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Mid-term Review of Sustainable Use of Natural Resources and Economic Development (SUNREED)

Mid-term report



Mid-term Review of Sustainable Use of Natural Resources and Economic Development (SUNREED)

Final Report
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Abbreviations and Acronyms

APFO	Association of Private Forest Owners
CNVP	Connecting Nature Values and People Foundation
EU	European Union
FFA	Force Field Analysis
HACCP	Hazard Analysis and Critical Control Point
KFA	Kosovo Forest Agency
KPI	Key Performance Indicators
MAFRD	Ministry of Agriculture, Forestry and Rural Development
MAPs	Medicinal and Aromatic Plants
MSD	Market System Development
MTR	Mid Term Review
NAPFO	National Association of Private Forest Owners
NWFP	Non-Wood Forest Products
PA	Partnership Agreement
PFO	Private Forest Owner
SSPDF	Strengthening Sustainable Private and Decentralized Forestry
SUNREED	Sustainable Use of Natural Resources for Environment and Economic Development
ToR	Terms of Reference
WYPG	Women and Youth Producer Group

Preface

This Mid-term Review of Sustainable Use of Natural Resources and Economic Development (SUNREED) has been commissioned by the Embassy of Sweden in Kosovo. The evaluation took place from September to November 2025 with field work carried out November 1-7 and it was conducted by:

- Ian Christoplos, Team leader
- Valbona Ylli, Evaluation specialist

Katarina Lundblad managed the evaluation process at NIRAS. Ted Kliest provided quality assurance advice. Fatos Mulla managed the evaluation at the Embassy of Sweden in Kosovo.

Executive Summary

Objectives of the mid-term review and SUNREED

The purpose of the mid-term review of the Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED) project in Kosovo is to help the Swedish Embassy in Pristina (hereafter the Embassy) and the Connecting Natural Values and People Foundation (CNVP), which ‘hosts’ this project, to assess progress to date, identify what works well and what does not, and inform decisions on how to adjust and improve project implementation. The objective of SUNREED is: ”Poverty reduction for both women and men in forest areas through additional income and jobs from sustainably managed forests including wood biomass, medicinal and aromatic plants (MAPs), non-wood forest products (NWFPs,) and carbon backed up by an enabling policy environment and supported by sustainable service provision by the National Association of Private Forest Owners (NAPFO) and Associations of Private Forest Owners (APFOs).” The approach applied in the MTR has been theory based, emphasising the contributions of SUNREED within its overall theory of change and objectives. A ‘realist’ perspective has been applied, i.e., taking into account CNVP’s context-related spheres of control, influence and interest. The review team is confident that the data collected are reliable and valid.

Findings

The relevance of SUNREED’s work, and its (implicit) theory of change, reflect the underexploited potential of Kosovo’s forest resources for contributing to alleviating rural poverty. In this respect, the various interventions are well aligned with SUNREED’s impact objective. At this mid-term stage in the project there is, predictably, less evidence of whether the interventions will prove relevant for contributing to broader systemic outcomes. These systemic outcomes can be expected to include both direct outcomes, such as increased employment and income, and also indirect outcomes, such as replication of the market systems development (MSD) models being piloted and related policy reforms. Despite progress, the review team judges that the intended paths towards achieving these outcomes are in some respects over-optimistic. These include expectations of significantly increased investments in biomass heating systems and commitments to sustainable advisory services.

There is consensus that the MSD perspective has also contributed much, particularly to ensure the relevance of the work of CNVP and their partners. The staff are proud of how the introduction of this perspective has deepened their relationships with partners and other stakeholders, while also recognising that MSD is not easy to pursue in the context of Kosovo where a market orientation is lacking among some key actors and institutions. SUNREED has been largely effective at undertaking its intended activities and providing services within the scope of the project. The large majority of

stakeholders interviewed state that they are very satisfied with the support provided. The SUNREED partnership agreements are the product of considerable effort by both CNVP staff and their clients to jointly learn about what MSD means for these businesses. SUNREED has done a commendable job of supporting pilot activities and undertaking feasibility studies and introducing forest management plans for privately owned forests. The emergence of greater markets for the biomass being developed in the project is dependent on changes in national and municipal policies and priorities (e.g., earmarking investments in central heating systems using biomass plants and adoption of conducive public procurement procedures), over which SUNREED's influence is limited and outcomes are uncertain. Excellent progress is being made with supporting livelihoods related to non-wood forestry products (NWFPs) and medicinal and aromatic plants (MAPs). In these areas the MSD mind-set is clearly in place among producers and traders and driving considerable improvements in businesses. MSD is also being supported by workshops, study visits and attendance at trade fairs.

SUNREED has been effective in selecting and designing support for skilled entrepreneurs to build on their existing businesses to increase their profitability, modernise their facilities and better meet market demands. This has led to significant outcomes related to increased (largely seasonal) employment opportunities. The related behavioural shifts in the forestry sector involve long-term processes, and these are unlikely to be verifiable at this stage in SUNREED's work. The project has enabled partners to quickly overcome existing gaps in their value chains and in their own production processes.

Substantial shifts in national policies and government actions to supporting sustainable forestry will take many years. SUNREED has had a significant role in maintaining a dialogue regarding the important role of forestry in Kosovo's economic and environmental development. However, on a more concrete level, there has been limited progress in convincing public agencies to respond to the environmental and economic benefits of improved private forest management and biomass heating systems.

Perhaps the most important examples of 'crowding in' are not in relation to replication *per se*, but rather in the ability of SUNREED partners to consolidate and expand their sub-contracting relations with, e.g., collectors of NWFPs and MAPs, contract farmers, etc. These sub-partners are becoming more aware of quality demands and the benefits of meeting these demands.

The review team has found that the nature of SUNREED's main contribution to employment cannot be described as 'job creation' since most of the additional employment generated has been in the form of part-time, seasonal and casual labour (rather than permanent 'jobs' *per se*). Also, informal employment has in some cases been formalised and existing employees in family firms have obtained more qualified and stable roles. Better use of forest waste and expanding collection of NWFP/MAPs provide significant contributions to livelihoods, but are unlikely to lead to fulltime or permanent jobs. The employment generation of this type is significant in that it creates

opportunities for those poor households remaining in isolated rural areas to avoid the temptation to move to the cities or abroad. SUNREED is thus nonetheless making significant contributions to the formality, quality and (in some cases) quantity of 'employment'.

SUNREED's work with NWFPs and MAPs demonstrates a very strong gendered approach in identifying initiatives that support women's livelihoods and businesses. SUNREED has notable outcomes regarding ethnic inclusion as well.

Although some of the planned environmental initiatives, e.g., introduction of fast-growing trees, are not yet fully implemented, there is notable progress in several areas. Awareness has been raised regarding more sustainable technological options for utilising biomass in heating and how better management of private forests could contribute to reduction in illegal logging and better overall environmental management. These piloted activities show promise, but they are long-term investments. The review team thus notes prospects for broader replication of the environmental practices promoted in SUNREED's models cannot be confirmed.

The SUNREED monitoring system is comprehensive, but the aggregate data being collected appears to have limited influence on programming. Staff are nonetheless actively learning about their partners' work with market systems. However, acting on this learning has been limited by a hesitancy to suggest changes in the logframe and budget.

Conclusions

Improved forest management and access to markets for households involved in the harvesting of NWFPs-MAPS

SUNREED has had its greatest success in results related to gender and NWFP/MAPs market systems. Progress has been made in enhancing the application of sustainable forest management, even if further replication is uncertain. Progress towards application of the carbon market roadmap has been limited. Private forest owners are satisfied with the services provided, but efforts to anchor these in the work of the NAPFO and APFOs have lacked a clear theory of change. SUNREED is proving to be an effective project where it is 'going with the grain', i.e., building on the initiatives and market systems thinking of its partners. It is less successful where outcomes are reliant on decisions from actors over which SUNREED has limited or no influence, notably at the level of local and national government and with large-scale investors.

Improved performance of the wood biomass energy market system
Progress has been achieved, but further achievements in establishing a greater market for wood biomass are judged by the review team as being plausible, but far from certain. The theory of change was, at the outset, over-optimistic with regard to the leverage that could be applied in a short period of time. SUNREED is effective in enabling its partners to assume intended roles in their market systems. However,

SUNREED has limited influence in overcoming the significant obstacles to making the large investments needed for impact and for further replication.

Recommendations

1. *The Embassy should encourage that SUNREED should pursue a narrowed focus:* At this stage in the project, a smaller range of interventions is necessary.
2. *CNVP should assess the realism of achieving each sub-outcome:* The theory of change for SUNREED has been over-optimistic and should be revised.
3. *CNVP should rethink its institutional support to NWFP/MAPs advisory services:* There is a risk that the progress will not prove sustainable; a more long-term focus for developing these services, together with key partners, is needed.
4. *CNVP should rethink how a sustainable forest management advisory service could emerge:* Greater attention is needed to ensure that NAPFO, APPFs or others are prepared to finance and sustain the system that has been developed.
5. *CNVP should maintain constructive, focused relations with NAPFO and the Ministry of Agriculture, Forestry and Rural Development:* A focus on a limited number of realistic areas for collaboration is needed to foster trust.
6. *CNVP should review the monitoring system to emphasise its 'stories' about market systems development:* SUNREED has generated valuable lessons about MSD in the forestry sector that are not being captured in the existing monitoring system.
7. *SUNREED should strengthen export potential through partnership development and market exposure:* The partners have learned much from SUNREED that can be further consolidated through export markets.

1 Introduction

1.1 PURPOSE, SCOPE AND APPROACH OF THE MTR

In accordance with the Terms of Reference (ToR), the purpose of the mid-term review (MTR) of the Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED) project in Kosovo is to help the Swedish Embassy in Pristina (hereafter the Embassy) and the Connecting Natural Values and People Foundation (CNVP) which ‘hosts’ this project assess progress to date, to identify what works well and what does not, and inform decisions on how to adjust and improve project implementation. It will also serve as input for the Embassy’s decision on whether to support a potential next phase or scale-up. See ToR in annex 2).

The objectives of the MTR are to:

- Confirm and validate job creation data (including gender, job type breakdown);
- Assess the partnership model in driving systemic change;
- Evaluate progress against theory of change, logframe, Key Performance Indicators (KPIs);
- Examine the Market Systems Development (MSD) approach and CNVP’s role as a facilitator;
- Review gender and youth inclusion outcomes;
- Assess sustainability and risk factors.

The review was undertaken during the period of October to December 2025. The team consisted of Ian Christoplos and Valbona Ylli, Katarina Lundblad was the project manager and Ted Kliest provided quality assurance advice.

The approach applied in the MTR has been theory based, emphasising the contributions of SUNREED within its overall theory of change and objectives. A ‘realist’ perspective has been applied, i.e., taking into account CNVP’s context-related spheres of control, influence and interest. The approach and methods applied in this MTR are described in detail in Annex 1.

1.2 SUNREED OBJECTIVES

The objective of SUNREED is: ”Poverty reduction for both women and men in forest areas through additional income and jobs from sustainably managed forests including wood biomass, medicinal and aromatic plants (MAPs), non-wood forest products (NWFPs,) and carbon backed up by an enabling policy environment and supported by sustainable service provision by the National Association of Private Forest Owners (NAPFO) and Associations of Private Forest Owners (APFOs)”. The project’s outcomes and outputs pursued are as follows:

Outcome 1: Improved forest management and access to markets for households involved in the harvesting of NWFPs-MAPs.

- Output 1.1: Private Forest Owners (PFOs) capacity to diversify and produce sustainable products are increased and market information available.
- Output 1.2: APFO/NAPFO deliver sustainable services to private forest owners (PFOs).
- Output 1.3: Market actors (processors, incubators, associations, etc.) improve women's & youth groups' access to information, technologies and markets.
- Output 1.4: Improved policymaker knowledge on biomass energy and carbon credit market systems.

Outcome 2: Improved performance of wood biomass energy market system.

- Outcome 2.1: Improved policymaker knowledge on public support required to develop/improve the market system for modern wood fuels (particularly wood chips).
- Outcome 2.2: Establishment of wood biomass collection points and fast-growing tree plantations.
- Outcome 2.3: Promotion of investment in modern/efficient wood biomass-based heating systems.
- Outcome 2.4: Increased information, capacities and learning on wood biomass market systems.

1.3 BACKGROUND

SUNREED's objectives reflect lessons learned from an earlier Sida-supported CNVP project, on Strengthening Sustainable Private and Decentralized Forestry (SSPDF). That project, which ran from 2014 to 2021, had some similar objectives related to strengthening the capacity of private forest owners (PFOs), the local APFOs and NAPFO to reform forestry in Kosovo and increase responsiveness to the needs and potential of small PFOs. Based on lessons from SSPDF, SUNREED has been designed to respond to dysfunctions in relation to market systems development (MSD) in forestry. In contrast to the previous project, SUNREED has focused more on directly supporting entrepreneurs. Policy advice and dialogue have continued, but this was intentionally in a somewhat less 'hands-on' manner with regard to NAPFO and APFO engagements. This has entailed moving away from past tendency in the CNVP to act as a secretariat for NAPFO.

1.4 THE EVALUATED INTERVENTION

Starting in 2022 and ending in 2026, SUNREED is being supported by Sida with a budget of € 3,365,245. It aims to improve incomes of PFOs, increase participation of women and youth in forestry-related value chains, and promote sustainable natural resource use through two key market systems: non-wood forest products (NWFPs) and medicinal and aromatic plants (MAPs) and increasing commercial use of wood biomass. Field level activities are pursued through 25 partnership agreements (PAs), some of which have only recently been signed. At the time the MTR was conducted, ten of these had reported on initial results.

SUNREED's overall objectives and two key outcomes are anchored in efforts to influence policies and institutions, while also providing direct support to forest-related enterprises with the aim to increase their capacities, know-how and the quality of

information they can provide to their sub-partners. An underlying implicit assumption is that the practical experience of small- and medium-sized enterprises working with forest resources can alleviate poverty, improve the environment and convince policy actors of the value of regulatory reform and investments in improved forest management. This is in a context wherein private forestry has received very little attention from the Ministry of Agriculture, Forestry and Rural Development (MAFRD) and even from the Kosovo Forestry Agency (KFA). Where forestry is addressed by government agencies, it has primarily been from the perspective of managing publicly owned forests and limited efforts to discourage illegal logging.

SUNREED's support to partner enterprises consists of (primarily) supplying co-financing for shared capital investments in machinery and other equipment to fill gaps that these enterprises have identified in establishing a role for themselves in market systems. This is usually in the form of investments to collect, produce, process and package NWFPs and MAPs and biomass. This is complemented by provision of technical advice and networking opportunities to assist these businesses to improve their profitability and access to markets. Advice on organic certification, Hazard Analysis and Critical Control Point (HACCP), and the potential of developing markets to use biomass for central heating plants and systems is emphasised. In some cases, most notably regarding biomass, these investments are ultimately intended to contribute to developing markets that are only starting to emerge. Some interventions are also being undertaken to test new technologies for forest management, e.g., planting fast-growing trees, and safer production of MAPs to prevent the spread of invasive or toxic plants.

Efforts to influence policies largely involve leveraging the evidence from enterprise-level success to convene multistakeholder discussions around improved forest management and convince policy actors of the value of increased investments and more appropriate policies. This builds on the work of the earlier SSPDF and seeks to influence national policies (e.g., for adapted regulations private forestry, priorities for public subsidy schemes), municipal priorities (most notably investments in biomass fuelled plants for central heating systems), and the capacities of NAPFO and APFOs to lobby authorities and provide advice to private forest owners (PFOs).

2 Findings

2.1 RELEVANCE

EQ 1. Are interventions aligned with the implicit theory of change, logframe and results chain?

The findings chapter is structured in four different sections respectively covering the nine evaluation questions (EQs) outlined in the Evaluation Matrix (see annex 7).

In interviews and the MTR's Force Field Analysis (FFA) exercise the **high level of relevance has been stressed of SUNREED's work towards its (implicit) theory of change. This reflects the underexploited potential of Kosovo's forest resources for contributing to alleviating rural poverty.** In this respect, the interventions within the two overall outcome objectives are well aligned with SUNREED's impact objective.

SUNREED has used its logframe as a *de facto* 'theory of change'. While useful for project management, it does not adequately describe the assumptions about how outputs are expected to lead to outcomes and ultimately contribute to the overall objective. The **logframe also does not satisfactorily articulate the assumptions regarding contextual factors, risks and parallel processes that will determine the extent to which the results are likely to be achieved.** As will be described further below, even if interventions are aligned with the logframe, the realism of achieving some of the outcomes within SUNREED's sphere of influence is questionable. The lack of a genuine and fully-articulated theory of change, along with a desire to closely adhere to the original logframe, have meant that these key questions have not been confronted by the project nor by the Connecting Natural Values and People Foundation in which the project operates.

Nonetheless, the review team has found that much of the broad range of SUNREED interventions are relevant and in some cases are showing signs of significant outcomes within the scope of activities supported. For example, the interviewed producers of non-wood forestry products and medicinal and aromatic plants consistently report **strong demand for their products when quality standards are met**, which has driven partners to meet domestic and international consumers' strict demands.

At this stage there is, predictably, **less evidence of whether the interventions will prove relevant for contributing to broader systemic outcomes.** These systemic outcomes can be expected to include both direct outcomes, such as increased employment and income, and also indirect outcomes, such as replication of the market systems models being piloted and policy reforms (see also section 2.3 below).

Despite progress along the results chain, the review team judges that the intended paths towards achieving these outcomes are in many cases unrealistic and include gaps in logic. Some intended outcomes are apparently outside the scope of SUNREED's spheres of control or influence, suggesting the need for a 'reality check' regarding the *de facto* theory of change if the project is to focus on achievable outcomes. Drawing on both the review team's case analyses and the staff and stakeholder views recorded in the FFA exercise and interviews, the team has observed an often weak alignment of outcome objectives with SUNREED's spheres of influence.

There is a widespread recognition that adoption of a **Market System Development (MSD) perspective, underpinned by training provided by an international expert, has constituted new challenges for many stakeholders. Nonetheless, there is an overwhelming consensus that the MSD perspective has also contributed much**, particularly to ensure the relevance of their work. The SUNREED staff are demonstratively proud of how the introduction and application of a MSD perspective has deepened their relationships with partners and other stakeholders, increased staff capacities, while also recognising that MSD is not easy to pursue in the context of Kosovo.

It has been **very relevant that SUNREED and its partners have attempted to provide a path towards longer term engagements by establishing advisory service teams.** One of these consists of ten trainees who provide support for organic certification. This organic certification advisory service is hosted by Organika, the main partner involved in this area. The trainee-advisors are in place and designated as "Advisors for Organic Agriculture, Organic Cultivation of MAPs, and Sustainable Collection of NWFPs." Another team of six experts is providing forestry advice primarily related to supporting PFOs to develop forest management plans. They are hosted by NAPFO. These advisory services are very relevant and are functioning reasonably well within the scope of SUNREED's activities. At the same time, the **theory of change lacks a clear vision for how these advisory services will continue to be financed, sustained and can be expanded in order to become a fully independent advisory service system.** Most notably, experience thus far suggests that there is little likelihood of NAPFO establishing a full-fledged and sustainable forestry advisory service given their general lack of resources and weak institutional structure. It can furthermore be noted that, on a wider level, the potential for establishing and maintaining forestry-related advisory services is constrained by the lack of public investment, technical training and education in Kosovo on relevant topics.

In sum, in some respects the prevailing SUNREED theory of change has a 'missing middle' in the sense that it fails to provide explanation or guidance for moving from designated activities and outputs to intended sustainable outcomes. Plans lack explanation of what is required to ensure such a move.

2.2 EFFECTIVENESS

EQ 2. What has been delivered so far (activities, services, outcomes)?

As described in general terms above, SUNREED has been **largely effective at undertaking its intended activities and providing services within the scope of the project**. The large majority of **stakeholders interviewed state that they are very satisfied with the support provided** (albeit with exceptions). Output levels are in some cases lower than what was originally proposed, as is the ultimate uptake of SUNREED advice. For example, SUNREED has made good progress towards the output goal of preparing feasibility studies for central heating systems using biomass plants, and there is indeed greater awareness of the appropriateness of these systems. Three new partnership agreements have recently been signed that are expected to generate €300,000 in investments in biomass heating systems. Nonetheless, when the MTR was undertaken, no progress had yet been made on installing these heating systems, even on a smaller scale. It is therefore uncertain whether SUNREED's influence on ultimate decisions to make actual investments in establishing such heating systems will prove sufficient.

The SUNREED **partnership agreements are the product of considerable effort by both CNVP staff and their clients to jointly learn about what market system development (MSD) means for these businesses**. Arriving at contractual agreements for co-financing is described as an arduous task. Review of planning documents indicates a high quality of in-depth analyses and business plans. These business plans are proceeding well in the case studies analysed. Taking this into account, the review team judges overall progress to be good given the timeframe of the project.

As to be expected of a project of this kind, and given the delay's encountered in finalising the partnership agreements, **most components are only starting to achieve intended outputs**. The obvious commitments and entrepreneurial drive of the partners suggest reason for optimism in most cases. In some, however, structural obstacles may block intended outcomes, e.g., with regard to developing national ownership for a carbon marketing roadmap.

SUNREED has made **progress in the introduction of private forest management plans**. In the past these were only prepared by MAFRD and KFA for publicly owned forests. With SUNREED support, two partner enterprises, Dardani and Feniks, have made relevant plans and are implementing them together with the PFOs with whom they collaborate. This development is appreciated by these two enterprises, but the theory of change for scaling these initiatives towards broader replication is unclear. This would require strong ownership (and related financing) from KFA or other government institutions, but this remains elusive.

In other initiatives, particularly regarding the market for biomass, SUNREED has done a commendable job of **supporting pilot activities and undertaking feasibility studies**. The emergence of such a market is dependent on changes in national and

municipal policies and priorities (primarily earmarking investments in central heating systems using biomass plants and adoption of conducive public procurement procedures), over which SUNREED – as already indicated – has limited influence.

This can be contrasted with the **excellent progress being made with non-wood forestry products (NWFPs) and medicinal and aromatic plants (MAPs)**. In both value chains, the MSD mind-set is clearly in place and driving considerable improvements in businesses. In both the men dominated (small/medium-scale) biomass related partnerships and in the women dominated NWFP/MAPs sector, SUNREED has identified, and engaged with, motivated entrepreneurs so as to support these partners to achieve their market systems goals.

2.3 OUTCOMES

EQ 4. Are there observable behaviour shifts among producers, businesses, or institutions, including systemic change or better functioning value chains?¹

The case studies conducted by the review team (see annex 4) indicate that SUNREED has been effective in **selecting and designing support for skilled entrepreneurs to build on their existing businesses to increase their profitability, modernise their facilities and better meet market demands**. This has led to modest but significant outcomes related to increased (largely seasonal) employment opportunities.

At the outset, it is important to stress the **behavioural shifts involve long-term processes, and these are unlikely to be verifiable at this stage in SUNREED's work**. Furthermore, all the partners interviewed were already on a path toward developing their markets before receiving SUNREED support. The project has 'picked winners' that were already motivated entrepreneurs, some having received project funding from other agencies in the past. The project has enabled them to quickly overcome existing gaps in their value chains and in their own production processes. The review team has identified signs of progress, as well as indications of major obstacles.

On the positive side, **there are significant signs of MSD-related behavioural changes among partners**. These include recognising significant and addressable gaps in value chains and backing-up partners' efforts to innovate and devise new initiatives to respond to market opportunities. Clear examples of this are Genc Caka B.I. and Arditia Kastrati, both of which are small-sized family enterprises in the bee keeping value chain. They have been supported to expand into production of wooden frames for bee hives and specific bee fodder respectively, thereby serving individual bee keepers and contributing to the overall market system.

¹ Chapter 4 deals with EQ 3. "Are there actionable follow-ups for the embassy or CNVP?"

SUNREED has been active in working with its partners to **link them to new markets** within the region (for the bee frames mentioned above) and even through study visits to Germany and Sweden. Partners interviewed were universally **appreciative of the information received through training, multistakeholder workshops and study tours**. Interviews indicate that SUNREED has helped to break the isolation of small rural enterprises, raised awareness about potential markets, and has provided technical skills on important topics, such as safe use of chainsaws and woodworking machinery.

Examples of **innovation can be found in triangular collaboration to improve the quality of MAPs production and ultimately to achieve organic certification**. Small-scale producers such as BioAlta and Agroshqiponja have been supported to work closely with Agroprodukt and Organika, mid-size actors engaged with certification and exports, to ensure that medicinal and aromatic plants and herbs collected and produced by poor women in isolated areas can reach consumers nationally and abroad and meet quality and sanitary standards.

Obstacles primarily exist where public institutions are responding to other (largely non-market) signals. In interviews various views were expressed regarding the level of influence SUNREED has had (and could have) regarding broader policy processes. Furthermore, some interviewees indicated tensions between CNVP and some key stakeholders. Related to this, contradictory claims have been made regarding SUNREED for which it is beyond the scope of this mid-term review to assess.

There is broad consensus that a **substantial shift in national policies and government actions to supporting sustainable forestry will take many years**. Through SUNREED, CNVP has had a significant role in maintaining a dialogue regarding the important role of forestry in Kosovo's economic and environmental development. However, on a more concrete level, there has been more limited progress in convincing public agencies to respond to these benefits of improved private forest management and, as documented by SUNREED's feasibility studies and other analyses, of biomass heating systems. The review team judges that such feasibility studies are a relevant and significant input into decision-making related to energy systems. At the same time, it should be recognised that a modest project such as this ultimately has limited influence over decisions regarding these large investments. The mid-term review has observed similar findings regarding SUNREED's influence on providing public finance for undertaking forest management plans in private forests.

Another major obstacle to developing the market for biomass is government regulations that restrict public procurement contracts to one year. This obstacle seriously hampers suppliers to invest further in their equipment when their market cannot be guaranteed for more than one year. Awareness of this problem is widespread. It relates to overall government procurement regulations and is thus outside of SUNREED's sphere of influence.

Another major obstacle, that SUNREED has not been able to overcome, is that the Ministry of Agriculture, Forestry and Rural Development (MAFRD) is said to be overly focused on investing in reforms related to agriculture. The Ministry has reportedly not actively pursued funding (e.g., from the European Union) to support private forest owners and the improved management of their forests. Relatively little funding is provided from MAFRD's own resources for forestry management in general. The total budget of the Kosovo Forest Agency (KFA) for 2025 is €4,420,115. Very little of this is invested in private forests. This raises questions about the sustainability of some of SUNREED's work, and of course its replicability (see also the next section for other replicability issues).

EQ5 Is there evidence of replication, crowding-in, or new linkages?

The review team has encountered **considerable examples of partners building upon the approaches promoted by SUNREED within their work**. This includes improvements in processing, packaging and other aspects of preparing products for the market. These processes are enabled by both providing access to improved processes and machinery, as well as knowledge. The latter is provided by study tours, workshops and contacts with other SUNREED partners working on different aspects of the value chain. Through co-financed partnerships SUNREED partners are reported to have invested close to €500,000 in their businesses. Furthermore, as their businesses have grown, the **partners have made a range of additional related investments using their own resources, often in buildings and other processing machinery**.

Replication of approaches beyond SUNREED's current partners appears to be limited. This is reported to be due to lack of access to the significant amounts of capital needed for purchase of equipment and machinery. It is also likely that the **period of time since the start of SUNREED has been too short for eventual replication to become apparent**.

Perhaps the **most important examples of 'crowding in' are not in relation to replication per se. Results are more apparent in the ability of partners to consolidate and expand their sub-contracting relations**, with e.g., collectors of NWFPs and MAPs, contract farmers, etc. These sub-partners of the agreement partners are becoming more aware of quality demands and the benefits of meeting these demands. These are not necessarily 'new' linkages, but rather a strengthening and deepening of pre-existing linkages and innovations driven by the introduction of new knowledge.

As with the contributions described elsewhere in this report, the review team does not attribute these changes entirely to SUNREED, as they often build on the entrepreneurialism and market relations of the partners themselves. In all of the case studies, progress must be largely attributed to the skills and ideas of the partners, even though SUNREED has made significant and essential contributions.

In the earlier Sida-funded SSPDF, the CNVP played a key role in helping NAPFO and the APFOs to establish a dialogue with government. The linkages between CNVP and NAPFO/APFOs have a lower profile in SUNREED than was the case in SSPDF due to the increased relative focus of SUNREED on concrete market relations. Interviews indicate mixed views on the current quality of these relations. NAPFO is widely regarded as a weak institution. There is a general view among those interviewed that **NAFPO's efforts to achieve policy reform have been frustratingly slow in most areas, due largely to political obstacles, but that progress is being made in adapting forestry legislation and regulation to support more sustainable methods.**

The main example of the potential for replication and establishment of a strong market for biomass is the EU supported Gjakovë central heating plant which serves part of the town's central heating system. It is repeatedly cited as evidence of the potential of these systems, but replication had not yet occurred at the time of the MTR. SUNREED's support to biomass collection and processing partners, such as the mid-sized enterprises Feniks and Dardani, have created significantly improved conditions for supplying future heating systems with biomass, while also contributing to the introduction and application of forest management plans. **SUNREED has also raised awareness among municipalities and other stakeholders of the potential of biomass heating systems and their economic and environmental advantages, even on a smaller scale. Nonetheless, so far this has not led to significant levels of similar or related investments, even though new agreements for investments were reported to be underway.**

EQ6 Are job creation claims (149 jobs, 50% women) substantiated and are the jobs sustainable and considered attractive?

The review team has undertaken limited spot checks during partner visits, enquiring about how many 'new' jobs have been created. In these visits these employees were often present. However, the extent to which these employees were 'new' varied, as they were often family members who had presumably been active in these family firms before SUNREED, albeit with less qualified, stable and remunerative employment characteristics.

The review team has thus made efforts to verify job creation claims, but notes that the **lack of detail regarding the nature of seasonal employment in the monitoring data makes it impossible to trace these claims. The notion of a 'job' is not clearly specified in the available data, and this can therefore reflect a range of types of employment varying from informal and seasonal work collecting forest residues to formal employment in more technical roles in activities financed by SUNREED itself.** These improved jobs generally relate to operating machinery and processing equipment. Even these forms of employment have seasonal dimensions. The length of the 'season' for seasonal employment varies considerably and may be lengthened by the introduction of SUNREED financed improved packaging facilities for forest fruits (e.g., with Aldjani Ademi) and cold storage for chestnuts (e.g., with Freskia).

The review team therefore has found that verification of '**job creation**' **may not accurately capture the nature of SUNREED's contribution to employment**. A major reason for this is that most of the additional employment generated has been in the form of part-time, seasonal and casual labour (rather than 'jobs' per se). In itself this is valuable. Also, informal employment has in some cases been formalised.

Making better use of forest waste and expanding collection of NWFP/MAPs provide significant contributions to livelihoods, but are unlikely to lead to fulltime or permanent jobs. The employment generation of this type is significant in that it creates opportunities for those poor households remaining in isolated rural areas to avoid the temptation to move to the cities or abroad. Nonetheless, there is no reason to conclude that it will reverse current rural exodus trends.

SUNREED has generated a limited number of more skilled and qualified positions as part of the process of mechanisation and even in creating a few advisory service jobs (though, as noted above, even these are tenuous). The more qualified jobs created are few, however, and are mostly among the family members of the family-run businesses that constitute the majority of the entities in SUNREED's partnership agreements (PA). These individuals may not have received 'new' jobs, as many were apparently working in the family business already before the SUNREED support. Instead, and that is positive, the quality, sustainability, profitability and safety of these jobs have improved considerably.

In sum, the review team judges that **SUNREED is making significant contributions to the formality, quality and (in some cases) quantity of 'employment', even though referring to this as 'job creation' would be misleading**. The review team further notes that attempts to gather further quantitative data on seasonal and casual employment to be generated by these small firms would likely be overwhelming for the partners and SUNREED staff. However, it is apparent that better qualitative analyses that 'tell the story' about the micro-level impact of SUNREED support on the livelihoods of poor households could raise awareness of the importance of these businesses in rural areas that are otherwise faced with economic decline. This could even be an important tool for advocacy towards government institutions.

EQ7 Are inclusion strategies integrated meaningfully?

The review team assessed inclusion by triangulating gender-related monitoring data with direct observation and interviews about the nature of how partners work. The monitoring data gives a general overview of gender related outcomes. However, observations and interviews were important to clarify how, for example, the partnerships are in most cases with family firms (involving both women and men from the families) that had their greatest equity-related outcomes in generating employment for the overwhelmingly and poor women and youth from isolated rural communities. Varying attention was given in monitoring to ethnic diversity, with some partners actively reporting, e.g., the number of Roma collectors who are engaged.

The review team thus encountered significant examples of **inclusive strategies as related to collection and cultivation of NWFPs and MAPs**. According to Organika data, approximately 2,000 households produce MAPs in Kosovo, with 300 working fulltime in processing. The number of those seasonally employed in collection is likely to be substantial. Within SUNREED, the Women and Youth Producer Groups (WYPGs) are the main vehicles for this. Indeed, it is in **increased demands for quantity and skills among the seasonal labour employed in SUNREED-supported businesses that the project has its greatest impact on inclusion**.

SUNREED's work demonstrates a **very strong gendered approach in identifying initiatives that support women's livelihoods and businesses**. The WYPGs effectively consist of collectors (overwhelmingly women and some youth) of MAPs and NWFPs such as a wide variety of forest fruits, mushrooms and wild apples. The collectors supply these products to usually women-led family firms and other enterprises that are SUNREED's actual 'partners.' Only one partner was visited that was jointly led by village women (Aldjani Ademi).

SUNREED has **notable outcomes regarding ethnic inclusion** as well. This includes the Bosnian and Serb led Aldjani Ademi and mention of Roma women being active as collectors for some of the other partners. Plans for support to BioAlta have strongly emphasised contracting collection from marginalised ethnic groups.

Perhaps the **most important aspects of inclusion are found in the location of the seasonal employment generated by SUNREED supported activities, i.e., in very isolated rural areas**. These factors effectively ensure that the income generated is targeted to some of the poorest sectors of the population.

EQ8 Are environmental practices and co-financing documented and realistic?

Although some of the planned environmental initiatives, e.g., introduction of fast-growing trees, are not yet fully implemented, there is notable progress in several areas. **Awareness has been raised regarding more sustainable technological options for utilising biomass** in heating and how better management of private forests could contribute to reduction in illegal logging and better overall environmental management. **Pilots with fast growing trees and alternative chestnut varieties show promise, but these are long-term investments** and SUNREED will presumably not be able to continue to support these efforts over time. **Private forest management plans have been successfully put into place** with the partners Dardani and Feniks, but replication may depend on these being publicly financed, as is the case in many other countries. Interviews suggest that forest management plans administered through the Kosovo Forest Agency (KFA) may not be actively implemented.

The review team thus notes that the theory of change for broader replication of the environmental practices promoted in SUNREED models and especially financing, is not (yet) fully in place. Recent progress with engagement in the national Biomass Forum and three newly signed partnership agreements for biomass heating

investments show promise for continued progress. However, expectations still rest on somewhat vague hopes of expanding ownership from the government in the future.

This relates back to the unexplored underlying assumptions about these processes in the *de facto* and implicit theory of change. This **gap in the theory of change is most apparent with regard to carbon sequestration where it is unrealistic to expect results in the short- to mid-term** and from a time-bound project led by a small CSO such as CNVP. The SUNREED project has identified forest areas suitable for carbon sequestration and prepared related guidelines based on areas previously supported by forest treatments under the earlier SSPDF project. However, due to a range of structural and institutional factors, these contributions towards developing a carbon market are judged, by most informants, to be insufficient to generate that momentum needed to make significant progress at this time. In the view of the review team and some stakeholders, large investors and policymakers are unlikely to follow the ‘roadmap’ developed by CNVP. The key gaps in the theory of change are recognised by CNVP, but theories for how to overcome these gaps rely on ‘hoped for changes’ in the attitudes and priorities of public sector actors over which SUNREED has limited influence.

Even examples where there is clear evidence of environmental benefits and economic efficiency, such as is the case with use of pellets and wood chips and their related technologies (rather than heat pumps run on electricity produced from coal), the trends are not consistently encouraging. The government is continuing to subsidise heat pumps. Given these investment priorities, together with the recognised convenience of heat pumps, the review team judges that the ability of SUNREED to reverse the shift away from household use of fuelwood is uncertain, despite efforts to document and publicise the environmental and economic advantages of these technologies. SUNREED has effectively demonstrated that these technologies ‘make sense’, but a project such as this has somewhat limited influence over decisions about these investments.

2.4 LEARNING

EQ9 Is monitoring data used to improve implementation?

The review team finds the **monitoring system to be comprehensive and appropriate in some respects**. However, there is a diversity of activities, performance indicators and varying starting dates for different partner agreements (PAs), as well as what appears to be different interpretations of the monitoring indicators by different partners. This has resulted in **monitoring data that is very diverse and difficult to aggregate in a meaningful form** and use for assessing overall progress and making course corrections. Presumably for this reason, **CNVP staff were unable to specify course corrections that were stimulated or informed by monitoring data, even though, in other respects, CNVP is clearly a ‘learning organisation’**. Interviews indicated more examples of how creative efforts were made to overcome emerging challenges.

Nonetheless, SUNREED's internal running narrative reports from partner visits constitute a good overall summary of progress with each partner. Furthermore, some brief 'stories' have been documented in the 'ideas' series and other short notes about the results that partners have been achieving. The staff are also actively 'learning by doing' in the process of applying MSD in the partnerships. The review found that **CNVP staff have in-depth understanding of the processes, results and obstacles experienced by their partners**. In this respect, these forms of often informal monitoring are contributing to their learning and effective project implementation. As such, the review team finds that these types of monitoring of the individual partnerships have become more useful for internal learning than the aggregate reporting. Although SUNREED staff are clearly learning from the results of their work, the quantitative monitoring data is primarily used for reporting to Sida.

Of particular note, formal collection of monitoring data has proven insufficient for 'telling the overall story' about how MSD is becoming integrated into prevailing mind-sets. **Market systems development is about changing 'systems', but the nature of the overall 'system' is hard to discern from the aggregate monitoring reporting.** Monitoring data also fails to contextualise the findings on results where SUNREED is contributing to wider processes, supported or even obstructed by others. It is obvious that these stories are complex and difficult to document, but it is important in order to capture the benefits of SUNREED's unique approach.

A major obstacle to learning from monitoring data is the prevailing assumption within the Connecting Nature Values and People Foundation (CNVP) that the logframe and budget cannot be changed. Significant course corrections have therefore not been considered.

3 Evaluative Conclusions

3.1 OUTCOME ONE

Improved forest management and access to markets for households involved in the harvesting of NWFPs-MAPs

Regarding outcome one, SUNREED has had its greatest success in results related to **gender-related access to NWFP/MAPs market systems. Progress has been made in enhancing the application of sustainable forest management, even if further replication is uncertain.** Progress towards application of the carbon market roadmap has been made, but the outcomes are limited, and the review team judges that expectations of SUNREED being able to establish a broadly owned roadmap were not realistic at the outset. Private forest owners are satisfied with the services provided, but efforts to anchor these in the work of the NAPFO and APFOs have lacked a clear theory of change, particularly with regard to sustainability. An overall conclusion regarding outcome one is that SUNREED is proving to be an effective project in aspects where it is ‘going with the grain’, i.e., building on the initiatives and market systems thinking of its partners. These signs of progress are related to knowing what is possible to achieve within existing market systems and policies. It is less successful where outcomes are reliant on decisions from actors over which SUNREED (and respectively the Connecting Nature Values and People Foundation) has limited influence, notably at the level of local and national government and with large-scale investors. As well, any changes at these levels will only become apparent in the long-term.

3.2 OUTCOME TWO

Improved performance of the wood biomass energy market system

Notable **progress has been achieved regarding the immediate goals of outcome two.** Engagement in the recently created national Biomass Forum is an initiative that has the potential to maintain the momentum that has been generated in SUNREED’s work. Further systematic achievements in establishing a greater market for wood biomass are judged by the review team as being plausible, but are far from certain. Here again, the theory of change was, at the outset, over-optimistic with regard to the leverage that could be applied in a short period of time towards systemic change. Overall, SUNREED is effective in enabling its partners to assume intended roles in their market systems. However, these systems are only partially in place and SUNREED has limited influence in overcoming the significant obstacles to making the large investments needed for impact and to influence the behaviour of the wider group of private forest owners and entrepreneurs. SUNREED has performed well, but the prospects for achieving systemic changes remain uncertain.

4 Lessons Learned: The Roles of the Embassy and CNVP Going Forward

EQ3 Are there actionable follow-ups for the embassy or CNVP?

SUNREED is an effective project that is achieving those aims that it can be realistically expected to achieve at this stage. However, as pointed out above, some of SUNREED's objectives and areas of operation are not realistic for a project of this scale and scope. There is still time during the current project period to revisit the logframe and budget to sharpen the focus on aspects of the project that are yielding the greatest results. Also, the follow-ups for the remaining period of the project should focus on consolidating those outcomes that can 'probably' be achieved, and withdraw from further engagements that may be 'plausible' but unlikely to yield significant results without a significantly longer timeframe and without significantly increased public and private investments. The Embassy should encourage this and ensure that acceptance of unachieved objectives will be addressed as areas for learning, and not as 'failures' per se. The Embassy should advise CNVP that the logframe and budget can be changed accordingly.

A second follow-up area, stressed in the recommendations below, is the need to engage in a frank, reassessment of the SUNREED theory of change. The mid-term review team has become aware that CNVP has been (overly) cautious in suggesting changes to the logframe and budget. Rather than directly proposing an alternative here, it seems more appropriate at this point in time that the Embassy and CNVP consider the limitations to the current use of the logframe as a *de facto* theory of change and together define a revised, realistic and critically reflective alternative approach. This should include explicit recognition of what is (and is not) possible to achieve during the remainder of the project period, and what is appropriate to focus on for the future.

Related to this, the third area where SUNREED should focus is on documenting lessons from the project for considering future priorities for CNVP. This would involve documenting SUNREED's contributions in a systemic and wider perspective, rather than focusing on direct, project-level outputs and outcomes. Future priorities should reflect the need for prioritisation where the CNVP efforts are likely to have somewhat greater leverage in influencing government policies and NAPFO's capacities to establish sustainable services for its members. SUNREED has accumulated significant experience in 'what works' with market system development, and this experience should be leveraged for future engagements and advocacy.

These areas for follow-up are described in more detail in Section 5, Recommendations.

5 Recommendations

5.1 THE EMBASSY SHOULD ENCOURAGE AND SUNREED SHOULD PURSUE A NARROWED FOCUS

SUNREED's results framework was in many respects unrealistic at the outset of the project, and it is time to narrow the focus to those areas where progress is most likely to be achieved during the remainder of the project. Results are good in many areas, particularly in support to enterprises involved with MAPs and NTFPs. These advances should be consolidated. SUNREED has made valuable contributions to creating awareness and conditions for investment in biomass heating systems. The emphasis now should be on consolidating the recently signed partnership agreements to achieve some concrete investments during the current project period, as well as continued close engagement with the national Biomass Forum. Other areas, such as creating a roadmap towards carbon markets, were unrealistic for a project hosted by a small CSO like the Connecting Nature Values and People Foundation (CNVP) from the start, and need not be pursued further.

5.2 CNVP SHOULD ASSESS THE REALISM OF ACHIEVING EACH SUB-OUTCOME

As part of undertaking the consolidation suggested above, CNVP should draw lessons from the SUNREED process. To support the consolidation and generate lessons for the future, it would be advisable to review each objective and consider the extent to which a realistic results pathway is apparent. Based on an overall theory of change, 'sub-theories of change' for each of the objectives should reflect what the limits are to the spheres of influence of a modest-sized project. This should be underpinned by refocusing the monitoring system on 'stories of change' describing both where change has been achieved and where obstacles have proven to be insurmountable.

5.3 CNVP SHOULD RETHINK ITS INSTITUTIONAL SUPPORT TO NWFP/MAPs ADVISORY SERVICES

SUNREED has followed the path of many development cooperation financed advisory service interventions in creating mini-advisory services to support project outputs, while paying insufficient attention to obstacles to making such services sustainable. SUNREED should focus efforts on exploring ways to make its current support to NWFP/MAPs advisory services through Organika more sustainable after the end of the project. This could involve close dialogue with larger partners that have an interest in

these services, such as Agroprodukt and Organika, and other CSOs confronting similar issues in the agriculture sector, such as Caritas Switzerland.

5.4 CNVP SHOULD RETHINK HOW A SUSTAINABLE FOREST MANAGEMENT ADVISORY SERVICE COULD EMERGE

SUNREED should continue to support interventions that lead to a sustainable forestry management advisory service with a focus on addressing potential institutional obstacles, instead of focusing solely on short-term solutions. Testing the preparation of management plans as a paid service for PFOs under a co-financed agreement could perhaps enable wider coverage of private forests with needed management plans. The private forest management plan should be a prerequisite for PFOs' access to future support schemes. This approach could address demands for firewood, biomass, and non-wood forest products, and simultaneously create a revenue stream to sustain the advisory service.

5.5 CNVP SHOULD MAINTAIN CONSTRUCTIVE, FOCUSED RELATIONS WITH NAPFO AND MAFRD

Given the limited remaining project period, SUNREED should proactively work towards maintaining momentum in key areas of collaboration with MAFRD, KFA and NAPFO. This should include the following priority areas: (i) frank discussion about the future of forestry-related advisory services; (ii) steps needed to move forward with the roadmap on wood biomass production and use; (iii) ways to scale up the use of forest management plans; and (iv) further discuss with MAFRD the evidence they have accumulated regarding the importance of including the forestry sector in support schemes.

5.6 CNVP SHOULD REVIEW THE MONITORING SYSTEM TO EMPHASISE ITS 'STORIES' ABOUT MARKET SYSTEM DEVELOPMENT

SUNREED has strategically relevant stories to tell about how it is contributing to rural livelihoods through market system development (MSD) and why this is important for stemming decline in isolated rural areas. There is important qualitative evidence that should be collected as well regarding indirect outcomes, such as the learning and investments being made by the poor sub-partners who have become engaged in the growing enterprises. The project also has important stories to tell about the efforts and frustrations of forestry enterprises struggling to maintain environmentally sustainable and economically viable natural resource management processes. During the remainder of the project period, monitoring efforts should focus on documenting and telling these 'stories', rather than simply quantifying achievements.

5.7 SUNREED SHOULD STRENGTHEN EXPORT POTENTIAL THROUGH PARTNERSHIP DEVELOPMENT AND MARKET EXPOSURE

Based on a selection process, SUNREED should continue to further develop successful and promising partnership agreements wherever possible. Businesses ready for export (such as BioAlta's vinegar production) could be supported with certification. Additionally, businesses should continue to be assisted in gaining better exposure to international markets through participation in sector-related trade fairs, study tours, exchange visits, and business-to-business events. There should be a significant focus on Swedish markets to strengthen import and export relations between businesses in Sweden and Kosovo.

Annex 1 Approach and Methods

APPROACH

The overall approach applied has been ‘realist’ and theory-based. The intention has been to critically analyse the validity of SUNREED’s implicit theory of change. The MTR has assessed the extent to which SUNREED has contributed to achieving its intended outcomes, while recognising the project’s spheres of control, influence and interest in the context of Kosovo. As such, a contribution analysis approach has been applied in order to understand how SUNREED outputs contribute to the two overall outcomes (1. Improved forest management and access to markets for households involved in the harvesting of Non-Wood Forest Products and Medicinal and Aromatic Plants; 2. Improved performance of wood biomass energy market system.) in a complex market environment with existing entrepreneurs. Assumptions regarding effective influence on stakeholder capacities, government policies and market practices have been tested.

METHODS

Document review

The review began with analysis of programme documentation and monitoring data. Also, further non-programme documentation related to the issues raised in the evaluation questions, such as national level studies and policy research were analysed during the data collection and analysis phases.

Case studies/field level data collection

The MTR has relied heavily on brief case studies undertaken using semi-structured interviews with stakeholders within selected partnership agreements and institutional support efforts (see annex 9 Case study summaries). These were conducted during a one-week field mission by the review team during the period of November 2-7. SUNREED monitoring data for the case study interventions was reviewed where available. These case studies focus on assessing outputs and outcomes of the project in the perspective of broader contributing factors affecting market systems. They were primarily conducted through in-person visits, with some additional online interviews.

Central level policy analysis/stakeholder interviews

In addition to (and as part of) the case studies, 32 semi-structured interviews were undertaken (in-person and online) with CNVP staff, partners and key market stakeholders, largely at national level. A stakeholder analysis undertaken in the inception phase provided a basis to identify appropriate individuals. These primarily consist of actors involved in the forestry, NWFP, MAPs, and biomass sectors, but also include informed institutional actors who are aware of gender and other factors affecting rural social inclusion / exclusion in Kosovo. Stakeholder interviews were of particular importance for gaining an understanding of the effectiveness of CNVP’s facilitation of changes in markets and in influencing the behaviour of entrepreneurs and

their organisations. Partners' perspectives on the risks they face in engaging with changing market systems were important for understanding how they perceive the sustainability of the changes that are underway in the context of forestry and natural resource management in Kosovo.

Force field analysis

A Force field analysis (FFA) workshop was held during the first day of the field mission with participation of CNVP staff and key partners (NAPFO, Organika). The workshop aimed to provide a better understanding of CNVP's activities and role in achieving the project objectives as perceived by participants. It also comprehensively identified key areas important to the organisation, including perceptions on the project's strengths and weaknesses. During the workshop, participants identified and described supporting and hindering factors, concluding with further discussions on the main supportive and hindering factors for the project's progress. Annex 3 provides a detailed description of the FFA.

SAMPLE

A purposive sample was used in the case studies to ensure that voices were heard from populations that may be facing exclusion. This included factors of gender, age, ethnicity and poverty, and reflected geographic and activity diversity. Priority was also given to PAs that were relatively well established and that had available job creation data that could be verified. As part of the case studies approximately 14 interviews were undertaken with varying numbers of participants in the visits to the enterprises.

	PARTNERSHIP AGREEMENT	ACTIVITY	COMMUNE
1	FENIX	Biomass	Gjakove
2	Aldijana Ademi B.I.	Soft fruits, mushrooms, herbs	Lubinjë, Prizren
3	AGROPRODUCT	Medicinal and aromatic plants	Istog
4	Genc Cakaj B.I.	Beehive wood frames	Drenas
5	FRESKIA	Chestnut collection	Gjakova
6	AGROSHQIPONJA	Medicinal and aromatic plants	Malishevë
7	NTSH DARDANI	Biomass and wood drying system	Viti
	WOMEN, YOUTH PRODUCER GROUP	ACTIVITY	COMMUNE
1	WYPG, Pejë	Beehive food production	Pejë
2	WYPG, Kamenicë	Wild fruit collection, apple cider production	Kamenicë

	INSTITUTION	POSITION
NON GOVERNMENTAL ORGANIZATIONS		
1	NAPFO	President
2	NAPFO	Coordinator
3	ORGANIKA	Manager
4	AKERE*	Consultant
MNISTRY OF AGRICULTURE, FORESTRY AND RURAL DEVELOPMENT		
1	Department of Forestry	Director
2	Division of competitiveness and Diversification	Head of Division
MINISTRY OF ENVIRONMENT, SPATIAL PLANNING AND INFRASTRUCTURE		
1	Kosovo Environmental Protection Agency	Vice head
CONNECTING NATURE VALUES AND PEOPLE		
1	CNVP, Kosovo	Country Director
2	CNVP, Kosovo	Advisor, environment and community development
3	CNVP, Kosovo	Advisor, forestry
4	CNVP, Kosovo	Advisor, natural resource management
5	CNVP, Kosovo	Advisor, rural and economic development

	INSTITUTION	POSITION
DONORS		
1	EU delegation Kosovo	Program Officer
2	GIZ Kosovo	Deputy team leader
3	CARITAs Switzerland	Value Chain coordinator
4	Swiss Foundation for technical cooperation	Country Director, Kosovo
5	LUXDEV	Project manager

* *Association of Kosovar for Renewable Energy and Energy Efficiency*

Annex 2 Terms of Reference



Terms of Reference for the Mid-Term Review of the Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED) Project in Kosovo

Date: 16 July 2025

1. Introduction

Kosovo's rural areas face persistent poverty, limited employment opportunities, environmental degradation, and underutilized natural resources. With over 130,000 households owning small, fragmented parcels of private forest (averaging just 1.3 ha), forestry remains one of the few economic lifelines in remote areas. Yet due to poor forest management, legal constraints, market fragmentation, and weak service delivery systems, these resources are not used sustainably or efficiently.

To address these challenges, the Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED) project was launched in 2022 as a five-year intervention (2022–2026), building on the Embassy of Sweden in Pristina's (hereinafter the Embassy) previous support under the Strengthening Sustainable Private and Decentralized Forestry (SSPDF) program. SUNREED aims to improve incomes of private forest owners (PFOs), increase participation of women and youth in forestry value chains, and promote sustainable natural resource use through two key market systems: Non-Wood Forest Products (NWFP)/Medicinal and Aromatic Plants (MAPs), and wood biomass.

SUNREED applies a Market Systems Development (MSD) approach to facilitate structural change by addressing root causes in the functioning of target markets. The Connecting Natural Values and People Foundation (CNVP), as the implementing partner, acts as a market facilitator, promoting systemic change through co-investment with private actors, partnerships with APFO/NAPFO, and engagement with local institutions.

SUNREED is among the few donor-funded initiatives in Kosovo applying a full MSD methodology in the natural resource's domain. Other actors include FAO (forest policy), GIZ (green innovation), and UNDP (climate adaptation), but SUNREED is uniquely positioned in its grassroots engagement and systemic orientation.

The Mid-Term Review (MTR) will assess delivery of results and the project's ability to induce sustained behavioral change in how forest market's function, forest owners engage, and institutions support sustainable forestry development.

2. Purpose and intended use

The MTR will help the Embassy and CNVP assess progress to date, identify what works well and what does not, and inform decisions on how to adjust and improve project implementation. It will also serve as input for the Embassy's decision on whether to support a potential next phase or scale-up.

3. Evaluation object

The object of the review is the SUNREED project, implemented by CNVP and funded by the Embassy. The project seeks to reduce rural poverty through sustainable natural resource use, by improving forest management and developing inclusive, functional markets for NWFPs, MAPs, and biomass.

SUNREED's theory of change assumes that better linked, capacitated, and incentivized actors will improve market access, service delivery, and economic outcomes, particularly for women and youth.

Direct target groups: PFOs, Women and Youth Producer Groups (WYPGs), private sector partners, and institutional stakeholders (NAPFO/APFO).

End-beneficiaries: Low-income rural households in forested regions.

Implementation: SUNREED is implemented by CNVP using an MSD approach with partnership agreements (PAs) involving private companies, municipalities, and forest associations.

Budget: Total Swedish contribution is €3,365,245. By end-2024, 67% of Year 3 budget was utilized (€588,337 of €873,523). Partner co-investment matched 50% of intervention costs.

Geography: Interventions span multiple municipalities in Kosovo's eastern, western, southern, and central regions.

Key challenges:

- Weak coordination, especially in biomass
- Limited capacity in APFOs and municipal institutions
- Delays in forest policy reforms
- Dependency on donor facilitation
- Market and climate risks

4. Objectives of the review

a) Confirm and validate job creation data (including gender, job type breakdown) b) Assess the partnership model (PAs) in driving systemic change c) Evaluate progress against theory of change, logframe, KPIs d) Examine the MSD approach and CNVP's role as a facilitator e) Review gender and youth inclusion outcomes f) Assess sustainability and risk factors

5. Evaluation questions

A. Implementation progress

- Are interventions aligned with the logframe and results chain?
- What has been delivered so far (activities, services, outcomes)?
- Are there actionable follow-ups for the Embassy or CNVP?

B. Systemic and behavioral change

- Are there observable behavior shifts among producers, businesses, or institutions?
- Do these suggest systemic change or better functioning value chains?
- Is there evidence of replication, crowding-in, or new linkages?

C. Sustainability and inclusion

- Are job creation claims (149 jobs, 50% women) substantiated and sustainable?
- Are inclusion strategies integrated meaningfully?
- Are environmental practices and co-financing documented and realistic?

D. Learning and adaptation

- Is monitoring data used to improve implementation?
- Are partners adapting and learning?
- Are scale-up pathways emerging?

6. Methodology

The MTR will use a mixed-methods approach over 25–28 working days:

- **Inception (3 days):** Document review, evaluation design, sampling, interview plan.
- **Desk Review (6–7 days):** Analysis of KPIs, PAs, progress reports.
- **Stakeholder interviews (3–4 days):** With CNVP, partners, municipalities, and associations.
- **Field verification (5 days):** Visits to 3–4 PAs (diverse regions, job creation focus).
- **Analysis and reporting (5–6 days):** Triangulation, synthesis, draft report.
- **Validation and finalization (2–3 days):** Debrief, final report.

Evaluation will emphasize:

- Evidence-based conclusions
- Transparent methodology
- Triangulation of job creation data
- Use of source criticism
- Application of Sweden's development perspectives (rights-based, gender, climate, poverty, conflict)

7. Field visit and case selection

Site selection will include:

- 4+ PAs with job creation data.

- Geographic diversity (east, west, south).
- 1 WYPG.
- 1 institutional support activity.

Each case will be assessed for impact, ownership, and sustainability.

8. Required expertise

Evaluator(s) must demonstrate:

- MSD evaluation experience (preferably forestry/biomass).
- Knowledge of systemic change and co-investment tracking.
- Familiarity with Embassy evaluation standards and OECD/DAC.
- Strong analytical and English reporting skills.

9. Reporting and coordination

Evaluator(s) will report to the Embassy Program Officer. CNVP will support access to data and logistics. Evaluator(s) must retain full independence.

10. Review quality

Review approach:

- Utilisation-focused.
- Do no harm.
- Participatory and flexible.

Methodological standards

- **Reliable:** Based on credible methods and sources.

Transparent: Clearly state confidence in conclusions and how they were derived.

Documentation must describe:

- Sampling, interview methods, analysis techniques.
- How systemic change and job creation are defined.
- Triangulation and limitations.
- Internal quality assurance process.

Data must be GDPR-compliant and shared with the Embassy upon request.

11. Time schedule

Deliverables	Participants	Deadline
Start-up meeting (virtual)	Embassy, Evaluator(s)	5 Sept
Inception report submitted	Evaluator(s)	13 Sept
Feedback on inception report	Embassy, CNVP	16 Sept
Finalized inception report	Evaluator(s)	18 Sept
Field visits & interviews	Evaluator(s)	19–27 Sept
Preliminary findings presentation	Evaluator(s), Embassy, CNVP	30 Sept
Draft MTR report submitted	Evaluator(s)	10 Oct
Feedback on draft report	Embassy, CNVP	17 Oct
Final MTR report submitted	Evaluator(s)	24 Oct

12. Deliverables

- 1. Proposal (Call-off response):** Methodology, work plan, team profile.
- 2. Inception report (max 3-4 pages):** Includes methods, stakeholder plan, sampling, fieldwork.
- 3. Preliminary findings presentation:** Virtual meeting for early insights.
- 4. Draft MTR report (max 12 pages + annexes):** Focus on job verification, systemic change, co-financing, recommendations.
- 5. Final MTR report:** Clear, concise, professional. Includes exec summary, findings/recommendations, annexes.

13. Financial and human resources

Maximum available budget: SEK 250,000. Payment upon approval of final report.'

Embassy contacts: Fatos Mulla, email fatos.mulla@gov.se and Jonathan Sigvant, email: jonathan.sigvant@gov.se. Evaluator is responsible for logistics.

Annexes:

Annex A: Documentation – to be provided at assignment start.

Annex B: Evaluation object summary

Information on the evaluation object (i.e. intervention)	
Title of the evaluation object	Sustainable Use of Natural Resources for Environment and Econ. Dev.-SUNREED
ID no. in PLANIt	15084
Dox no./Archive case no.	UM2021/36090/PRIS
Activity period (if applicable)	2022-01-01 - 2026-12-31
Agreed budget (if applicable)	SEK 34 000 000
Main sector	31220 - Forestry development
Name and type of implementing organisation	NGO
Aid type	Project type
Swedish strategy	Sweden's reform cooperation strategy for the Western Balkans and Turkey (2021–2027)

Annex C: Project Document – to be shared via email.

Annex 3 Force Field Analysis

A Force Field analysis (FFA) helps to understand the dynamics of change. It involves identifying and analysing the ‘driving forces’ that promote (enable) change and the ‘restraining forces’ that hinder change.²

The FFA was carried out during a workshop on the first day of the field mission, with the aim of gaining an understanding of CNVP’s activities and role in achieving the project objectives as perceived by the staff and key partners (NAPFO, Organika). It also aimed to comprehensively identify the key areas of importance to the organisation, including participant’s perceptions of its strengths and weaknesses.

During the first part of the workshop, participants were asked to write down five supporting factors representing what they believe helps CNVP fulfil the project’s objectives. These factors were grouped under generically defined enabling factors that were assigned scores by each participant reflecting the importance of that factor based on the participant’s experience and assessment.

During the second part of the workshop, participants were asked to write down five hindering factors, representing what they believe hinders CNVP in achieving project objectives. Again, grouped factors under the generically defined hindering factors were assigned scores by participants reflecting their importance based on the participant’s experience and assessment.

The three most scored supportive factors that were further elaborated during participant’s discussions were: “Internal organisation and staff communication”, “Cooperation with other actors at central and local level”, and “Kosovo is a rich country in forestry resources, NWFP, MAPs...”, while the most scored hindering factors included: “Limitations in the implementation of the legislation, policies and strategies”, “Lack of support policies and incentives”, and “Limited capacities of partners in knowledge and co-finance”. The figure below provides a detailed insight in the order of importance of all factors mentioned and scored during the FFA workshop.

² Lewin, K (1951) *Field Theory in Social Science*. Harper Torch Books.

ANNEX 3 FORCE FIELDS ANALYSIS

FORCE FIELD ANALYSIS

PROJECT OBJECTIVE: Poverty reduction for both women and men in forest areas through additional income and jobs from sustainably managed forests including wood biomass, MAPs, NEFPs, and carbon backed up by an enabling policy environment and supported by sustainable service provision by NAPFO and APFOs

SUPPORTIVE FACTORS			HINDERING FACTORS		
MAIN HEADINGS	POINTS	RANKING	MAIN HEADINGS	POINTS	RANKING
Internal organization and staff communication.	101	1	Limitations in the implementation of legislation, policies and strategies.	107	1
Cooperation with other actors at central and local level.	89	2	Lack of support policies and incentives.	97	2
Kosovo is a rich country in forestry resources, NWFP, MAPs...	81	3	Limited capacities of partners in knowledge and co-finances.	92	3
MSD approach.	77	4	Informality in the sector	83	4
Increase of demand for NWFP, MAPs, biomass, etc.	77	4	Staff work overload	68	5
Increase of staff capacity.	62	5	Lack of proper cooperation between central and local government institutions.	64	6
Capability to increase the capacity of actors with whom we cooperate.	60	6	Lack of capacities and services offered for businesses.	62	7
Inclusiveness, youth, women, poor...	58	7	Lack of organizational development especially biomass sector for renewable energy.	61	8
Innovative approaches.	52	8	Climate changes.	48	9
Trend for organic productions.	46	9	Lack of APFOs and NAPFO sustainability.	43	10
Management system.	41	10	Presence of small and fragmented forest parcels.	41	11
Increase of stakeholder's interest.	40	11	Lack of work force.	35	12

Annex 4 Case Study Summaries

The following summaries describe selected organisations supported by SUNREED and analysed in the course of the case studies selected for the review. They are intended to highlight key aspects of these partnerships from the perspective of the questions that have guided the mid-term review.

As outlined in detail in the inception report, the case studies were selected based on a purposive sample to ensure that voices are heard from populations that may be facing exclusion. This included factors of gender, age, ethnicity and poverty, and reflect geographic diversity. Priority was also given to partners that were relatively well-established and that had available employment data that could be verified.

Agroprodukt/Organika

SUNREED's joint partnership with Agroprodukt (a firm involved with MAPs processing end export) and Organika (an organisation supporting organic MAPs production and certification) exemplifies how SUNREED works with midsized actors to enhance their engagements with smaller local firms to strengthen the MAPs market system. These two partners have a strategic role enabling SUNREED's smaller partners to benefit from its organic certification, by educating WYPGs about market and regulatory demands, most notably European Union requirements, as well as what parts of plants are in demand, which plants may be invasive or otherwise harmful, etc. Organika hosts the ten advisors trained by SUNREED. Agroprodukt provides a reliable market for approximately 25 smaller enterprises to enable them and their collectors to invest in their businesses. This includes providing seedlings and purchasing the herbs they collect. Overall, multi-year contracts with Agroprodukt absorb most of the risks faced by these small producers and helps them overcome their knowledge gaps. Agroprodukt is aware of the potential of producing for the Swedish market, but has not established contracts as yet.

CNVP's support to Agroprodukt predates the SUNREED project. It currently focuses on conducting joint trials of the use of agrotextiles in five plots to control invasive species that threaten to contaminate products with toxic compounds. This is crucial as Kosovar products were recently blocked from the German and Swiss markets due to contamination.

Agroshqiponja

Agroshqiponja exemplifies an innovative family firm that has leveraged SUNREED support to expand and consolidate their business. They produce MAPs on 4 hectares of land, collect MAPs from local women, and sell seedlings raised in their approximately 100 square metre-sized greenhouse. These seedling sales are mostly provided to poor women producers who then sell their produced and wild-collected herbs to

Agroshqiponja. The young daughter-in-law of the founder is active with e-marketing, using TikTok to promote their products. She is very knowledgeable about the use of MAPs for health purposes.

Agroshqiponja existed before it received SUNREED support, but due to material support to improve the greenhouse and training, they have increased the quantity, quality and reliability of their production. Most notably, they have augmented the number of collectors they work with and quantity/quality of what they collect. They advise the women they work with on quality and sanitary requirements, drawing on advice from SUNREED and Agroprodukt. SUNREED support has included training, marketing support and upgrading of their greenhouse with insect protection, improving the flooring and irrigation.

Aldjana Ademi

Aldjana Ademi is a WYPG operating in two small, isolated, mountain villages. Of the case studies reviewed, it is the clearest example of SUNREED's capacity to overcome ethnic and geographic exclusion. The village visited was a Bosnian community where few speak Albanian. The other village where Aldjana Ademi operates is mostly populated by Serbs. There is heavy outmigration in the area. Aldjana Ademi is also an example of an enterprise operating as a genuine 'group of individual producers', whereas the other WYPGs appear to consist of family firms with a network of sub-contracted collectors and producers. They mostly collect soft fruits, mushrooms and some herbs. Some members cultivate strawberries.

SUNREED investments have been used to improve packaging of produce to enable retail sales (before sales were only in bulk) and improve sanitary aspects. Labelling has been improved as well. The co-financed packaging machinery is used for the selection and sorting of soft fruits, weighing, packing in small 500 gr packages, sealing, and labelling.

Due to SUNREED support, Aldjana Ademi has been able to steadily increase their number of collectors from twenty to forty. By increasing the diversity of production, the seasonal work has also expanded. Better processing and packaging have also given increased income. A few more women have been employed (seasonally) in packaging and sales. Arrangements are underway for exporting to Serbia and North Macedonia.

Dardani

Dardani exemplifies a private firm working with collecting and processing biomass and other wood products that is active in developing its capacities to meet future market for biomass while, in the meantime, working towards more efficient fuelwood collection and sale using forest management planning. Markets include schools, hospitals and businesses that may, in the future, shift to more modern and efficient biomass heating systems. Dardani has been concerned that customers may instead purchase subsidised heat pumps, but currently there seems to be a shift back to wood due to the increased cost of electricity. There is general awareness about the opportunities of biomass, and

the example of the Gjakovë central heating plant and system, but in the areas served by Dardani there have been no related investments thus far. Dardani bid on the last tender for supplying biomass to the Gjakovë heating plant, but was unsuccessful.

SUNREED contributes to Dardani's work, partially through support to forest management plans. Dardani owns 150 hectares of forest and manages a similar amount owned by others. Dardani and SUNREED collaborated in contracting an engineer and developing a plan for silvicultural measures. KFA provided a permit, prepared a cutting plan and marked trees for cutting. It was the first such plan on private forest land in Kosovo. Better management is now manifested in Dardani and its partners knowing what to cut, how to thin, what is useable for biomass, etc. Relations between private forest owners and KFA are said to be improving as both are working under the same plan.

In conjunction with the plan, SUNREED has financed equipment for Dardani's wood collection point, including a scale. This is seen as more accurate than the previous estimates by volume and has improved relations between Dardani and other PFOs. Machinery for cutting and pre-packaging firewood in 1.7 metric tonne units has been purchased and will soon be installed. It is expected that Dardani will expand beyond its current 15 staff when that is operational.

SUNREED has prepared feasibility studies for biomass heating systems and, although nobody has yet decided to make such investments it has helped spread awareness of the benefits.

Feniks

Feniks is a mid-sized producer of firewood and pellets that intends to move into biomass production. Approximately 15,000 metric tonnes per year are currently produced, of which 2% is supplied through SUNREED contracts. The focus is on processing forest waste, residue from thinning and other byproducts of silviculture. Biomass is collected from the forest and where private forest owners (PFOs) place forest waste at the roadside. Feniks aims to provide a 'guaranteed market' for PFOs wishing to sell forest waste. Feniks manages collection, chopping and supply to end users, in addition to using it for pellet production.

SUNREED's support is seen as contributing to Feniks' market systems development (MSD) perspective. Through workshops and provision of machinery, the overall value chain is made more effective and efficient. Two new workers have been employed. Greater investments are needed, but the main obstacles to this are the short, one-year contracts that are possible with public institutions. This makes long-term investments very risky. As a result, Feniks and its suppliers are largely reliant on older tractors and other less efficient heavy equipment.

The future of MSD in the biomass sector is in installation of more modern central heating systems and plants. The EU investment in the Gjakovë central heating plant

and system has done much to show it is possible, but replication will take time. Smaller models are being considered as well. Feniks recognises that there will always be competition for these contracts to supply biomass to newly established units, but they are optimistic.

Freskia

Freskia is a private, family owned and operated, enterprise. It engaged in the collection of forest fruits (mainly chestnuts) from small scale producers/collectors and the marketing from such produce to restaurants and retailers. It exemplifies how SUNREED identifies and supports existing dynamic enterprises working in mountain communities with NWFP products. Freskia was created after the war and received Swiss support via Intercooperation for 15 years, primarily with collection and marketing of forest fruits. With SUNREED support they have become a major collection point for chestnuts and are selling these products at a significant scale. Their chestnuts are organic and Freskia is involved in helping to further develop the collection and production of this under-exploited resource. There are 3,500 hectares of chestnut forests in the area near Freskia. Chestnuts are collected by women from mostly poor households (including Roma) on their own private patches of forests and on government land. The management of much of these forests has declined since the war, and they are affected by both insects and blight.

SUNREED's role has been to build on the foundation created by Freskia, with Swiss support, by provision of advice, networking and finance of equipment to fill production gaps, thereby ensuring their ability to meet quality and quantity demands of the market. SUNREED contracted an expert to help Freskia develop a business plan. The quality of their fresh and processed products has led to Freskia becoming a supplier to restaurants and retailers of fresh chestnuts. There appears to be potential to sell their products in export markets, but these have not yet been developed. SUNREED has supported Freskia's expansion with the provision of a forklift, refrigerator, dryer and other equipment. Permanent staff consists of family members, who have upgraded their skills. Seasonal employment has been increased by expanding the number of collectors and the period that they can supply Freskia and engaging others during peak production periods. SUNREED has also helped Freskia to engage in workshops to learn about managing chestnuts and networking opportunities and to promote the rehabilitation of Kosovo's once strong chestnut production.

Of particular note, SUNREED is supporting Freskia to establish a three hectare, improved chestnut plot and test new varieties that may be resistant to the insects and blight that are affecting the forests. The demonstration plot is owned by a poor war widow and is the only planted chestnut forest in the area. Freskia and SUNREED are working to raise awareness within the Ministry of Agriculture, Forestry and Rural Development (MAFRD) of the need to more closely manage chestnut forests. So far, no government resources have been allocated for this.

Genc Caka B.I.

Genc Caka B.I. is a medium-sized family firm that exemplifies how SUNREED can support an enterprise to move into new, innovative and safe production areas to better utilise forest resources. Before receiving the current support, this business included honey production and various other activities. SUNREED has complemented this with support to the production of frames for beehives. This highly entrepreneurial family had produced these on a small scale before receiving this support and had made significant investments in their facilities. Genc Caka B.I. built the current structure for this facility before receiving SUNREED support. Genc Caka B.I. has gradually developed as a wood-working enterprise.

In the past, the vast majority of these frames were imported. In developing this product, Genc Caka B.I. has made a major effort to source lime trees for the frames, as this wood is preferred by the bees (the hives themselves are made from pine). There is a desire to expand cooperation with associations of private forest owners (APFOs) to source these trees, which are found scattered across forest areas. The frames are sold throughout Kosovo and there are plans to begin exports, starting within the Balkan region, and also produce the nets to use in the frames.

SUNREED support has mostly consisted of co-financing purchase of mechanized equipment that has greatly increased the efficiency, safety and speed of production. Unusual for a wood-working factory, the facility is almost entirely staffed by women, i.e., including the mother, wife and sister in the family. Before receiving this machinery, the process was more laborious and staff were all men. SUNREED has also supported networking and engagement with private forest owners (PFOs). There are plans to expand production in new business areas related to honey production.

Ardita Kastrati

Ardita Kastrati is an enterprise consisting of the women from an extended family collaborating with approximately 40 households including small-scale beekeepers and producers of other agricultural products. Ardita Kastrati has received other support before engaging with SUNREED. The focus is on beekeeping, but the staff stress that diversification has been very important for the family and cooperating women. In addition to a variety of bee products, the family and other members of the Women and Youth Production Group (WYPG) produce pickles, fatten calves and are engaged in other products. A great variety of high quality, well-packaged products is produced. The main focus of SUNREED support is on production of bee fodder. This activity employs 5 women from the family and one additional worker for packaging, all on a seasonal basis. Inclusion is seen as important as bee keeping supports the livelihoods of poor women in the area, particularly those facing challenges such as health problems in the family.

SUNREED support has primarily involved co-financing of machinery for production of bee fodder, to be used when natural sources (flowers) are insufficiently available. The production and packaging have been significantly modernised and marketing improved. Sales are made to 40 women. Fodder is sold at a discount to those who are

members of the WYPG. The group also provides a forum for discussing problems they face in general and to give mutual support. The group has grown with the expansion of bee fodder production. It is noted that there is a need to limit the number of women who can contribute to the production line due to the risk of spread of diseases. SUNREED has also distributed rape seed seedlings to provide early blooming fodder before other sources are available for the bees. Support has been provided for planting improved chestnut varieties as well.

BioAlta

BioAlta is a family enterprise that began with collection, production and packaging of medicinal and aromatic plants (MAPs) and has expanded with a major focus on vinegar produced from wild apples. The very high demand for the latter led to decisions to expand vinegar production. Mostly women and children from households in the area collect MAPs from their own and government forests. These collectors are said to also include marginalised ethnic minorities. Their contract with SUNREED gives considerable emphasis to these aspects of inclusion. BioAlta's expanded production has increased the supply of apples purchased from four to ten tonnes, increasing seasonal employment for both collection and selection/cleaning.

The enterprise started when the husband came back from Switzerland after the war. The initial focus was on MAPs in collaboration with Agroprodukt and with support from Caritas Switzerland. Agroprodukt taught them the value of MAPs and how to produce to respond to market demands and requirements. BioAlta has expanded the marketing of its products and currently has 80 outlet points cross Kosovo. Videos are produced explaining the health benefits of vinegar. New products, such as vinegar with garlic and with nettles are proving quite popular.

SUNREED financed the preparation of a comprehensive business plan for BioAlta. Other support has primarily been provided by co-financing the purchase of equipment (importantly, two large silos) for vinegar production. Also, a chopping machine and juicer have been purchased.

NAPFO

Twenty-two years ago, the National Association of Private Forest Owners was established with various associations at communal level. Currently there are 23 communal associations (APFOs) with a total of 10,800 members. Initially, NAPFO was not recognised by the government as an advocacy group. However, with CNVP support, NAPFO has gained prestige and is now accepted by government institutions at both central and local level. With the project's support, at least two workshops have been organised annually on different topics. SUNREED has worked to strengthen institutional cooperation and provide solutions to challenges faced by private forest owners. SUNREED has supported capacity building for NAPFO and APFO's organisational structures, so to enable them provide training courses and deliver services to their members. Of particular note, NAPFO participated in the preparation of the forestry law and the associated sub-legal acts. Two main achievements include: (i) allowing forest cutting of up to 7m³ per annum for personal use solely through

notification to the authorities, eliminating the need for permits; permits are now required only for cuttings on their own land exceeding 7m³ per annum; and (ii) removing the requirement for licenses for collecting up to 2 kilogrammes of non-wood forest products (NWFPs) per annum.

SUNREED's support to NAPFO/APFOs builds on experience with earlier and robust support provided by the Connecting Nature and Values and People Foundation (CNVP) through the project, Strengthening Sustainable Private and Decentralized Forestry (SSPDF). At the time, there were concerns that CNVP had effectively assumed an inappropriate secretariat role for NAPFO. Therefore, engagements have now shifted more to technical assistance and training under SUNREED. NAPFO is staffed by a coordinator, who works on a voluntary basis, while being contracted by SUNREED at times as a consultant.

During its first year SUNREED supported NAPFO with training aimed at increasing the capacities of its management structures in organisational development, and strategic planning, as well as advocacy and communication skills. SUNREED has since supported the establishment of a forestry expert group within NAPFO/APFOs structures to provide advisory services to PFOs, primarily for developing forest management plans. Its sustainability remains uncertain in absence of financial resources. Other support included financing study visits to Hungary and Slovenia.

At the local level SUNREED facilitates networking and cooperation among PFOs and other stakeholders, including youth and women's producer groups. The APFO's youth group has about 25 members from different APFOs. They have defined the group's strategic goals, tasks, and training needs, fostering networking among women and youth. WYPGs serve to mobilise a significant number of women.

Frustrations were expressed among some stakeholder interviewed regarding the slow pace of reforms within NAPFO's internal organisation. This includes limited renewal of leadership and lack of attention to creating conditions for sustainable service provision. Tensions exist between the NAPFO leadership and CNVP. It is beyond the scope of the MTR to investigate these issues in detail, but they suggest cause for concern.

Annex 5 Overview of Persons Interviewed

In line with GDPR and confidentiality concerns, names and titles have been omitted from the publication

Persons interviewed

Category	Number of interviewees
CNVP staff and advisors	6
NAPFO/APFO representatives	2
NWFP/MAPs partners	11
Forestry management partners	3
Donors	4
Government representatives	3
NGOs	3
Total	32

Annex 6 Documents Reviewed

1. AGRAR PLUS GesmbH. (2024). Final report: Feasibility studies and planning on the establishment of biomass heating systems and provision of training on quality management, logistics and operation (Annex 6). In the frame of the project Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
2. Agrar Plus GmbH. (2024). Pilot phase 1 calculation: Biomass heating plant Viti (wood chips). CNVP Kosovo.
3. Agrar Plus GmbH. (2024). Pilot phase 1+2 calculation: Biomass heating plant Viti grid development. CNVP Kosovo.
4. Agrar Plus GmbH. (2024). Pilot phase 2 calculation: Biomass heating plant Viti (wood chips). CNVP Kosovo.
5. Agrar Plus GmbH. (2025). Pilot calculation: Biomass heating plant Lipjan (pellets). CNVP Kosovo.
6. Aste, C. (2023). Biomass collection point centre: Feasibility study on biomass collection centre, technical description, list of tools and machinery needed, costs analysis. CNVP Kosovo, SUNREED Project.
7. Aste, C. (2023). Biomass collection point centre: Feasibility study on biomass collection centre, technical description, list of tools and machinery needed, costs analysis. CNVP Kosovo / SUNREED Project, funded by the Embassy of Sweden in Prishtina.
8. CNVP Foundation. (2022). SUNREED multi-year work plan (Years 1–5).
9. CNVP Foundation. (2023). SUNREED final progress report for 2022.
10. CNVP Foundation. (2023). SUNREED financial report 2022.
11. CNVP Foundation. (2023). SUNREED local capacity building (LCB) plan 2023.
12. CNVP Foundation. (2023). SUNREED procurement plan for co-investment 2023.
13. CNVP Foundation. (2023). SUNREED procurement plan for consulting services 2023.
14. CNVP Foundation. (2024). SUNREED procurement plan for consulting services and co-investment 2024.
15. CNVP Foundation. (2025). SUNREED progress report 2024. CNVP Foundation. CNVP Foundation. (2024). SUNREED narrative work plan for 2024.

16. CNVP Kosovo. (2021). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED): Project document (Annex B).
17. CNVP Kosovo. (2022). Annex 2: Market Systems Analysis – Non-wood forest products (NWFPs) & Medicinal and aromatic plants (MAPs). Draft #1.
18. CNVP Kosovo. (2022). Annex 3: Market Analysis #2 – Wood Biomass. Draft 2.
19. CNVP Kosovo. (2022). Annex 4: Market Analysis #3 – Wood-Based Products Market. Draft report.
20. CNVP Kosovo. (2022). Communication strategy for SUNREED project (Annex 7). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
21. CNVP Kosovo. (2022). Market analysis #2: Wood biomass. SUNREED Project.
22. CNVP Kosovo. (2022). Market analysis #3: Wood-based products. SUNREED Project.
23. CNVP Kosovo. (2022). Market systems analysis: Non-wood forest products (NWFPs) & medicinal and aromatic plants (MAPs). SUNREED Project.
24. CNVP Kosovo. (2023). Annex 2: SUNREED List of Partnership Agreements 2023. Internal project documentation.
25. CNVP Kosovo. (2023). Annex 3: SUNREED Exchange Study Visit Report. Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED) Project.
26. CNVP Kosovo. (2023). Annex 4: Key Performance Indicators for NAPFO. Internal monitoring framework
27. CNVP Kosovo. (2023). Annex 5: Logical framework of the SUNREED project. Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
28. CNVP Kosovo. (2023). Annex 6: Communication and visibility of SUNREED project. Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
29. CNVP Kosovo. (2023). Budget realisation for year 2023 (Annex 7). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
30. CNVP Kosovo. (2024). Annex 1: Summary of SUNREED activity based on work plan 2024. Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED) Project.
31. CNVP Kosovo. (2024). Communication and visibility of SUNREED project (Annex 7). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
32. CNVP Kosovo. (2024). Feasibility study report: Biomass heating pilot plant Lipjan. SUNREED Project.

33. CNVP Kosovo. (2024). Financial report for year 2024 (Annex 10). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
34. CNVP Kosovo. (2024). List of CNVP staff and support staff: Roles in SUNREED project. Internal document.
35. CNVP Kosovo. (2024). List of partner institutions and contacts. Internal document.
36. CNVP Kosovo. (2024). Logical framework of the SUNREED project (Annex 8). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
37. CNVP Kosovo. (2024). Logical framework of the SUNREED project (Annex 8). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
38. CNVP Kosovo. (2024). Narrative monitoring system for SUNREED project (Annex 9). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED).
39. CNVP Kosovo. (2025). Annex 2: SUNREED List of Partnership Agreements 2025. Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED) Project.
40. CNVP. (2021). SUNREED project budget: Annex 5 – Detailed financial plan for 2022–2026. Internal financial document.
41. CNVP. (2021). SUNREED work plan: Annex 6 – Activity schedule for project implementation. Internal planning document.
42. CNVP. (2021). Sustainable Use of Natural Resources for Environment and Economic Development (SUNREED): Project proposal and theory of change. Final project document.
43. CNVP. (2022). Annex 1: SUNREED activity progress based on work plan 2022. Internal progress report.
44. CNVP. (2023). Annex 1: SUNREED activity progress based on work plan 2023. Internal progress report.
45. CNVP. (2023). SUNREED financial report: Annex 5 – Revised report for January–December 2022. Internal financial report.
46. CNVP. (2023). SUNREED progress report: Implementation update for January–December 2022. Internal project report.
47. CNVP. (2023). SUNREED project budget: Final budget for 2024. Internal planning document.
48. CNVP. (2024). SUNREED annual progress report: Implementation update for January–December 2023. Internal project report.

49. CNVP. (2024). SUNREED project budget: Updated budget for 2025. Internal planning document.
50. CNVP. (2025). SUNREED annual progress report: Implementation update for January–December 2024. Internal project report.
51. CNVP. (2025). SUNREED list of partnership agreements and beneficiaries. Internal project document.
52. CNVP. (2025). SUNREED logical framework: Theory of change, indicators, and assumptions. Internal project document.
53. CNVP. (2025). SUNREED monitoring system: Indicators, baselines, and progress tracking. Internal project document.
54. CNVP. (2025). SUNREED narrative monitoring system: Progress report and indicator tracking. Internal monitoring report.
55. CNVP. (2025). SUNREED theory of change narrative for wood biomass and NWFPs. Internal project document.
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Annex 7 Inception Report

Mid-term Review of Sustainable Use of Natural Resources and Economic Development (SUNREED)

Inception report

Sida

Date: 8 October 2025

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Abbreviations

APFO	Association of Private Forest Owners
CNVP	Connecting Natural Values and People Foundation
EQ	Evaluation Questions
FAO	Food and Agriculture Organisation of the United Nations
GIZ	German Agency for International Cooperation
KPI	Key Performance Indicators
MAP	Medicinal and Aromatic Plants
MSD	Market Systems Development
MTR	Mid-Term Review
NAPFO	National Association of Private Forest Owners
NWFP	Non-wood Forest Products
PA	Partnership Agreement
PFO	Private Forest Owners
Sida	Swedish International Development Cooperation Agency
SUNREED	Sustainable Use of Natural Resources for Environment and Economic Development
ToC	Theory of Change
ToR	Terms of Reference
UNDP	United Nations Development Program
WYPG	Women and Youth Producer Groups

A. MTR purpose and SUNREED objectives

1.1 MTR purpose

According to the Terms of Reference (ToR), the purpose of the mid-term review is to "help the Embassy and Connecting Natural Values and People Foundation (CNVP) assess progress to date, identify what works well and what does not, and inform decisions on how to adjust and improve project implementation. It will also serve as input for the Embassy's decision on whether to support a potential next phase or scale-up."

The objectives of the MTR are to:

- Confirm and validate job creation data (including gender, job type breakdown)
- Assess the partnership model (PAs) in driving systemic change
- Evaluate progress against theory of change, logframe, KPIs
- Examine the market systems development approach and CNVP's role as a facilitator
- Review gender and youth inclusion outcomes
- Assess sustainability and risk factors

B. SUNREED objectives

SUNREED aims to address poor forestry conditions and high poverty rates in the mountainous areas of Kosovo where agricultural land is scarce. It does this by pursuing two main outcomes:

- Increased incomes for Private Forest Owners (PFOs) including women as a result of improved forest management and engagement in NWFP/MAP market systems
- A market system for wood biomass (wood chips), providing incentives for proper forest management and income generation for PFOs, leading to reduced greenhouse gas impact

C. Initial observations on the implicit theory of change

SUNREED's implicit ToC is based on the project logframe (see annex 5). In documentation the logframe is often mislabelled as a 'theory of change'. The logframe differs from a ToC in that it is clearer regarding quantitative targets than it is regarding the underlying theories and assumptions describing how the project is intended to contribute to ultimate aims.

We note that the impact level of the logframe focuses on poverty reduction through job creation and income, whereas the outcomes are focused on market systems development, new enterprises, and increases in productivity and profitability. The ways in which these outcomes will lead to the intended impacts are not specified. Even though in an MTR such as this it may be considered premature to assess impacts, it will be important to look at the jobs created thus far and critically assess the validity of assumptions that SUNREED outcomes will ultimately lead to these intended impacts. We also recognise that increased employment and income are within the 'sphere of influence' of SUNREED, but beyond the project's 'sphere of control'.

1. Analysis of evaluation questions

We note that the evaluation questions in the ToR can be seen to overlap. In order to ensure brevity and avoid redundancy in the analyses we propose some streamlining and minor adjustments as indicated below. The original evaluation questions (EQs) that have been merged are in parentheses.

EQ1 (implementation) *Are interventions aligned with the implicit theory of change, logframe and results chain?*

Comment: We interpret this EQ to refer to relevance (i.e., are the choice of interventions appropriate for pursuing the intended results?) and effectiveness (do the actual results thus far reflect the intended outcomes?)

EQ2 (implementation) *What has been delivered so far (activities, services, outcomes)?*

Comment: We interpret this EQ to primarily emphasise the results/effectiveness at output level, noting outcomes where these can be verified. Emphasis on outcomes will be given to verification of the quality (i.e., proportion of full-time, permanent, etc.) and equity (gender, age, ethnicity, disability) of employment generated and reduced rural poverty.

EQ3 (implementation) *Are there actionable follow-ups for the Embassy or CNVP?*

Comment: We interpret this EQ to refer to two levels, i.e., course corrections for the remainder to the programme and the potential for an extension or a future phase.

EQ4 (systematic and behavioural change) *Are there observable behaviour shifts among producers, businesses, or institutions, including systemic change or better functioning value chains? (merged with Are partners adapting and learning? and Do these suggest systemic change or better functioning value chains?)*

Comment: We interpret this EQ to emphasise the outcome level results, most notably those that may contribute to market systems development (MSD), eventual sustainability and scaling up. This will need to be assessed while taking into consideration changes in policies, legislation and the broader market context. This will involve collecting evidence of WYPG participation in the market systems. Furthermore, this will relate to youth and women's roles in decision-making through their participation in APFOs and NAPFO and related actions.

EQ5 (systematic and behavioural change) *Is there evidence of replication, crowding-in, or new linkages? (merged with Are scale-up pathways emerging?)*

Comment: We expect that this EQ will reflect broader stakeholder engagements, including results stemming from producer networking in the form of investments from private sector actors, government and other donors.

EQ6 (sustainability and inclusion) *Are job creation claims (149 jobs, 50% women) substantiated and are the jobs sustainable and considered attractive?*

Comment: We recognise the importance of verifying this claim while also unpacking the assumptions regarding employment generation (both quantity and quality) in the implicit theory of change.

EQ7 (sustainability and inclusion) *Are inclusion strategies integrated meaningfully?*

Comment: We will explore this EQ by verifying and suggesting improvements on the prevailing implicit theory of change and assumptions regarding the extent to which the livelihoods supported by SUNREED are viable for poor and marginalised communities, with primary attention to presumed and actual contributions to gender equity and youth inclusion. Particular attention to the viability of the Women and Youth Producer Groups (WYPGs), role of women in decision making in the APFOs and NAPFO, etc., as well as the influence of factors such as natural resource tenure.

EQ8 (sustainability and inclusion) *Are environmental practices and co-financing documented and realistic?*

Comment: We will review the scope of the environmental practices support and consider how realistic project expectation are regarding eventual sustainability and scaling up.

EQ9 (learning and adaptation) *Is monitoring data used to improve implementation? (merged with Are scale-up pathways emerging?)*

Comment: We will review the potential and actual use, utility and quality of the monitoring data for project management and critical reflection.

2. Approach and methods

2.2 Approach

The overall approach will be 'realist' and theory-based and be intended to extrapolate the validity of the programme's implicit theory of change. The MTR will assess the extent to which SUNREED has contributed to achieving its intended outcomes, while recognising the programme's spheres of control and interest in the Kosovo context. As such, a contribution analysis approach will be applied that will seek to understand how SUNREED outputs are influencing processes related to the two outcomes in a complex market environment. Assumptions regarding effective influence on stakeholder capacities, government policies and market practices will be tested.

2.3 Methods

2.3.1 Document review

Initial review of programme documentation has been undertaken as part of the inception phase. Overall monitoring data appears to be sufficient to provide a basis for assessing the status of current progress. Some more detailed analysis will be required as part of the case studies to be done (see 3.2.2). Also, further non-programme documentation related to the issues raised in the EQs is being identified, such as national level studies and policy analyses. This literature will be systematically analysed during the data collection and analysis phases.

2.3.2 Case studies/field level data collection

The MTR will rely heavily on brief case studies (see section 3.3 below) to be undertaken using a combination of semi-structured interviews (see annex 4) with key stakeholders and beneficiaries within selected partnership agreements (PAs) and institutional support efforts, as well as verification and analysis of SUNREED monitoring data for the interventions.

These case studies, drawing on interviews and review of monitoring data, will focus on assessing outputs and outcomes of the programme and factors affecting market systems. It is expected that these will be primarily conducted through in-person visits, with some online follow up.

The MTR will seek to confirm and validate available monitoring data on jobs created through partnership agreements (PAs). Spot checks within the case studies will be undertaken by seeking to identify, and if possible interview, those who are reported to have obtained different types of employment. This data will be gender, ethnicity, age and poverty disaggregated and, if possible, take into consideration potential durability of the employment created as related to improvements in sustainable natural resource management.

2.3.3 Central level policy analysis/stakeholder interviews

In addition to the case studies, semi-structured interviews will be undertaken (in-person and online) with CNVP staff and key market stakeholders, largely at national level. The stakeholder analysis (see annex 3) provides a basis to identify appropriate individuals. These primarily consist of actors involved in the forestry, NWFP, MAPs, and bio-mass sectors, but also include informed institutional actors who are aware of gender and other factors affecting rural social inclusion/exclusion in Kosovo. Stakeholder interviews will be of particular importance for gaining an understanding of the effectiveness of CNVP's facilitation of changes in markets and in influencing the behaviour of entrepreneurs and their organisations. These stakeholders' (particularly forest owners, those gaining livelihoods from forest resources and those working in institutions supporting them) perspectives on the risks they face in engaging with changing market systems will be important for understanding how they perceive the sustainability of the changes that are underway in the context of forestry and natural resource management in Kosovo.

2.4 Sampling and scope

The case studies, reflecting the EQs, and field sites are being selected. A purposive sample is proposed to ensure that voices are heard from populations that may be facing exclusion. This will include factors of gender, age, ethnicity and poverty, and reflect geographic diversity. Priority has also been given to PAs that are relatively well established and that have available job creation data that can be verified. Drawing on the ToR the following categories of case studies will be undertaken:

- 4 PAs
- 2 Women and Youth Producer Groups (WYPG)
- 1 institutional support activity

Regarding the PAs, we tentatively propose a selection of 4 PAs from among Agroshqiponia, Bioalta, Aldjiana Ademi, Fenix, and Freskia for the sample. These were selected by the evaluation team as they all have reported significant job creation in annual SUNREED questionnaires. This reporting will be verified through spot checks during visits. The selected PAs will provide a fair level of geographical and production diversity. It should be noted that SUNREED only collects aggregate data on jobs from some of the PAs, and it will therefore be important for the evaluation team to triangulate and build on this existing data. They are also expected to be manageable with the evaluation team's time and resources. Available data is currently insufficient to propose WYPGs and the institutional support activity. The evaluation team will need to delve further to understand the apparent gaps in current monitoring data, i.e., those partners that have not reported significant job creation or other results. The team will also verify the claims that are made in the existing reporting by triangulating this data with interviews among beneficiaries, and identification of those who may have been excluded from SUNREED support. These aspects will be discussed further after the inception report is approved.

2.5 Limitations and challenges

The SUNREED project proposal and subsequent reporting acknowledge how progress in a number of areas will be reliant of broader changes in the policy and market environment, most notably the passage of the Forestry Law and subsequent regulatory frameworks and systems. Most important is the emergence of a market for biomass and carbon marketing. SUNREED's market systems development approach seeks to foster the emergence of market relationships, but these processes are beyond the project's sphere of control. As such the review will seek to assess contributions to these complex processes, but the extent to which attribution can be verified will be limited and often impossible.

The limited number of case studies suggests some limitations and challenges. The evaluation team will need to exert caution regarding generalisations that can be drawn from this small sample. Partnerships are likely to exhibit diverse characteristics. While these can be described through a limited number of case studies, they are unlikely to be quantifiable. It is nonetheless assumed that these will provide important and relevant insights for learning.

We recognise that a degree of interviewee bias is inevitable in this type of review. We intend to mitigate this risk by exploring how respondents perceive contributions of the project in relation to other factors influencing their livelihoods and production.

3. Steps in the evaluation

D. Inception phase

The inception phase has been used to establish a basis to begin identifying an appropriate sample that can respond to the EQs in an adequate manner. Based on an initial analysis of the data that can be obtained from the sample, the case studies are being planned in further detail. This has been accompanied by a stakeholder analysis used to identify which stakeholders are expected to be engaged and/or effected by different interventions and also to identify the available baseline and monitoring

data that can be used in the course of the MTR (see annex 3). The inception phase and reporting have been brief and has provided an overview of available monitoring data and contacts needed to select and make arrangements for undertaking the case studies. The inception report is being submitted on October 6, with comments expected by October 8 and a final draft approved on October 13.

4.1 Data collection phase

The data collection phase will begin with extensive review of monitoring data and other available documentation. This will be used to develop working hypotheses related to the EQs, which will then be explored further and data triangulated through semi-structured interviews. We expect to undertake three to four interviews per case study and approximately ten additional interviews with outside stakeholders. All senior CNVP project staff and advisors will be interviewed if possible. Field visits will be made as required, complemented with online interviews where appropriate. CNVP will support the logistics of the data collection, but all interviews will be undertaken independently by the evaluation team, with no SUNREED staff present. Selection of interviewees will be made by the evaluation team based (as much as possible) on the PA's and WYPG's own information collection. It appears that the substance of this data varies considerably. Data collection will be completed by November 7.

Throughout the data collection phase, the evaluation will apply a participatory and iterative approach, encouraging informants within and beyond the programme to critically reflect on if and how the programme has influenced their livelihoods and their environment. Force-field analysis exercises will be used to support CNVP to reflect on the supportive and hindering factors that frame SUNREED contributions to market systems and livelihoods. In these exercises staff will be asked to describe and assess the importance of five factors contributing to SUNREED success and five obstacles, both with direct reference to outcome objectives.

4.2 Verification, analysis and reporting

Findings will be subsequently analysed and conclusions triangulated across the different case studies and between the case studies and the monitoring data where available. Analysis will also take into account the broader market and political context, conflict factors, patterns of discrimination and inclusion, as well as other factors influencing the extent to which SUNREED has been able to contribute to its intended results.

A verification workshop will be held with CNVP and the Swedish Embassy, tentatively on November 6, to discuss preliminary findings. The draft final report will be submitted on 24 November with feedback expected by 3 December. The final draft will be submitted on 15 December, and a presentation will be held shortly thereafter.

Annex 1: Evaluation Matrix

Evaluation question	Indicators	Means of verification	Assumptions and observations
EQ1 Are interventions aligned with the implicit theory of change, logframe and results chain?	Extent to which outputs reflect contributions to outcomes and the extent to which outcomes are likely to contribute to impacts	Case studies, monitoring data, institutional stakeholder interviews, staff interviews	Importance of analysing contextual factors influencing outcomes and impacts; expected that the MTR should support CNVP in developing a more nuanced, realistic and explicit ToC
EQ2 What has been delivered so far (activities, services, outcomes)?	Various actual results in relation to expected results as per the logframe	Document review, spot checks on existing monitoring data	Activity reporting appears to be comprehensive, focus of MTR will be on verification of aspects of the delivery that are key to achieving outcomes
EQ3 Are there actionable follow-ups for the Embassy or CNVP?	Gaps and discrepancies between goals and achievements	Overall evaluation findings	To be addressed in conclusions and recommendations
EQ4 Are there observable behaviour shifts among producers, businesses, or institutions, including systemic change or better functioning value chains?	Examples of strong/weak correlation between interventions and changes observed in market systems with emphasis on women's and youths' business practices and participation and influence on institutions promoting market systems development	Case studies applying contribution analysis, institutional stakeholder interviews, staff and advisor interviews	Importance of analysing contextual factors influencing outcomes
EQ5 Is there evidence of replication, crowding-in, or new linkages?	Emergence of new businesses, income opportunities, etc., that may have been inspired by the direct activities of SUNREED; related Swedish private sector investments	Case studies, document review, institutional stakeholder interviews, staff and advisor interviews	Attribution of these wider outcomes may be difficult to verify
EQ6 Are job creation claims (149 jobs, 50% women) substantiated and are the jobs sustainable and considered attractive?	Testimonials by those individuals reported to have become employed as a result of SUNREED interventions	Spot checks within (and possibly beyond) the case studies	Importance of assessing the attractiveness of jobs being created given the reported shortage of labour by some PAs

EQ7 Are inclusion strategies integrated meaningfully?	Extent to which outcomes reflect equitable access to employment, markets and income opportunities	Case studies, document review, monitoring data, institutional stakeholder interviews	Likely that results may vary in the different PAs as commitments may vary; important to identify factors determining commitments and capacities to contribute to equity
EQ8 Are environmental practices and co-financing documented and realistic?	Level of critical reflection on the feasibility, viability and sustainability of natural resource interventions	Case studies, document review, institutional stakeholder interview	The ultimate viability of these interventions may not be apparent at this stage of implementation
EQ9 Is monitoring data used to improve implementation?	Observed examples of course corrections and learning as a result of monitoring	Case studies, staff and advisor interviews	Important to identify who is accessing and using monitoring data and for what (e.g., compliance with plans versus adaptive learning)

Annex 2: Workplan

2025			September			October			November				December				
	IC	VY	w38	w39	w40	w41	w42	w43	w44	w45	w46	w47	w48	w49	w50	w51	w52
Inception Phase																	
Start-up meeting, 17 September	0,50	0,50															
Desk review and methods development (includes initial scoping, document collection and stakeholder mapping)	2	1															
Drafting inception report	2	1															
QA inception report																	
Submission of draft inception report, 6 October																	
Comments/no-objection sent by Stakeholders, 8																	
Inception meeting (virtual), 9 October	0,5	0,5															
Revision of inception report based on comments	1,0	0,5															
Submission of final inception report, 10 October																	
Approval of inception report, October 13																	
Sub-total, inception phase:	6,00	3,50															
Data Collection Phase																	
Preparations	1	1															
Semi-structured interviews conducted remotely	4	1															
Physical field work interviews	4	6															
Additional desk review	3	1															
Preparation and participatory debriefing/validation workshop, 30 October	1	0,5															
Sub-total, data collection:	13,0	9,5															
Data Analysis and Reporting Phase																	
Analysis and Report writing	7,5	2															
QA draft report																	
Submission of draft evaluation report, 24 November																	
Feedback from stakeholders on draft report, 3 December																	
Finalisation of the report	2	1															
Submission of final evaluation report, 15 December																	
Evaluation seminar (virtual), TBD	0,5																
Sub-total, analysis and reporting:	10	3															
Total days	29,0	16,0															

Initials: IC = Ian Christoplos; VY =Valbona Ylli; QA= Quality Assurance

Annex 3: Stakeholder analysis

Stakeholder category and projected number of interviewees	Key types of data to be collected
CNVP staff and advisors (all senior staff and advisors)	Overall programmatic progress
PA staff and PFOs (three to four per case study)	Relevance and effectiveness of SUNREED support and results, contextual factors, commitments to equity
WYPG (three to four per case study)	Relevance and effectiveness of SUNREED support and results, contextual factors, commitments to equity
NAPFO and APFO members (three to five)	Institutional changes and obstacles/enabling factors for change in the forestry and bio-mass sectors
Municipal actors (as relevant in relation to case studies)	Institutional changes and obstacles/enabling factors for change in the forestry and bio-mass sectors, commitments to equity and environmental sustainability
National policy makers and agencies (to be determined)	Institutional changes and obstacles/enabling factors for change in the forestry and bio-mass sectors, commitments to equity and environmental sustainability
Investors (to be determined)	Contextual factors influencing investment decisions, reflections on overall market systems development
Development partners (FAO, GIZ, UNDP) (two to four)	Complementary programming, experience with similar interventions

Annex 4: Preliminary interview guide

Please note, this interview guide will be applied in a flexible manner, adapted to the stakeholders to be interviewed and the context of their connection to SUNREED.

1. Do you feel that the current SUNREED activities and support are relevant for addressing the challenges you experience in your business/livelihood/etc.?
2. Have you received the support you expected/were promised?
3. What could be done better?
4. What changes have you seen in recent years in the markets for forest products/biomass?
5. How has SUNREED contributed to these changes?
6. What other factors have been important?
7. Have you observed any related Swedish private investments?
8. Can you cite examples of others (not supported by SUNREED) learning from or replicating SUNREED efforts?
9. Are you aware of jobs being created due to SUNREED support? Can you give examples?
10. Are these jobs attractive and sustainable?
11. Is SUNREED support reaching poor people working in the sector? Women? Other possibly marginalised groups? Can you give examples?
12. Are you familiar with SUNREED's environmental support? Do you think it is viable? What other factors influence its success and sustainability?
13. To what extend does SUNREED addresses the dilemma of biomass production versus the risk of promoting illegal harvesting and deforestation? Can you give examples of the results of these efforts?
14. What results you have seen regarding the contractual relations/partnerships between biomass buyers and suppliers (PFOs)?
15. What results have you seen regarding the contractual relations/partnerships between NWFP and MAPs buyers and suppliers (PFOs, WYPGs)?

Annex 5 Logframe

The Theory of Change provides a guiding framework for the project's logical framework, as it allows us to develop indicators which can be used to monitor and evaluate progress against the outputs, outcomes and impact along the theory of change's causal pathway. A set of preliminary indicators have been developed; these are outlined here in Annex 5.

Result	Indicator	Baseline (start of project)	Target (end of project)	Data Sources	Assumptions
Impact: Poverty reduction for both women and men in forest areas	No. of farmers and/or PFOs who record positive change in annual income (of at least 10%). At least 30% should be women.	0	1500 farmers and PFOs	Survey of beneficiaries (with segregated data on men and women) and internal assessments of the project	Long-term impact will only become visible after the project ends
	No. of new jobs created.	0	Additional jobs: 300 Women: 30%		
Outcome 1: improved forest management AND access to markets for households involved in the	1. No. of farmers and collectors selling NWFP and MAPs through collection points/companies. ($\geq 30\%$ women)	0	400 households Women 30%	Survey of beneficiaries (with segregated data on men and women) MSD	Market demands for forest products remain stable; Government agencies are willing to engage in policy and address key constraints and provide incentives for
	2. No. of PFOs implementing silviculture activities based on management plans	0	200 PFOs		

harvesting of NWFPs-MAPs	3. No. of PFO with increased knowledge of forest management. ($\geq 30\%$ women)	0	1000 PFOs ($\geq 30\%$ women)	Interview with associations	forest management for PFOs
	4. No. of PFOs with access to tools & equipment	0	120 PFOs		
Output 1.1: PFO capacity to diversify and produce sustainable products are increased and market information is available.	1.1.A. No. of PFOs with forest management plans	200	800	Administrative records	PFOs willing to improve forest land and be engaged.
	1.1.B. No. of knowledge products (reports, market analysis, etc.) produced improving knowledge and understanding of NWFP-MAPs and wood biomass markets.	0	1 Market system analysis on forest products (NWFP and MAPs)	Study reports	Experts and stakeholders are available and willing to contribute to market studies, and the findings will be relevant and timely to inform project interventions and sector development.
		0	1 Market system analysis on wood biomass		
Output 1.2: APFO/NAPFO deliver sustainable services to PFOs	1.2.A. No. of services delivered by APFO/NAPFO to PFOs	0	7 services	Reports from implemented activities, expert reports, etc.	APFO have the capacities and deliver services to members
	1.2.B. No. PFOs satisfied with services received from APFO/NAPFO. ($\geq 30\%$ women)	0	1150 PFOs 30% women		Other funding available and accessible for APFOs Other funding agencies see the importance of APFOs and are willing to fund
	1.2.C. No. of APFOs trained in climate change and biodiversity	0	23 APFOs	Training reports	
Output 1.3: Market actors (processors, incubators,	1.3.A. No. Women Youth Producer Groups formed	14	Additional 5 (in total 19)	Reports	Women and youth interested in becoming members of Women Youth Producer Groups

associations etc.) improve women's & youth group's access to information, technologies and markets.	1.3.B. No. of regional women core groups formed	0	5	Reports/records	Women interested in becoming member of a regional core group
	1.3.C. No. of farmers who have increased access to seedlings. (≥30% women)	0	150	Project reports with PAs	Quality seedlings are available to farmers.
	1.3.D. No. of businesses who attend market linkages opportunities. (≥30% women)	0	200	Project reports/participants lists	The companies have the production and marketing capacities to engage in business linkages.
Output 1.4: Improved policy maker knowledge on biomass energy and carbon credit market systems.	1.4.A. No. of knowledge products (research papers, roadmaps, market analysis etc.) produced which aim to influence government thinking and policy on sustainable forestry management	0	1 Roadmap on carbonmarketing	Finalised Roadmap Drafted scheme	Government agencies interested in entering carbon marketing
		0	Funding schemes for PFOs		
	1.4.B. No. of events (study tours, workshops etc.) organised with policy makers	0	8	Project reports/ Participants lists	Policymakers are willing to participate in events, engage in dialogue, and incorporate new knowledge into decision-making processes related to forest and biomass sectors.
Outcome 2: Improved performance of the wood bio(mass) energy market system	1. No. of new wood biomass-based heating systems promoted	0	Up to 10 heating systems in total are promoted through feasibility studies and proposals with clear calculations on	Feasibility studies	The public sector is willing to engage in policy dialogue and address key constraints for the market system on wood biomass.

			foreseen reduced carbon emissions		
	2. Amount of fossil fuels and firewood replaced with biomass	10,500 l of diesel annually	At least 75 000 l of diesel annually	Project's calculation	Market actors adopt new biomass-based systems and record consumption data consistently, allowing the project to calculate replaced volumes of fossil fuels and firewood.
		150 m ³ Firewood annually	At least 1700m ³ Firewood annually		
	3. Emissions avoided (tons of CO ₂ per year) from replacing fossil fuel-based heating systems with wood biomass-based heating systems.		Annual greenhouse gas savings will be at about 300 tons of CO ₂ -eq/year.	Project's calculation	Stakeholders adopt and sustain the use of biomass systems, enabling actual reductions in greenhouse gas emissions.
	4. No. PFO selling wood biomass through collection points.	0	200	Reports from PA implementation	PFOs remain engaged and willing to sell biomass through organised collection systems, and buyers can buy the supply.
	5. Increase in wood biomass sold (m ³ annually) by PFOs through collection points	0	20,000 m ³	Reports from PA implementation	The biomass market remains stable, and there is consistent demand for wood biomass sourced through PFOs.
Output 2.1: Improved policy maker knowledge on public support required to develop/improve the market system	2.1.A. No. of reports produced to inform and influence policy markers	0	National roadmap on wood biomass production, marketing and use	Finalised documents	Government agencies interested in preparing roadmap for wood biomass
	2.1.B. No. of events organised with policymakers	0	10	Project reports on implemented activities	

for modern wood fuels (particularly wood chips)				Participants lists	
	2.1.C. Number of MoUs signed with municipalities	0	9	MoUs (Signed)	Municipalities interested in collaborating with the project
Output 2.2: Establishment of wood biomass collection points and fast growing tree plantations.	2.2.A. No. of collection points established	0	4	Reports	Cooperatives interested in collaboration and establishing/ investing in collection points.
	2.2.B. Area (no. hectares) of FGT plantations established	0	40 ha	Reports/ records	PFOs interested in planting fast-growing species.
Output 2.3: Promotion of investment in modern/efficient wood biomass-based heating systems	2.3.A. Number market actors (businesses, municipalities, etc) where wood biomass production has been promoted	0	15	Meeting records Finalised documents Potential investments of partners	Stakeholders and partners are willing to cooperate; funds can be accessed for the setup of the heating systems
	2.3.B. No. of working groups established to promote investment in heating systems	0	9		
Output 2.4: Increased information, capacities and learning on wood biomass market systems	2.4.A. Documentation of lessons learnt on wood biomass market systems	Not developed	Developed by the end of 2025	Report	Project staff and partners consistently document activities and experiences, and sufficient time and information will be available to compile a comprehensive lessons learnt report by the end of the project.

	2.4.B. Number of newsletters produced	0	6	Newsletters	Project activities generate relevant and timely content, and the communication team has the capacity and resources to produce and disseminate newsletters regularly.
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Mid-term Review of Sustainable Use of Natural Resources and Economic Development (SUNREED)

Purpose and use

The mid-term review of the Sustainable Use of Natural Resources and Economic Development (SUNREED) project in Kosovo aims to help the Swedish Embassy and the Connecting Nature Values and People Foundation to assess progress, identify strengths and weaknesses, and guide adjustments for improved implementation. SUNREED seeks to reduce poverty in forest areas through income and jobs from sustainably managed forests, supported by policy and advisory services..

Conclusion

SUNREED has achieved notable success in gender-sensitive initiatives and non-wood forest products/medicinal and aromatic plants (NWFP/MAPs) market systems, contributing to

livelihoods and environmental awareness. However, progress toward systemic outcomes—such as expanding biomass energy markets and carbon initiatives—remains uncertain due to over-optimistic assumptions and limited influence over national policies and large-scale investments..

Recommendation

Focus interventions on fewer, realistic areas; revise the theory of change; strengthen sustainability of advisory services for NWFP/MAPs and forest management; maintain targeted collaboration with key institutions; improve monitoring to capture lessons on market systems development; and enhance export potential through partnerships and market exposure.