

IKEA FOUNDATION

Format F
End of the project –
Final report

Project title	Women's Social, Economic and Political Empowerment in Janupur, Mirzapur and Sant Ravidas Nagar of Uttar Pradesh, IKEA Pilot Up		
Applicant organisation	United Nations Development Programme, India		
Geographic scope	Janupur, Mirzapur and Sant Ravidas Nagar of Uttar Pradesh		
Total contribution	€ 5,554,104 € 32,150 (pip grant received in bank €32,135.97)	Funds used to date	€4,882,134.97
Unspent balance¹	€ 704,105		
Duration of Grant	5 years		
Project period	2009 – December 2014		
Programme partners	United Nations Development Programme, India		
Contact person(s)	Jaco Cilliers, Country Director, UNDP India		
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24 Dec 2014

Date

Person responsible (signature)

New Delhi

Place

Person responsible and position (block letters)

¹ Unspent balance is the "Total contribution" minus "Funds used to date"

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1. Executive Summary

1. In the course of the implementation of the SWAAYAM UP pilot, UNDP discovered problems within the project implementation. UNDP has discussed the project implementation issues and results with the Foundation extensively through a regular Strategic Meetings with the Foundation. As a result of these discussions it was agreed to close down most of the elements of the pilot.
2. It was agreed that an attempt would be made to salvage certain elements of the pilot, including the investment made in the woman's federations and the carpet producer company. Both UNDP and IKEA recognized the serious reputational risks to their organizations if the closure was mismanaged. Within UNDP, day-to-day management of the closure process was managed by the Deputy Country Director for Programme, supported by the Deputy Country Director for Operations and reduced project staff.
3. As part of the agreed closure process, UNDP committed itself to: a) close all vendor contracts, except four required to facilitate the closure process; b) de-register four of the five producer companies; c) re-design the craft value chain on the grounds that it was relatively successful and important for IKEA's business model in India; d) continue to engage with women's federations on the grounds that this was the most successful aspect of the pilot; and e) reduce relevant SWAYYAM staff. All pilot aspects will be closed by 31 December 2014.
4. A third party evaluation was undertaken for SWAAYAM project to understand lessons learnt and the way forward. The insights and recommendations of the study lead to a new project design and contributed to a decision to close the project. This report, therefore outlines the remaining activities undertaken in 2014.

2. Project Implementation

5. Given the findings of the evaluation and a suggestion for a new approach, it was inevitable to exit from SWAAYAP project pilot and close activities in the best interest of both brands and goodwill. In 2014, the UNDP undertook the following activities in relation to Closure Process:
 - **Monitored** on continuous basis groups and Federations progress and managed relationships with women in the rural areas to understand their views and address any grievances. Field monitoring was undertaken by a Project Officer in Varanasi. In addition, Programme Officer and Project Officer Gender were also monitoring the activities to manage any reputational risks and ensure delivery of SAMs.
 - **Held** meetings with the Government representatives, producer associations, to identify appropriate solutions for closure of the producer companies. These meetings allowed UNDP to devise appropriate strategy for engagement with women's federations. Programme Officer and Project Officer Gender were undertaking this work.
 - **Continued** to provide managerial oversight and technical assistance to six Block SHG Federations through SAMS as agreed in November 2013 with the IKEA Foundation. The Federations have continued to deliver a range of services to their members including micro insurance and have established a system to collect membership fees, helping to ensure their financial viability. In conformity with the new design recently submitted to IKEA, UNDP will be phasing out its support for the Federations by 31 December 2014. During the final stages of

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its engagement, UNDP will help establish linkages between the six Federations and the government's National Rural Livelihood Programme so that technical mentorship and financial support to these federations is available over the medium-term.

- **Developed** Federation support exit plan in partnership with the National Rural Livelihood Mission. UNDP and NRLM had a number of discussions, and a joint field visit to determine the best way to handover the groups and Federations to the government programme NRLM.
- **Finalized** Compendium of GOI programmes and schemes by Programme Officer and project Officer Gender, to identify appropriate linkages for SHGs and Federations, but to also inform the future activities in the UP. This compendium has then been used to understand government initiatives in the UP applicable for the project design.
- **Conducted** a week long learning visit to the villages in the Uttar Pradesh by the State Project Managers to understand needs of project women, so that these lessons can be applied in the programme design.
- **Paid** outstanding contractual obligations remaining from 2013. These were payments to contractors who assessed the viability of Poppadum Producer Company. This report was used as a basis to decide on further involvement with poppadum producer companies. In addition, UNDP made final payments to contractors who prepared: MIS for SHG number validation, Micro insurance product study & conceptualization.
- **Closed** vendor contracts. This work involved careful assessment of all contracts, assurance of deliverables and payment according to the contracts. This work was undertaken by Programme Officer and Project – Officer Gender. Of the 34 vendor contracts UNDP was carrying in November 2014: 28 have been closed; three are under investigation; four contracts will close on 31 December 2014 including: Strategic Alliance Management Services Pvt. Ltd. (SAMS) which supports the women's federations; G4S Security Solutions (India) Pvt. Ltd. which provides security for the Varanasi office; Aashirbad Infrastructure Services and Facility Management Pvt. Ltd. which supports the driver and office attendant at the Varanasi office; and S. R. Dinodia and Co. which provides legal support for the de-registration of producer companies.
- **De – registered** producer companies: two of the four producer companies—Incense and Poppadum—have been closed and successfully de-registered. The situation with the other companies is as follows:
 - *Carpet*: EDI, the technical resource agency, has agreed to handover the documents required for company closure, although this has not yet happened. EDI has also agreed to work with UNDP to find a viable solution for the company. UNDP hopes that discussions on a solution will be finalized by the end of 2014. If not, UNDP will completely dis-engage from the process by 31 December.
 - *Dairy*: The situation remains tenuous. At one stage, the CEO of SKPCL agreed to work with UNDP to find a viable solution for the company. Later, a split occurred in the Board of Directors. One of the factions has hired a Managing Director (who was an employee of the technical resource agency, Intercooperation). The other faction, which includes the CEO, have refused to accept this. At this stage, UNDP is unable to have good faith discussions with either faction. UNDP is no longer working towards the de-registration of SKPCL; instead, it is managing its engagement in accordance with a Risk Management and Damage Control Strategy. Under this strategy, UNDP

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will transfer title of assets to the company on the basis of the company's business plan or to the Federations, whichever will be easier. UNDP aim is to finalize the transfer by December 31, 2014.

Management and Coordination

6. In 2014 UNDP, retained basic office presence in Varanasi to ensure smooth completion and transition from the old project areas by end of 2014. With a new approach agreed between UNDP and IKEA for the expansion phase, the Country Office will be exiting completely from all aspects of the pilot by 31 December 2014. By 31 December, the Varanasi office will be shut-down and the pilot phase officially closed. Out of the eight staff working on the pilot in November 2013, only three remain on contract. Arrangements to transition the Project Officer-Gender to another unit within UNDP are underway; the contracts for the other staff will be terminated at the end of December.

3. Problems and Achievements

7. The third party evaluation study highlighted the following lessons:
 - Limited understanding of workings of producer companies which lead to failure of value chain activities of the project;
 - Large scale programme lead to challenges with implementation; and
 - Monitoring inadequately applied and used to make project decisions.
8. The major achievement was a successful closure of the pilot and prevention of the reputational risks for both parties.

4. Lessons Learnt

9. The third party evaluation report outlines lessons learnt. Please refer to IDF: Final Report to IKEA Foundation. The lessons of the Evaluation were instrumental in redesign the project.

5. Sustainability

10. As a result of UNDP – IKEA project support, the Self Help Groups and the six block federations are continuing providing services to their members. Further, one of the sustainability strategies of the project was to explore linkages with a government programme National Rural Livelihood Mission to extend support to these groups.

6. Next Steps

11. With a new approach agreed between UNDP and IKEA for the expansion phase, the Country Office will be exiting completely and close all aspects of the pilot by 31 December 2014. This will involve the following: a) all SWAYYAM staff will be terminated or transitioned by 31 December 2014; b) UNDP will cease relations with all existing producer companies, including the craft company, by 31 December 2014, pending the transfer of asset title to the dairy company; c) UNDP will no longer

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continue to engage women's federations through the social component; and d) UNDP will close its Varanasi office.