

Evaluation of 3 NGOs cofunded by the Ministry of Foreign Affairs

Evaluation of the NGO « UNITY FOUNDATION »

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EXECUTIVE SUMMARY

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1 FACTSHEET

Context of the evaluation	Co-funding agreement for several development cooperation projects in Uganda and Indonesia
Objectives of the co-funded projects	<ol style="list-style-type: none"> 1) Strengthen the social programmes for Ugandan youths 2) Develop education centres, train young teachers and teenagers in Indonesia
Planned budget (total for the projects being evaluated)	€ 1.580 millions for 5 co-funded projects
Estimated completed budget (total for the projects being evaluated)	€ 1.054 millions
Recommendations	<ul style="list-style-type: none"> – Legal aspects: the Foundation should position itself according to the restriction made to the election of the directors. – The relations with the structures of the Baha’i faith should be clarified – Regarding the financial management of the activities, budget monitoring, and the monitoring of partner accounts and financial reporting should be reinforced. The same goes for the project audit reports, which should be more extensive. – In terms of project management, clarifications should be made regarding important points such as the OSED’s policy, as well as its organisational capacity. – Unity Foundation should systematically forecast the projects’ different expected outcomes regarding trainings, so as to provide assets for the beneficiaries of the project to allow them to get integrated within their community and ensure that the training they received represents an actual value on the labour market.
Conclusions	<ul style="list-style-type: none"> – UF’s projects meet defined target audiences and populations’ needs. – There are important deficiencies as regards the professionalisation of partner relations, project monitoring and the use of relevant methodology that would improve capitalisation of the actions.

2 EXECUTIVE SUMMARY

The Ministry of Foreign Affairs requested the evaluation of three co-funding contracts that have been signed with the following NGOs “Les Amis du Tibet”, “Niños de la Tierra” and “Unity Foundation”.

The terms of reference are as follow: carry out an accounting and financial audit, carry out an organisational and structural audit, evaluate the strategic and operational approach and undertake an evaluation on a sample of projects co-funded by the Ministry.

Field missions for Unity Foundation took place in Uganda and Indonesia. These evaluations are based on documentary reviews, interviews with the projects’ main actors and surveys of beneficiaries.

Unity Foundation was founded in 1980 and was granted the official status as an NGO in 1991. Its objectives and practices take root in the Baha’i faith. The organisation is based in Luxembourg and has two permanent employees. Education in rural areas and vocational trainings to encourage the integration of youths are Unity Foundation’s key areas of intervention.

Financial audit

Our examination was carried out according to the International Standard on Related services (ISRS 4400) applicable to engagements to perform agreed-upon procedures regarding financial information. It should be noted that these procedures specifically exclude the examination of Unity Foundation’s partners’ accounts that carry out the projects abroad.

The association is not directly involved in the projects funded abroad. In accordance with specific agreements, Unity Foundation resorts to local partners to whom it transfers funds. The association does not ensure any systematic monitoring of the supporting documents.

Following the audit of the Luxembourgish accounts of the organisation (for 2010 and 2011), we can confirm that these Luxembourgish accounts represent a fair view of the assets, financial situation and of the results of the charitable foundation that is “Unity Foundation”.

This testimony excludes any opinion regarding the accounts of the foreign partners with whom the association works.

Organisational and structural audit

The organisation operates with statutory decision-making bodies, a Board of Directors composed of 5 members, all active and volunteers. Each director is in charge of one or several projects, which they monitor with the help of the two permanent employees. Unity Foundation’s strategic partnerships are solely focused on those partners who are members of the constellation of Baha’i institutions. .

Evaluation of the strategic and operational approach

The projects set up by Unity Foundation in Uganda and Indonesia are related to the Ministry’s main objectives insofar as they focus on poverty alleviation. By concentrating on education, Unity Foundation’s activities are directly in relation to one of the eight MDGs. They also focus on the Luxembourgish Cooperation’s priority sectors. However, UF’s projects do not focus their activities on the Cooperation’s partner countries. According to the objectives of the Paris Declaration, the fact that UF focuses solely on organisations associated to the Baha’i faith does not help stimulate coordination and exchanges with other experiences, on the contrary, this limits the scope of its activities.

As regards UF’s partner institutions, we can note a lack of international public partners, whereas the organisation is linked to many NGOs in Asia, Latin America and Africa. Unity Foundation’s Luxembourgish network is mainly based within the business sector with a view to attract financial resources and increase awareness-raising.

Evaluation of a sample of projects

In Uganda

The “Youth Empowerment Program in several districts of Uganda – phase II” project for 2012-2016 in the Jinja region is the continuation of a first phase which had already benefited from funding from the Ministry via Unity Foundation. This corresponds to the execution of the “Preparation for Social Action” (PSA) programme. The programme’s specific objective is to train about 1000 students coming from a vulnerable community over a 5 year period.

The PSA programme shows some weaknesses in terms of planning. Whereas the project managers consider local ownership to be a fundamental aspect, there is a lack of possible self-sufficiency for the communities. Moreover, the educational activities and material should be more adapted to the local context. We can also notice certain differences between the initial plan and the reality regarding the target groups and location of the project.

The setting up of activities and the results correspond to the project’s main objective. However, the number of students having dropped out, or who are not mentioned at the end of the programme is quite high. Although the involvement of the communities has significantly increased since 2007, the project’s main challenge is to motivate the participants. The financial assistance helps increase the tutors’ participation, but the situation is more complicated when it comes to the students.

Globally, the activities have been efficient. The planned continuation of the programme in the Northern regions will create new challenges for the organisation’s structure. It seems essential to evaluate the feasibility of this development.

The project has had a visible impact on the communities, as well as on the direct participants, the tutors and the students. The project’s most significant impact was noted within the group of tutors that had also benefited from financial assistance, which in turn helped them launch their own enterprise. This financial assistance also served as a motivation for the students, who were more inclined to complete their training and thus have the possibility to launch their own project. The lack of official certification for the training is a downside to the project.

Regarding the sustainability of the project, its limited local ownership could create barriers to the project’s continuation when the external aid ceases. Consultation mechanisms set up to attract local demand could encourage participation and generate local appropriation of the project in the future. Kimanya could seek other external funding sources, such as the leasing of their own installations, so as not to depend entirely on Unity Foundation for funding.

In Indonesia

In 1996, the Unity in Diversity Foundation (in Indonesian Yayasan Bhinneka Tunggal Ika – YBTI) was created. Three years later, the Foundation’s main project “Empowering Youth in Childhood Education” or Young Empowerment Program (YEP) was born. UF funded the programme from the start. The main objective of this project was to provide training for youths coming from marginalised communities so they could become teachers in the kindergartens. The schools created were also a means to provide employment for this acquired skilled labour. The combination of both YEP and “Establishing the kindergartens” (known as Creative Education Centres) was a way of consolidating the training by creating jobs. The “Junior Youth Empowerment” project was created later, mainly to increase the organisation’s funding. The foundation’s activities are based on the coordination of these three different projects. At this stage, the institution is redesigning the three projects’ structure. A proposal to merge all three projects into one over the next four years was drafted.

Two of the permanent members of staff are in charge of the financial and accountant aspects of the projects. An improvement of the accounting system would be necessary in order to avoid certain mistakes which were noticed during the mission. The annual audits which are sent to Unity Foundation are quite superficial. Their reliability could thus be questioned.

The Foundation's Board of Directors is composed of 5 important personalities from the Baha'i community. The organisation has 19 full-time employees which are paid from the project's budget. The flow of communication is good within the organisation, and mostly done on an informal basis. Field coordinators regularly visit the project locations and then report to the central office in Medan. The newly set up community schools benefit from supervised support. Although there are regular monitoring activities, the projects lack a specific evaluation mechanism. Reporting procedures (particularly financial reports) are also limited within Unity Foundation.

The project's objective is clearly in line with Unity Foundation's mission, the Ministry's principles and priorities, as well as the implementation of the MDGs. By training young people from rural areas to become tutors and thus bridging the gap between the educational offer and demand, the project's relevance is high.

The number of young people trained by the programme matches the numbers brought forward by the project. The teachers' strong commitment (YEP alumni) within the CEC shows that both projects work and meet the initial wording of the logical framework.

A flexible use of funding can be noted. Unity Foundation should be informed of this budgetary flexibility in the financial reports.

By providing tools, and creating jobs for young people, and by offering educational solutions to infants in remote villages, the projects seemed to have had a visible impact on the communities. YEP's impact could be stronger if the training was recognized by the local authorities in the form of an official diploma. YBTI are aware of this problem, and have recently encouraged the integration of teachers into a distance-learning university system.

As regards the project's sustainability, YBTI has recently made significant efforts to ensure the project's schools become more autonomous regarding Unity Foundation's funding. This remarkable drive for autonomy will however be more difficult to set up within recently created schools.

Conclusions

Unity Foundation is an NGO that meets all the formal criteria to benefit from the Ministry's funding. However, the Foundation's decision making bodies should pay particular attention to the weaknesses which have been demonstrated throughout this evaluation.

On a legal level, the foundation should position itself according to the restriction made to the election of the Directors.

Regarding the financial management of the activities, the budgetary, accounts and financial report monitoring for the partners should be reinforced. The audit reports should be more extensive.

In terms of project management, questions should be raised regarding important points such as the OSED's policies and operational capacity. Moreover, the different trainings supported by Unity Foundation's partners should be made eligible and recognized by the local authorities in the countries in which they are implemented. The trainings provided should be a real advantage for its beneficiaries and represent an actual value on the labour market, and further allow them to be integrated within their communities.