2007), the ECHO Income Generation project beneficiaries had not completed the ECHO/IRP contract required to be in business for at least three months.

3.1.2 PROGRAM COMPONENTS

The following are evaluation findings specific to various program components or processes.

3.1.3 Beneficiary selection

Beneficiaries were selected based in part on criteria from the proposal and actualized through a set of criteria specifically designed for the ECHO Income Generation project. They included:

1. Unemployment
2. Widow or single women headed household
3. Orphan
4. IDP
5. Big Family
6. Ill and/or handicapped beneficiary or family member

Of the 280 applications received by IRC Grozny Office, after vetting using the selection criteria, 150 remained.

The IRC Economic Recovery team then convened an internal commission to review each applicant's case. Participants included the IRC Program Coordinator, all IRC Economic Recovery staff, and an additional neutral participant from another IRC program sector (the IRC Civic Recovery Program Manager, Water and Sanitation Program Manager, and Vocational Training Program Manager on subsequent days).

Using a program-specific evaluation tool¹³ with a maximum of 18 points,¹⁴ the commission scored each application according to "hard" information such as the technical feasibility of their proposed business concept and vulnerability level verified by the poverty assessment, as well as "soft" information, such as character.¹⁵

Ninety-eight individuals were chosen as potential beneficiaries after verifying vulnerability and reviewing business concepts of all applicants (pending ECHO approval).¹⁶

By the time that the program began, the IRC list had decreased from 98 to 78 for the following reasons:

- Beneficiaries did not have the premises to open their business any more
- Beneficiaries did not want to be excluded from DRC/ICRC lists
- Beneficiaries did not want equipment but cash
- Pre-conditions required for the set up of the businesses did not meet minimum standards (cow shed too small, no access to water etc.)

¹³ See *Internal Commission Grant Applicant Evaluation Form* as Attachment 4.

¹⁴ Applicants with 12 or more points were accepted as beneficiaries (pending ECHO approval). Applicants with between 9 and 11 points were accepted as "reserve" candidates. Applicants with less than 9 points were rejected as beneficiaries for this program

¹⁵ Some applications were automatically rejected from consideration because the proposed business location was outside of target areas, no business concept form was submitted by the final date of the commission (39 potential beneficiaries are in this case), or two applications were received from the same household (in this case, only the stronger business concept was considered).

¹⁶ Priority was given to beneficiaries of past ECHO-funded shelter or vocational training programs. Next priority was given to applicants with the highest number of points awarded by the internal commission.

- For existing businesses, beneficiaries lost their rented equipment.

At the end of January beginning of February, an allegation of potential corruption was lodged against IRC Northern Caucasus in their beneficiary selection. IRC Senior Management decided to conduct an extensive monitoring exercise on the beneficiary selection process which took place from August 1' 2006 through October 17' 2006.

In the perspective to appraise the transparency and clarity of the beneficiary selection process for this project, IRC Senior Management identified the following questions to be asked to all households visited:

1. How did you learn about the IRC Income Generation project?
2. Who are your contact people at IRC?
3. How often have you been in contact with them and when was the last time you had contact with IRC?
4. What kind of support have you been provided by IRC?
5. What contribution have you been asked for as part of the project?
6. What do you know about the status of your application?
7. Do you have any complaints or anything else you would like to add in confidence?

The first two monitoring visits took place on February 8th and 9th in Chechnya.

In reviewing the data received from these questions, it was apparent the accusations were not true and no instances of corruption were uncovered. IRC continued this monitoring through the end of the project.

Findings

The beneficiary selection process followed the criteria set out in the proposal. When the applications were first culled, the beneficiaries fit at least one criterion and many fit several. The IRC staff was diligent in verifying that the potential beneficiaries fit the criteria through physically verifying each beneficiary's documents to see that they were vulnerable people. They developed a poverty assessment tool in which only those that rated 3out of 6 were eligible.

The subsequent blind evaluation by the internal commission, meant that nether location or gender affected the selection and this final group was again vetted to make sure they still meant the criteria.

ECHO gave initial approval on all but three and after they had received additional information, the three were also approved making a total of 78 beneficiaries.

3.1.4 PROGRAM IMPLEMENTATION

3.1.5 Program Management

The program is managed by the ECHO Income Generation Manager who oversees a national staff. The program manager oversees the IRC development of business and the technical officers and all of the IRC management staff liaises with the NGO partner mobilization staff.

Findings

The ECHO Income Generation project is a new and different type of program for the Chechnya. For that reason, staff, especially national management staff, did not have previous experience in methodologies in this area. The Coordinator has, therefore, played a more direct management role than would be expected in a program with more history and experience. During the last year she has also done a good job in mentoring program staff, and providing them with the opportunity and skills to take on more and more responsibility.

The team has made a lot of improvements and changes based on their experiences and learning. Program staff are feeling more comfortable making suggestions for implementation and applying what they have learnt. It is, however, important to continue focusing on building staff capacity, especially in the management of the program.

3.1.6 Monitoring and supervision

The ECHO Income Generation project staff are supposed to monitor each program once a month, but since most beneficiary businesses have only been running one or two months, only one evaluation had been completed at the time of this evaluation.

Findings

The only evaluation showed that out of the original 78 businesses, 77 are still in operation. One business had not remain open due to the poor health of the beneficiary. All of the employees are still working and if the original employee had to quit, another was employed in their place. All of the apprentices are still working.

3.1.7 PROGRAM DATA NEEDS

The ECHO Income Generation project data is gathered once a month by IRC staff. The information gathered is:

1. Business still in operation?
2. Business registered with the tax service?
3. Are employees still working?
4. Are apprentices still employed?
5. Have the businesses made any profit (verify by showing record books)?
6. Have the cattle increased their weight/Have cattle improved their weight enough to sell and have replacement cattle been purchased?
7. Do businesses have signage and other equipment, i.e., fire extinguishers?

Findings

The program needs to continue being monitored monthly for at least six months. The evaluator recommends that a more standardized data management system be put into place to manage the data and make it available in an easy, usable format for all program staff.

4.0 ANALYSIS OF STRENGTHS AND WEAKNESSES OF THE PROGRAM

The following are a summary of the strengths, weaknesses, opportunities and challenges of and for the ECHO Income Generation program.

4.1.1 STRENGTHS

- The program has been able to find strong, dedicated staff, able to learn the program and its methodology and motivate the beneficiaries with whom they work.
- The program not only helps beneficiaries, but it given them a future in which they are economically solvent and have the opportunity to grow their businesses.
- An unexpected benefit is the pleasure the staff receives working with such a strong, positive program.

4.1.2 WEAKNESSES

- The newness of the staff to this program.
- The initial application completion time was too long.
- Lack of transparency of the beneficiary selection.
- The lack of understanding by the beneficiaries as to exactly what equipment they needed.

4.1.3 OPPORTUNITIES

- IRC is in an excellent position for the next round of income generation programming. The staff has the experience, but more importantly, there are satisfied beneficiaries who will encourage new applications and be able to give input to potential new beneficiaries.
- Because of the reputation of the program, a much larger number of applications should be received in the next round. This will mean that the level of vulnerability of the beneficiaries selected will increase because of the larger application pool.

4.1.4 CHALLENGES

- The political environment continues to be a challenge as the Russian and regional governments remain suspicious of NGO programming.
- A future challenge will be that the next round of income generation selection will result in more applications than the IRC staff can easily handle.

5.0 RECOMMENDATIONS AND CONCLUSIONS

5.1.1 RECOMMENDATIONS

The evaluator was asked, through the ToR to specifically:

- Analyse both quantitative and qualitative information generated by project monitoring;
- Identify the major issues/factors influencing achievement or non-achievement of objectives;
- Examine the factors affecting the success and failure of income generation activities supported through the project;

- Examine the project's potential reported effects on income at individual and household levels;
- Examine the project's potential reported effects on job opportunities and the sustainability of apprenticeships and employment opportunities established through the project;
- Assess IRC monitoring, coaching and follow-up processes;
- Assess the effect of income generation activities on those who are also shelter beneficiaries and the benefits and/or drawbacks of linking these two interventions;
- Examine the effectiveness of project methodology; topics covered in training; use of in-kind grants and apprenticeships; and community mobilization techniques;
- Review and suggest revisions to the Logical framework of the project if necessary;
- Identify lessons learned, best practices approaches and form conclusions on the present project and make recommendations for future programming for IRC and the Income Generation and Economic Recovery sector in particular; integrating previous reports/assessments.

5.1.1.1 Quantitative and qualitative information generated by project monitoring:

Findings:

The ECHO Income Generation project generates quite a bit of quantitative data, but a way has not yet been devised in which to make that information accessible to all of the staff, particularly with the monthly business evaluation material.

5.1.2 Identify the major issues/factors influencing achievement or non-achievement of objectives:

Findings:

On the whole, the ECHO Income Generation project was a very successful program. IRC increased all of the initial numbers, e.g., 78 beneficiaries instead of 70, except in the area of finding beneficiaries from the ECHO Shelter project. The reasons seem to be numerous, but many of them are because these beneficiaries do not have the literacy and numeracy skills necessary to be successful in developing a business plan or running a business. Also, many of these beneficiaries do not speak Russian so it would be hard to train them as there are limited trainers who speak their language.

The evaluator, after speaking with numerous stakeholders, believes the programme success is because instead of just giving a 'hand-out', the beneficiaries are given a future in which they can become economically viable and a future in which they can envision growing their businesses.

5.1.3 Examine the factors affecting the success and failure of income generation activities supported through the project.

Findings:

One of the constraints in answering this question is that most of the beneficiaries have not reached the three month anniversary of their business being open as was envisioned when the program was started. None the less, based on one to two month of continual business, the evaluator can safely say that the success of the program is based on the beneficiaries being eager to succeed, good training provided for the beneficiaries and their employees, and a good business plan. The majority of the businesses have already realized a profit.

The most important factor is one that is often overlooked and that is the fine quality of the IRC personnel who are staffing the program. Their care for this program was seen by the work they accomplished and every beneficiary visited had nothing but praise for the staff.

5.1.4 Examine the project's potential reported effects on income at individual and household levels.

Findings:

The majority of the businesses are making money at an average of almost 8,000 rubbles a month. In just the 21 businesses the evaluator visited (appendices, page 36), they have a total of 39 employees and 3 apprentices. They are supporting a total of 265 people which is an average of 12 people a business. As the businesses become more established and they build their cliental and reputation, larger profits will be realized and the owners and employees will each earn more.

5.1.5 Examine the project's potential reported effects on job opportunities and the sustainability of apprenticeships and employment opportunities established through the project.

Findings:

Each of the businesses visited have at least one employee. Some of those were family members, but many were not relatives. As the businesses mature and expand, they will need more employees and will have to train more people in their business. Several business have already employed four or more employees and are only constrained in hiring more by the physical size of their structure.

5.1.6 Assess IRC monitoring, coaching and follow-up processes.

Findings:

IRC is doing a fine job in monitoring the project, coaching beneficiaries and their employees, and following up on the well-being of the business. Repeatedly, the evaluator heard how diligent the IRC staff was during the application process and that they had seen them several times since they had opened their businesses. The beneficiaries and employees the evaluator spoke with had nothing but praise for the IRC staff.

5.1.7 Assess the effect of income generation activities on those who are also shelter beneficiaries and the benefits and/or drawbacks of linking these two interventions.

Findings:

The goal was not met in including shelter beneficiaries in the Income Generation program. There were many constraints for this group as a whole. Literacy, numeracy, and understanding of Russian were the main drawbacks. They were unable to develop good business plans and were not able to receive the value of the training courses because of these limitations.

The beneficiaries, on the other hand, tended to be ‘go-getters’, have an entrepreneurial spirit, and a desire for economic independence. These were not characteristics the staff found in the ECHO shelter recipients.

The time-frame for this evaluation did not allow the expenditure of resources to thoroughly answer this question. One of the important findings, though, was that many of the ECHO Shelter beneficiaries did not wish to give up their DRC/ICRC status.

- 5.1.8** Examine the effectiveness of project methodology; topics covered in training; use of in-kind grants and apprenticeships; and community mobilization techniques.

Findings:

There is some ‘tweaking’ needed in the project methodology. One of the recommendations is to limit the application time to two weeks, another is to have a rolling review during that period so as to weed out applications who do not fit the criteria earlier and begin evaluating the applicants for vulnerability status. Equipment recommendation should be developed for the more popular businesses. The technical trainers should act as consultants in the development of businesses equipment needs. Trainers should have more flexibility on the time scheduling of their course. Some need more hands on time than others and a six hour session three day a week schedule should be explored.

- 5.1.9** Review and suggest revisions to the Logical framework of the project if necessary.

Findings:

The logic framework was excellent and its completion in the appendices on page 41 easily shows how successful the program has been.

- 5.1.10** Identify lessons learned, best practices approaches and form conclusions on the present project and make recommendations for future programming for IRC and the Income Generation and Economic Recovery sector in particular; integrating previous reports/assessments.

Findings:

There have been lessons learned about the income generation project. The three key observations are:

- 1 **Mistrust → Trust:** Many beneficiaries, because of their experiences with government and NGOs, were sceptic that the program would do what the IRC staff said it would. The success of this pilot program has gone a long way in giving credence to IRC's stated mission around income generation. It may backfire in the next cycle as IRG and ECHO's reputations precede them. The evaluator believes there will be an abundance of applications and the IRC staff will be able to select more vulnerable beneficiaries as more people apply.
- 2 **Beneficiary Manipulation → Beneficiary Transparency:** In a project such as this Income Generation project and, in fact, in any project, there is a want by locals to manipulate who benefits and who does not. By making the application selection very transparent from the beginning in as many ways as possible will help eliminate this phenomenon. Although, the gates that were initially developed in the selection process both at the initial review and at the internal review stages were excellent, there were still questions of favoritism. The complete selection criteria should be included on the front page of the application and it should also be stressed that eventhough an applicant satisfies all of the criteria, that if there are applications who are more vulnerable, they will be given preference.
- 3 **“We want more” → “What more can you give us?”:** Beneficiaries in stressed communities have become dependent upon handouts from government and NGOs. The success of the ECHO Income Generation project has shows beneficiaries that they can maintain their own economic viability, but some beneficiaries still want more. The program needs to be couched in ways that stress economic stability and a self-determination through what they have received. The beneficiaries can also be encouraged to develop joint ventures where several beneficiaries should pool their resources and develop better economies of scale in their business venture.

3.1.1 CONCLUSIONS

The following conclusions can be made based on this evaluation:

- The application selection criteria should be included on the front page of the application packet to make the granting process completely transparent.
- Encourage joint ventures where several applicants pool their resources and develop grants which complement each other within a single business venture to maxamine economies of scale. This will result in more efficient businesses which higher profit margins.
- The application intake period should be only two weeks long, instead of one month and through a rolling application review, applications which do not fit the criteria can be weeded out earier and for those applications which look like they will fit the criteria, staff can begin to verify potential beneficiary vunerability.
- The poverty assessment tool developed for the internal review should be revised using criteria that was developed in the focus group discussion with the evaluator and the IRC Income Generation staff.

- During the internal review, outside NGO members and/or members of the community should be invited to be part of the review panel. This helps make the selection process more transparent and will keep IRC from receiving charges of unfair selection.
- Lists of equipment/supplies needed by the more popular business should be developed.
- The technical instructors should have input on these lists, any deviations from these lists, and for those beneficiaries who have new business ideas/needs.
- The training period should be reviewed. Some trainers and beneficiaries would like the trainings to be three days a week (Monday, Wednesday, and Friday) for six hours. This would allow the trainings to have more time for experiential learning and allow the practitioners time to study or do homework on the days when class is not in session. Other trainers and beneficiaries would like to have more flexibility in their class periods, i.e., the bakery trainer would like to have a three hour one day for theory and the next day six hour day for practice, other trainers might want to take their students on field trips, etc.
- The trainings need to have more literature for the students.
- Video and audio material are needed to supplement the training and would give more experiential learning to the students.
- Beneficiaries and trainers would like to have field trips to see businesses in action and talk to people already involved in the business.¹⁷
- A spread sheet needs to be developed for the monitoring information so that it can be accessible to the IRC staff so that trends can be seen and difficulties can be more obvious so help can be offered before it is too late.

¹⁷ I would recommend having the current beneficiaries as mentors for the new beneficiaries as they can help them learn from their experiences. The mentors should be reimbursed for their time or given an honorarium.

LIST OF APPENDICES

Terms of Reference	29
List of Documents Reviewed	31
Evaluation Schedule	32
ECHO Income Generation Businesses sample	33
Sample by Location	34
Sample by Business	34
Sample by Gender	34
Sample by Location, Business, and Gender	35
International Rescue Committee Northern Caucasus Programme Work Plan for ECHO/-EE/BUD/2006/01005	36
ECHO Income Generationh Log Frame	38
Procurement Plan for ECHO/-EE/BUD/2006/01005	39

APPENDICES



**ToR Final Evaluation
ECHO (European Community Humanitarian Aid Office)
Income Generation Project
Northern Caucasus Republic of Chechnya**

**FPA Number 3-061
Grant Agreement Number ECHO/-EE/BUD/2006/01005**

1. PURPOSE

The purpose of this End of Project Evaluation is to evaluate the project's effectiveness, and results measured against goals, objectives, results and outputs set forth in the project proposal. The evaluation will offer strategic and operational recommendations to ensure future direction, sustainability and effectiveness of this program.

2. BACKGROUND INFORMATION

This evaluation is focused on the ECHO income generation project, as well as its linkages to the ECHO shelter project during the 13 month period of June 1, 2006 to June 20, 2007. ECHO is the humanitarian and aid office of the European Union. This project fit into the last 13 months of a 15 month program which started with the shelter project. For more information, see project proposal and progress reports for details.

3. OBJECTIVES OF THE EVALUATION

The program evaluation should produce the following results:

- a. Assessment of the project results
- b. Consolidation of a report on this assessment, the critical findings and recommendations for future directions of income generation programs after the project life.

Specific Objectives:

- a. Analyse both quantitative and qualitative information generated by project monitoring;
- b. Identify the major issues/factors influencing achievement or non-achievement of objectives;
- c. Examine the factors affecting the success and failure of income generation activities supported through the project;

- d. Examine the project's potential reported effects on income at individual and household levels;
- e. Examine the project's potential reported effects on job opportunities and the sustainability of apprenticeships and employment opportunities established through the project;
- f. Assess IRC monitoring, coaching and follow-up processes;
- g. Assess the effect of income generation activities on those who are also shelter beneficiaries and the benefits and/or drawbacks of linking these two interventions;
- h. Examine the effectiveness of project methodology; topics covered in training; use of in-kind grants and apprenticeships; and community mobilization techniques;
- i. Review and suggest revisions to the Logical framework of the project if necessary;
- j. Identify lessons learned, best practices approaches and form conclusions on the present project and make recommendations for future programming for IRC and the Income Generation and Economic Recovery sector in particular; integrating previous reports/assessments.

4. METHODOLOGY

- a. Project documents
 - 1) ECHO Grant Form for New Businesses.
 - 2) ECHO Grant Form for Existing Businesses.
 - 3) ECHO Poverty Assessment Form.
 - 4) ECHO Business Concept Form.
 - 5) Evaluation and Conformation Form for Business Start-Up.
- b. Focus Groups
 - 1) IRC Staff: Determine economic indicators.
 - 2) Beneficiaries: Determine their experience with the ECHO project.
 - 3) Trainers: Determine their experience with training the ECHO beneficiaries.
- c. Interviews (qualitative and quantitative data)
 - 1) Beneficiaries: Determine their experience with the ECHO grant, i.e., income, living conditions, future, etc.
 - 2) Other NGOs involved in income generation projects.
 - 3) ECHO shelter recipients
 - a) Those who were part of the income generation project
 - b) Those who were not part of the income generation project

The beneficiary samples (Attachments) were broken down by location, type of business, and gender. The businesses types which were popular have a smaller percentage which will be evaluated than those which were only selected once or twice. The sample includes all businesses and when there is a female and male beneficiary, both were selected. All beneficiaries received shelter assistance and/or training were included in the sample as were each type of business.

5. DURATION

The evaluation will be done in 15 working days during July and August 2007.

- Document review, focus groups, and interviewing other income generation NGOs will be done in Nazran from July 23 through 31, 2007.
- Interviews will be held in Chechnya August 1-3, 2007.
- The draft report will be completed on August 6, 2007 and will be shared with the IRC staff for input.
- The final report that includes an executive summary, methodology used, main findings, list of achievements, key recommendations, best practices and lessons learned, other opportunities and potential constraints, will be completed on August 7, 2007.
- Debriefing of IRC Country Director and IRC program team on the main findings and recommendations at the end of the evaluation on August 7, 2007.
- Debriefing of ECHO Moscow representative at the end of evaluation on August 8, 2007.

Major References

Beneficiary Documents including:

ECHO Grant Form for New Businesses.

ECHO Grant Form for Existing Businesses.

ECHO Poverty Assessment Form.

ECHO Business Concept Form.

Evaluation and Conformation Form for Business Start-Up.

Monitoring of Micro-Business

ECHO Grant Agreement, FPA Number 3-061, Grant Agreement Number ECHO/-EE/BUD/2006/01005, Echo Reference A/06.4391, dated 03-04-06.

Goeldner, Karri. Trip Report: Introduction to Economic Programs for IRC North Caucasus and Technical Assistance to USAID and EC Programs, September 5-12, 2006.

EVALUATION SCHEDULE

July and August 2007

Friday, July 20	Fly to Moscow
Saturday, July 21	Arrive in Moscow
Sunday, July 22	Move to IRC apartment in Moscow
Monday, July 23	Fly to the Northern Caucasus and meet with the IRC staff and discuss schedule
Tuesday, July 24	Begin document review
Wednesday, July 25	Develop evaluation ToR
Thursday, July 26	Interview International Committee of the Red Cross and International Medical Corps on their income generation projects
Friday, July 27	Begin writing evaluation from document review and grant information Interview World Vision and CARE on their income generation projects IRC income generation staff focus group discussion to develop economic indicators
Sunday, July 29	Develop interview sample
Monday, July 30	Focus group discussion with beneficiaries Focus group discussion with technical trainers Translator compiles selected information in documents
Tuesday, July 31	Prepare questionnaire for beneficiaries in Chechnya
Wednesday, August 1	Interview beneficiaries in villages
Thursday, August 2	Interview beneficiaries in last village and begin interviewing in Grozny
Friday, August 3	Interview beneficiaries in Grozny
Saturday, August 4	Analyze data from field
Sunday, August 5	Begin to write evaluation report
Monday, August 6	Write evaluation report
Tuesday, August 7	Write evaluation report Brief IRC staff
Wednesday, August 8	Fly to Moscow Brief ECHO staff
Thursday, August 9	Fly to the United States
Friday, August 10	Arrive home

**ECHO Income Generation Businesses sample:
Location, types of business, ECHO shelter beneficiaries, gender, how heard
about grant, experience level, family sized, their employees, apprentices,
number of people business supporting, technical courses attended, monthly
earnings, and future plans.**

Location	N	Businesses	ECHO Shelter	Gender		How Heard	Why Apply	# in Family	Emp.	Apprent	Total Support	Course		Month Earning ¹⁸	Future	
				F	M							Ben.	Emp.			
Grozny	15	Bakery		1		Saw notice	No Exp.	6	1	1	12	1	1	0	Buy local café	
		Café			1			Prev. Exp	5	6		30	0	0	15,000	A/C & decorate
		Cattle Feeding			1			Prev. Exp	7	1		7	1	1		Expand heard
		Computer Services			1		Neighbor	No Exp.	7	2		7	1	1	yes	
		Construction Work			1		Radio	No Exp.	11	2	1	11	1	1	8,000	Expand business
		Dentist			1			Prev. Exp	5	1		7			30,000	Expand business/Install A/C
		Hair Dress Shop			1			No Exp.	5	4		33	1	1	0	Expand shop
		Laundry			1		Relatives	No Exp.	7	2		11	1	1	yes	
		Serigraphy			1			Prev. Exp	6	1		9	0	0	5,000	Develop business & move to city center
		Service Station	Shelter		1		Shelter	No Exp.	5	1		14	1	1	5,000	Open auto parts shop
		Service Station			1		TV/Radio	Prev. Exp	5	1		11	1	1	yes	Open car repair shop
		Shoe Repair			1		Radio	Prev. Exp	6	2		5	1	1	1,300	Enlarge shop
		Shop	Shelter		1		Radio	Prev. Exp	9	2		9	1	2	6,000	Expand shop
Shop			1		Radio	Prev. Exp	5	1		5	1	1	yes	Enlarge shop		
Tailor			1		TV	Prev. Exp	3	1		9	1	1	1	Enlarge shop/More employees		
Argun	1	Greenhouse	Shelter		1	Neighbor	Prev. Exp.	12	1	1	18	1	1	20,000	Expand to new crops	
Alkhan-Yurt	1	Cattle Feeding			1	Neighbor	Prev. Exp.	6	1		6	1	1	yes	Enlarge herd	
Mesker-Yurt	1	Construction			1	Radio	No Exp.					1	1	yes		
Alkhazuroy	2	Tailor		1		Saw notice	Prev. Exp.	5	4		28	1	1	4,000	Open sewing school	
		Cattle Feeding	Shelter	1		Radio	Prev. Exp.	8	1		8	1	1		Enlarge herd	
Prigorodnoye	1	Water Therapy			1	TV	Prev. Exp.	4	4		25	1	1	1,200	Open gift shop	
TOTAL	21			10	11			127	39	3	265	18	19	7958.42¹⁹		

¹⁸ Not all of the beneficiaries were at their place of business at the time of the interviews, so not all of the last month's earning data was available.

¹⁹ This is the average earned by the 11 businesses who reported their last month earnings.

Sample by Location		
Location	Businesses	Sample
Grozny	46	19
Mesker-Yurt	8	1
Staraya Sunjzha	8	2
Alkhazuroy	6	2
Argun	4	2
Alkhan-Yurt	4	1
Prigorodnoye	2	1
TOTAL	78	28

Sample by Business		
Businesses	Total	Sample
Cattle Feeding	22	2
Shop	14	2
Construction Works	6	2
Taylor	5	2
Service Station	4	2
Laundry	4	1
Bakery	3	2
Green House	3	2
Taxi	3	1
Café	2	2
Computer Services	2	1
Hair Dressing	2	1
Carwash	1	1
Confectionary Shop	1	1
Cosmetology	1	1
Dental Clinic	1	1
Furniture Repair	1	1
Medical Centre	1	1
Serigraphy	1	1
Shoe Repair	1	1
TOTAL	78	28

Sample by Gender		
Gender	Total	Sample
Female	41	16
Male	37	12
TOTAL	78	28

Breakdown of Sample by Location, Business, and Gender

Location	N	Businesses	n	Gender		Services ²⁰	Seen		
				F	M		F	M	Total
Grozny	19	Service Station	3	1	2	Voc/Shelter*	1	1	2
		Bakery	2	1	1	Voc	1	0	
		Café	2	1	1		0	1	1
		Shop	2	2		Voc/Shelter	1	1	2
		Car Wash	1	1			0		0
		Computer Services	1		1	Voc		1	1
		Construction Work	1		1	Voc		1	1
		Cosmetology	1	1			1		1
		Dentist	1	1			1		1
		Laundry	1	1		Voc	1		1
		Serigraphy	1	1		BPRM Shelter	1		1
		Shoe Repair	1	1			1		1
		Taxi	1		1	Voc		0	0
		Tailor	1	1		Voc	1	1	2
		TOTAL	19	12	7		9	6	15
Staraya Sunjzha	2	Furniture Repair	1		1			0	0
		Hair Dressing	1	1			0		0
		TOTAL	2	1	1		0	0	0
Argun	2	Greenhouse	2	1	1	Shelter		1	1
		TOTAL	2	1	1		1	1	1
Alkhan-Yurt	3	Cattle Feeding	2	1	1		0	1	1
		Confectionary ²¹	1		1				0
		TOTAL	3	1	2		0	1	1
Mesker-Yurt	1	Construction	1		1			1	1
		TOTAL	1	0	1		1	1	1
Alkhazuroy	2	Tailor	1	1			1	0	1
		Cattle Feeding	1	1		Shelter	1	0	1
		TOTAL	2	2	0		2	0	2
Prigorodnoye	1	Water Therapy	1		1	BPRM Shelter		1	1
		TOTAL	1	0	1		1	1	1
TOTAL	30		30	17	13		11	10	21

²⁰ Bold typing of services and gender denotes receiver of ECHO shelter or training.

²¹ This business is no longer operational and the beneficiary is sick.

International Rescue Committee Northern Caucasus Programme Work Plan for ECHO/-EE/BUD/2006/01005

Result 3	April	May	June	July	Aug.	Sept	Oct	Nov	Dec	Jan	Feb.	Mar	April	May	June
Upon approval from ECHO Moscow on the final list of beneficiaries, 70 selected grant recipients will sign agreements committing to the responsibilities associated with this project.															
IRC staff will conduct opening ceremonies to announce selected beneficiaries in the selected areas.															
Once selected, grant recipients will each select one new employee and at least 25% of the grantees will agree to accept an apprentice (for a total of at least 18 apprentices), according to criteria															
IRC will check the vulnerability level for the selected employees and apprentices prior vetting them															
IRC will then recruit appropriate technical training providers and develop courses that meet beneficiaries' identified needs.															
Signature of contracts with each training provider															
Work out the logistics for the organization of trainings (transportation of trainees etc.)															
IRC will provide trainees with the equipment/materials/supplies needed for Vocational and Business trainings															
IRC organized vocational trainings on livestock															
IRC organized vocational trainings on shoe repair															
IRC organized vocational trainings on laundry															
IRC organized vocational trainings on massage/spa treatment															
IRC organized vocational trainings on greenhouse															
IRC organized vocational trainings on auto service															
IRC organized vocational trainings on production of building materials															
IRC organized vocational trainings on computer service															

²² Program suspension.

EC193

ECHO Income Generation Log Frame

INDICATORS FOR RESULT 3 (IGA COMPONENT)

	Indicator	Disaggregates	Data Source	Frequency of Data Collection	Target	Actual
Operation-specific objective level	70 beneficiaries/grant recipients have sustainable micro-businesses with functioning market links, realistic business development plans and further growth potential by March 2007.	- shelter beneficiaries - DRC food list/ICRC NFI list - other vulnerability criteria - gender - location - business type	Monitoring reports; Final evaluation	End-of - project	70	78
	140 beneficiary households demonstrate improved self-reliance through increased incomes, savings or assets, and improved health and nutrition by March 2007.	- shelter beneficiaries - DRC food list/ICRC NFI list - other vulnerability criteria - gender - location - business type - role (owner or employee)	Baseline household survey (poverty assessment); Impact household survey (poverty assessment)	Start-of - project; End-of-project	Households of 70 micro-business owners Households of 70 micro-business employees	Households of 78 micro-business owners Households of 106 micro-business employees
Result level	At least 90% of micro-business owners, new employees and apprentices have increased technical knowledge and skills in their chosen field after participation in custom-designed training courses.		Technical training course pre- and post-tests; reports from trainers; monitoring reports from IRC staff	Before and after trainings are conducted; End-of-project	63 of 70 owners 63 of 70 employees 16 of 18 apprentices	95 % of the owners showed they benefited from the training. 87% of the workers showed they benefited. Apprentices were not included in the trainings, but received hands on training
	At least 90% of apprentices show an increased knowledge and understanding in all areas of the small business operations, including basic management, project planning and accounting and demonstrate capabilities to run their own business.		Monitoring reports from IRC staff, including feedback from business owners and other employees; final evaluation	End-of-project	16 of 18 apprentices	The apprentices learned new hands-on skills, but were not included in the management of the businesses.
	At least 70% of the micro-businesses show a significant increase in their productivity and a 10-25% increase in net profit by the end of the project cycle.		Monthly monitoring reports; Final evaluation	End-of-project	49 of 70 micro-businesses	Many of the businesses have been open only 1-2 months, so a percentage increase in net profit is impossible to calculate accurately. All businesses interviewed, except one indicated an increase in profit.
	At least 95 % of the newly trained employees are still working in the micro-businesses three months after the end of project.		Follow-up monitoring reports	3 months after end-of-project	67 of 70 employees	All 106 people are still employed and other employees have been hired by some businesses

International Rescue Committee Northern Caucasus Programme

Procurement Plan for ECHO/-EE/BUD/2006/01005 February 2007



Code	Item	Unit	Quantity	Cost/Unit (EUR)	Total Budget (EUR)	Procurement Procedure
livestock	bull-calves (1 year old)	Head	110	441	48529	Open Tender
	cow (2 years old)	Head	1	735	735	Negotiated Procedure
	Female calves	Head	3	235	706	Negotiated Procedure
	mixed fodder	tons	41	235	9647	Negotiated Procedure
	hay	packs	2950	2	5640	Negotiated Procedure
	salt	kg	750	0	176	Negotiated Procedure
	pitchfork	pcs	11	5	57	Negotiated Procedure
	cleaver	pcs	10	2	21	Negotiated Procedure
	shovels	pcs	10	2	24	Negotiated Procedure
	chains (leash)	pcs	5	7	35	Negotiated Procedure
	vaccinations	pcs	114	7	838	Negotiated Procedure
	roofing slates (8 waves)	pcs	70	4	299	Negotiated Procedure
	board 4 m.	m	1	141	141	Negotiated Procedure
	nails 120 mm.	m	2	1	2	Negotiated Procedure
	nails 100 mm.	m	2	1	2	Negotiated Procedure
	wooden beam 6 m.	m	10	6	64	Negotiated Procedure
	board 1,5 m.	m	2	141	282	Negotiated Procedure
vehicles	"Gazelle" trucking vehicle (second hand)	pcs	1	3,588	3588	Negotiated Procedure
	Car VAZ 2107 (second hand)	pcs	1	3,529	3529	Negotiated Procedure
	"Gazelle" passenger van - micro-autobus (second hand)	pcs	1	3,529	3529	Negotiated Procedure
shoe repairs	"Migera" shoe-repairing machine	pcs	1	1,271	1271	Negotiated Procedure
	small Chinese shoe-repairing machine	pcs	2	671	1341	Negotiated Procedure
	shoe-repairing combine	pcs	1	247	247	Negotiated Procedure
	shoe-repairing claw	pcs	2	81	162	Negotiated Procedure
	awl		6	2	14	Negotiated Procedure
	hammer	pcs	2	7	15	Negotiated Procedure
	cutting pliers	pcs	2	4	9	Negotiated Procedure
	Soles	pcs	3	10	31	Negotiated Procedure
	red glue	pcs	1	106	106	Negotiated Procedure
	rubber for heeltaps	pcs	2	18	35	Negotiated Procedure
	rubber tape	pcs	2	9	18	Negotiated Procedure
	iron heeltips	pcs	100	1	147	Negotiated Procedure
	silk sewing-machine threads (black)	pcs	2	4	7	Negotiated Procedure
silk sewing-machine threads (white)	pcs	2	4	7	Negotiated Procedure	

	silk sewing-machine threads (brown)	pcs	2	4	7	Negotiated Procedure
confectionary goods	convection stove with a proofing camera PK-50- (regulative thermometer)	pcs	1	1,618	1618	Negotiated Procedure
	mixer Dag.PZ	pcs	1	1,029	1029	Negotiated Procedure
bakery	kneading machine (Russian model)	pcs	3	1,029	3088	Negotiated Procedure
	galley-dresser with steel covering (Russian model)	pcs	2	335	671	Negotiated Procedure
	electric stove (Russian model, 72 loaf capacity)	pcs	3	1,618	4853	Negotiated Procedure
	tray racks	pcs	1	353	353	Negotiated Procedure
	moulds for bread	pcs	8	12	94	Negotiated Procedure
	ORSK refrigerator	pcs	1	424	424	Negotiated Procedure
	Gefest Gas stove	pcs	1	294	294	Negotiated Procedure
	Gefest air exhaust	pcs	1	176	176	Negotiated Procedure
	refrigerator pozis mir-154		1	435	435	Negotiated Procedure
laundry	laundry washer BOSCH 8 kg.	pcs	4	1,059	4235	Negotiated Procedure
	laundry washer Siemens 6 kg. with a double-deck	pcs	4	1,059	4235	Negotiated Procedure
	laundry washer BOSCH 6 kg. with a double-deck	pcs	4	1,235	4941	Negotiated Procedure
	steam ironing desk with an iron "Felipa"	pcs	4	74	296	Negotiated Procedure
	washing powder 9 kg ARIEL	pcs	16	12	188	Negotiated Procedure
	bleach VANISH	pcs	8	6	47	Negotiated Procedure
	clothes conditioner LINOR	pcs	8	4	28	Negotiated Procedure
health baths	laundry washer BOSCH 5 kg.	pcs	1	1,059	1059	Negotiated Procedure
	cast-iron tub 1.75	pcs	6	318	1906	Negotiated Procedure
	water mixers	pcs	6	42	254	Negotiated Procedure
	Set of soft Russian furniture (1 sofa and 2 armchairs)	pcs	1	324	324	Negotiated Procedure
cosmetological cabinet	brushing Biomac PANDA	pcs	1	322	322	Negotiated Procedure
	vacuum skin-cleaner	pcs	1	419	419	Negotiated Procedure
	magnifying glass lamp	pcs	1	172	172	Negotiated Procedure
	cosmetological chair Panta II with elbow-rests	pcs	1	648	648	Negotiated Procedure
	sterilizer	pcs	1	133	133	Negotiated Procedure
	table for devices, tripled, with a drawer	pcs	1	152	152	Negotiated Procedure
	laser epilator RIO French	pcs	1	381	381	Negotiated Procedure
	wax epilator Spain	pcs	1	121	121	Negotiated Procedure
	vapozone (vaporizing apparatus) Panda	pcs	1	588	588	Negotiated Procedure
d'arsenal galvanizing apparatus Satena	pcs	1	471	471	Negotiated Procedure	
hair-dresser	Professional mirror "Gallery" code 0103	pcs	4	94	376	Negotiated Procedure
	hydraulic chair "Classic" code 0209	pcs	5	132	662	Negotiated Procedure
	hair-dryer	pcs	2	212	424	Negotiated Procedure
	air re-circulator (standing hair dryer) Aerolife-60	pcs	1	132	132	Negotiated Procedure
	manicure table "zina" code 1020	pcs	1	103	103	Negotiated Procedure
	chairs "sentor" code 0405	pcs	2	22	44	Negotiated Procedure
	chair for masters and clients	pcs	2	65	129	Negotiated Procedure
	pedicure group	pcs	1	397	397	Negotiated Procedure
	pedicure-bath " Clatronic"	pcs	1	88	88	Negotiated Procedure
	children's chair	pcs	1	50	50	Negotiated Procedure

	working side-tables	pcs	4	35	141	Negotiated Procedure
	set of hairdressing combs	pcs	4	10	41	Negotiated Procedure
	manicure tools	pcs	1	88	88	Negotiated Procedure
	pedicure tools	pcs	1	88	88	Negotiated Procedure
	hairdressing scissors	pcs	8	29	235	Negotiated Procedure
	fan	pcs	4	38	153	Negotiated Procedure
	hair goffer	pcs	4	35	141	Negotiated Procedure
	haircutting machine Moser 1230	pcs	2	53	106	Negotiated Procedure
	haircutting machine Moser 1400	pcs	1	29	29	Negotiated Procedure
car-washing	washing apparatus - high-pressure, Karcher 3 phases	pcs	1	1,059	1059	Negotiated Procedure
	3-tonne mechanic lifter,3-phased	pcs	1	2,400	2400	Negotiated Procedure
	high pressure apparatus Karcher HD 1025	pcs	2	1,471	2941	Negotiated Procedure
	vacuum cleaner Karcher	pcs	1	424	424	Negotiated Procedure
	frother (mouth-piece)	pcs	1	318	318	Negotiated Procedure
tire repairs	Balancing machine Storm 1-LS-01	pcs	1	1,471	1471	Negotiated Procedure
	balancing stand LS1-01	pcs	1	1,471	1471	Negotiated Procedure
	tire-repairing stand Jolly-1	pcs	1	1,471	1471	Negotiated Procedure
	tire repair machine "Master Civic"	pcs	1	2,372	2372	Negotiated Procedure
	Sandblasting apparatus BA 50L.	pcs	1	1,419	1419	Negotiated Procedure
	Compressor SB 4 S 100 LV 50	pcs	2	741	1482	Negotiated Procedure
	lifting/car jack	pcs	1	99	99	Negotiated Procedure
	compressor "Ballma" -12 Bar	pcs	1	588	588	Negotiated Procedure
Production of tiles and blocks	concrete mixer 0.5 cube m.	pcs	2	1,129	2259	Negotiated Procedure
	concrete mixer 0.7 cube m.	pcs	1	1,514	1514	Negotiated Procedure
	mini concrete mixer 0.25 m.	pcs	1	882	882	Negotiated Procedure
	2.5 *1.2- vibrating mold table	pcs	2	212	424	Negotiated Procedure
	red dye stuff	pcs	10	32	324	Negotiated Procedure
	yellow dye stuff	pcs	5	32	162	Negotiated Procedure
	green dye stuff	pcs	5	32	162	Negotiated Procedure
	cement	bags	70	6	412	Negotiated Procedure
	mould for sidewalk tiles (various plastic types)	pcs	400	1	588	Negotiated Procedure
	machine for production of slag-blocks	pcs	2	1,412	2824	Negotiated Procedure
	moulds for production of rings (Russian model)	pcs	2	529	1059	Negotiated Procedure
	pipe 50 mm.	m	15	4	61	Negotiated Procedure
	pipe 100 mm.	m	15	8	113	Negotiated Procedure
	pipe 40 mm.	m	20	3	56	Negotiated Procedure
	board 0,25 mm.	m3	1	141	141	Negotiated Procedure
Large vibrating mold table	pcs	1	529	529	Negotiated Procedure	
furniture repairs	universal mill (circular saw)	pcs	1	671	671	Negotiated Procedure
	electric sewing machine	pcs	1	424	424	Negotiated Procedure
	tips for milling machine (set of)	pcs	1	282	282	Negotiated Procedure
	electric hand perforator	pcs	1	138	138	Negotiated Procedure
	eight-layer plywood	pcs	5	11	53	Negotiated Procedure
	fiberboard	pcs	10	8	85	Negotiated Procedure

	nails 30 mm.	kg	3	1	3	Negotiated Procedure
	nails 50 mm.	kg	3	1	3	Negotiated Procedure
	nails 70 mm.	kg	3	1	3	Negotiated Procedure
	nails 100 mm.	kg	3	1	3	Negotiated Procedure
	foam-rubber 30 mm.	pcs	6	11	64	Negotiated Procedure
	foam-rubber 50 mm.	pcs	6	16	95	Negotiated Procedure
	foam-rubber 100 mm.	pcs	6	21	127	Negotiated Procedure
	clips for furniture upholstery	pcs	8	7	56	Negotiated Procedure
	solid velours	m	25	19	485	Negotiated Procedure
	upholstery material	m	30	18	529	Negotiated Procedure
	electric saw (hand)	pcs	1	106	106	Negotiated Procedure
	planing machine SR6-10	pcs	1	1,765	1765	Negotiated Procedure
	jointing machine SF 4	pcs	1	1,588	1588	Negotiated Procedure
greenhouse	steel pipe 25 mm.	m	500	2	1088	Negotiated Procedure
	heating pipe 114 mm.	m	250	9	2250	Negotiated Procedure
	heating pipe 80 mm.	m	250	7	1632	Negotiated Procedure
	water supply pipe 40 mm.	m	50	3	168	Negotiated Procedure
	plain armature 18 mm.	m	1000	2	1647	Negotiated Procedure
	automatic water-pump	pcs	2	159	318	Negotiated Procedure
	water-pump "Agidel"	pcs	1	46	46	Negotiated Procedure
	electric internal combustion engine	pcs	1	635	635	Negotiated Procedure
	metal gauzeN-2 m	m	100	2	212	Negotiated Procedure
	polyethylene film	m	800	1	871	Negotiated Procedure
	heating boiler	pcs	1	776	776	Negotiated Procedure
	angle-bar 40 mm.	m	250	2	485	Negotiated Procedure
	fertilizers	kg	100	1	53	Negotiated Procedure
	cucumber seeds	pcs	2	44	88	Negotiated Procedure
stomatological cabinet	stomatological chair "Grant" (second hand)	pcs	1	2,706	2706	Negotiated Procedure
	dry heat case (second hand)	pcs	1	353	353	Negotiated Procedure
	medical table	pcs	1	124	124	Negotiated Procedure
	turbine Nozzles	set	1	147	147	Negotiated Procedure
	filling material for teeth "Charisme"	pcs	1	147	147	Negotiated Procedure
	dental modeling mass "Jupen"	pcs	1	88	88	Negotiated Procedure
tailor	five-thread overlocking machine	pcs	1	741	741	Negotiated Procedure
	five-thread overlocking machine	pcs	1	441	441	Negotiated Procedure
	overlock machine "Zhuki"	pcs	4	494	1976	Negotiated Procedure
	sewing machine"Janomi"	pcs	4	197	788	Negotiated Procedure
	sewing machine "Keiler"	pcs	5	459	2294	Negotiated Procedure
	sewing machine"Textima"	pcs	2	494	988	Negotiated Procedure
	plowing machine "Janomi"	pcs	5	424	2118	Negotiated Procedure
	fur-sewing machine	pcs	1	424	424	Negotiated Procedure
	table for fabric cutting	pcs	2	126	253	Negotiated Procedure
	Female mannequin	pcs	1	229	229	Negotiated Procedure
	framed mirrors	pcs	1	124	124	Negotiated Procedure
	ironing desks	pcs	5	131	653	Negotiated Procedure

tables for sewing-machines	pcs	9	82	741	Negotiated Procedure
chairs	pcs	17	28	480	Negotiated Procedure
iron (Brown)	pcs	5	113	565	Negotiated Procedure
set of rulers	pcs	4	4	14	Negotiated Procedure
roofing slates for rehabilitation works	pcs	50	4	206	Negotiated Procedure
bricks for rehabilitation works	pcs	2000	0	294	Negotiated Procedure
cement for rehabilitation works	bags	15	6	88	Negotiated Procedure
sewing machine for outer and leather clothes	pcs	2	494	988	Negotiated Procedure
meter ruler	pcs	1	7	7	Negotiated Procedure
threads of different colours	pcs	58	2	102	Negotiated Procedure
velours materials for clothes	m	20	19	388	Negotiated Procedure
velvet	m	10	19	194	Negotiated Procedure
chintz	m	200	2	353	Negotiated Procedure
guipure	m	8	30	240	Negotiated Procedure
tweed	m	10	30	300	Negotiated Procedure
knitted fabric	m	12	19	233	Negotiated Procedure
needles	sets	10	2	23	Negotiated Procedure
scissors	pcs	7	64	445	Negotiated Procedure
glued fabric (black and white)	m	2	12	25	Negotiated Procedure
angora fabric (beige)	m	40	19	776	Negotiated Procedure
show-case counter	pcs	37	94	3482	Negotiated Procedure
Cocktail machine	pcs	1	147	147	Negotiated Procedure
solid counter	pcs	20	88	1765	Negotiated Procedure
glass case	pcs	2	94	188	Negotiated Procedure
wall cup-board	pcs	76	112	8494	Negotiated Procedure
deep-freezer-glassed chest	pcs	3	676	2029	Negotiated Procedure
deep-freezer Atlant	pcs	2	706	1412	Negotiated Procedure
deep-freezer solid	pcs	1	565	565	Negotiated Procedure
deep-freezer Pozis- two doors	pcs	4	588	2353	Negotiated Procedure
deep-freezer Pozis-one door	pcs	1	471	471	Negotiated Procedure
deep-freezing case	pcs	2	741	1482	Negotiated Procedure
electric scales (VU -3/150 light diod)	pcs	2	235	471	Negotiated Procedure
shop electric scales (VNM - 3/15 trading, with a flag)	pcs	3	176	529	Negotiated Procedure
electric scales (DL-150)	pcs	5	318	1588	Negotiated Procedure
table with chairs (set)	pcs	8	152	1214	Negotiated Procedure
glass-case refrigerator Pozis	pcs	5	635	3176	Negotiated Procedure
refrigerator Atlant	pcs	9	706	6353	Negotiated Procedure
refrigerator SHARP	pcs	1	676	676	Negotiated Procedure
cash register (KKM Kasby 02 K without money case)	pcs	1	147	147	Negotiated Procedure
cash register (KKM Kasby 02 K with a money case)	pcs	3	294	882	Negotiated Procedure
milkshake making machine	pcs	1	235	235	Negotiated Procedure
show-case refrigerator Kifoto	pcs	1	635	635	Negotiated Procedure
bread case	pcs	5	118	588	Negotiated Procedure
Large volume scales	pcs	1	118	118	Negotiated Procedure
electric generator (EX-28)	pcs	3	324	971	Negotiated Procedure

	electric generator (EX 4000 SK1)	pcs	2	635	1271	Negotiated Procedure
	corner cupboard	pcs	10	118	1176	Negotiated Procedure
	popcorn machine	pcs	1	441	441	Negotiated Procedure
	gas stove	pcs	3	318	953	Negotiated Procedure
	electric gas stove	pcs	1	353	353	Negotiated Procedure
	corner furniture	pcs	3	265	794	Negotiated Procedure
	heater	pcs	1	99	99	Negotiated Procedure
	Goods for sale	lump sum	1	5,000	5000	Negotiated Procedure
construction	parquet polishing machine	pcs	1	1,341	1341	Negotiated Procedure
	planing machine for wooden floors	pcs	1	1,271	1271	Negotiated Procedure
	circular saw for wood processing	pcs	1	671	671	Negotiated Procedure
	polishing wheels for polishing machine	pcs	3	35	106	Negotiated Procedure
	electric cable (three-strand)	m	50	3	150	Negotiated Procedure
computer service	SVGA 256 Mb<PCI-E> DDR(ATI Radeon X 600 Pro) 128 bit +DVI +TV Out	pcs	8	65	518	Negotiated Procedure
	CPU AMD ATHLON - 64 3000+ (ADA3000) 512 Kb1000 MHz Socket-939	pcs	8	106	847	Negotiated Procedure
	Glacial tech < igloo 7300 > Cooler for Socket 754/939/940 (27 db, 2400 rev/min, AL)	pcs	8	16	129	Negotiated Procedure
	Kingston DDR DIMM 512 Mb <PC-3200>	pcs	8	51	412	Negotiated Procedure
	HDD 80 Gb IDE Maxtor Diamond Max 10 <6 L 080 PO> UDMA 133 7200 rpm 8 Mb	pcs	8	53	424	Negotiated Procedure
	M/B Giga Byte GA- K 8N -SLI (RTL) Socket 939<nForce4 SLI> PCI-E +SLI+GbLAN SATA RAID U133 ATX4 DDR<PC 3200>	pcs	8	82	659	Negotiated Procedure
	Miditower <5005018> step GL light Silver -Black ATX 350 W(24+ 4 пин)	pcs	8	35	282	Negotiated Procedure
	17 monitor LGL 1732 S -SF Flatron <Silver> (LeD 1280x 1024)	pcs	8	221	1765	Negotiated Procedure
	UPSIPPON	pcs	8	59	471	Negotiated Procedure
	optical mouse LogitechSBF 96	pcs	8	16	129	Negotiated Procedure
	supply-line filter SVEN ES < 3m> 5 sockets PILOT///AA 000152	pcs	8	7	59	Negotiated Procedure
	headphones with mic, Cosonic CD - 7601 MV (3 m. cord, with volume control)	pcs	8	6	47	Negotiated Procedure
	keyboard SVENSlim 303 Black <PS/2>104/////AA000117	pcs	8	18	141	Negotiated Procedure
	computer desk	pcs	4	94	376	Negotiated Procedure
	photo camera Canon Power Shot A 540	pcs	1	294	294	Negotiated Procedure
chairs	pcs	4	28	113	Negotiated Procedure	
Jet Printer HP PHOTO SmartP 7163, Q 7047,	pcs	1	194	194	Negotiated Procedure	
serigraphy	guillotine cutter KW -TRIO 3943	pcs	1	263	263	Negotiated Procedure
	hand printing table with a vacuum turbine model #1	pcs	1	715	715	Negotiated Procedure
	capillar film CVP 25	roll	1	169	169	Negotiated Procedure
	roughing paste SML 34 prep 101	litres	1	12	12	Negotiated Procedure
	retouch FIR 67 RED FILLER	litres	1	9	9	Negotiated Procedure
	emulsion Dirasol 902DLD-52	litres	1	20	20	Negotiated Procedure
	regenerator Screen Gel Clear	litres	1	59	59	Negotiated Procedure
	washing-off - Streep powder	litres	1	85	85	Negotiated Procedure
	detergent - antistain rapid	litres	1	13	13	Negotiated Procedure
	stencil grid SAATI №55,77,90,100,120N/cm.	m	5	14	69	Negotiated Procedure
	aluminum frames 50*60	pcs	4	28	112	Negotiated Procedure

docotr canvas 70 shore Duralife Sericol	m	1	40	40	Negotiated Procedure
paint Polyplast PY 010,PY 030,PY 066,PY164,PY230,PY325,PY383,PY462,PY461,PY557,PY558	litres	1	262	262	Negotiated Procedure
plastisol techoradie paint OP001,021,124,043,206,285,417,EZ475,476,444	litres	1	237	237	Negotiated Procedure
glue SERIFIX/2Extra-base with a catalyst Serifix/2Extra -base	litres	1	21	21	Negotiated Procedure
curette for emulsion, with margins	m	1	85	85	Negotiated Procedure
spray-glue T-FIX	pcs	1	13	13	Negotiated Procedure
sprayAcisol superjet	pcs	1	12	12	Negotiated Procedure
paint - polyscreen PS 001,PS 021	pcs	4	25	100	Negotiated Procedure
catalyst - polyscreen PS 386	litres	1	9	9	Negotiated Procedure
water-pump Markus	pcs	1	29	29	Negotiated Procedure
UPS Powerman 600 VA	pcs	1	44	44	Negotiated Procedure
monitor LCD 17 IGL 1752 TQ-BF BLaCK (8 tq)	pcs	1	7500	221	Negotiated Procedure
system block with accessories intel pentium 463 l	pcs	1	18900	556	Negotiated Procedure
Laser printer HP	pcs	1	4500	132	Negotiated Procedure

Total

249,220