



# Organizational review Fair


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# **ORGANIZATIONAL REVIEW**

## **FAIR**

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## **INTRODUCTION**

FAIR has been supported by Norad since 2004. Norad performs organizational reviews regularly, which form part of their basis for decisions on future cooperation with the NGO. The Terms of Reference developed by Norad for the review of FAIR, is attached (Annex 6). The review focuses on FAIR as an organization and as an actor in international development work, with an in depth study of FAIR's operations in Zambia.

The review team consists of two consultants. The content of this report express the views of the review team and their interpretation of information. The work has been undertaken during May-June 2008. The method applied is first and foremost review of documents and interviews with FAIR staff and consultants, Norad and Fredskorpset. The team has spent one week in Zambia with the FAIR project team and management at Evelyn Hone College, recipient schools and other stakeholders in the distribution of Information and Communication Technology (ICT), and met with the Norwegian Embassy. Documentation from files, correspondence and statistics has been obtained where relevant and available.

The team would like to thank all those contributing to this review with information, open and frank discussions and practical support. In particular the FAIR project director in Zambia, Mr. Crispin Libimba and his team have given their full support to make the Zambia study possible.

## **SUMMARY, MAIN CONCLUSIONS AND RECOMMENDATIONS**

FAIR's focus could be described in two main operations: collecting and recycling of ICT from Norwegian private and public businesses, and contribute to narrowing the digital gap between developed and developing countries by distributing used ICT to teaching institutions and provide them with training. The environmental aspect of returning old equipment to Norway for safe destruction is not yet a streamlined part of FAIR's operations, although part of the organization's original idea and intention.

The collecting and recycling in Norway has not been given an in-depth study. However, it is clear that FAIR has improved its efficiency by outsourcing this part of its operations to a certified Norwegian company, Veolia. The collecting and recycling could be economically viable and run on commercial basis within the next couple of years. The transfer of equipment and ICT know-how to developing countries is and will be dependent on aid financing. Over their 7 years of operation, FAIR has established projects in 6 countries, 4 currently based on Norad funding.

FAIR, although well established in the field of ICT, is an organization less experienced in international development work. As for their human capacity, the organization is fragile, depending on the continued involvement and goodwill of a few key people. The organization's capacity in terms of administrative systems is currently not adequate. In the last year, however, some of the administrative shortcomings have been addressed. Further follow-up is needed. As for achieving results, last year's targets have partly been met in the Zambia project. However, results have not been delivered according to plans outlined in the first agreements with Norad. The number of computers installed was below target, and the

training of recipients less than planned. Cuts in budgets explains to some extent the lower results. Further, the organization has limited experience in working in a developing country with all its complexity. FAIR's concept and initial work can be described as a good start in contributing to development, although the impact of their work so far might be less than outlined in reports to Norad.

Conclusions and recommendations are provided under various headings throughout the report. The main conclusions and recommendations from the team's assessment are the following.

- FAIR's management systems are in general not yet complete and streamlined. With new management in place early 2008, there seem to be increased attention towards administrative routines, project management and economic planning. Staffing is kept at a minimum, compensated by hiring of consultants undertaking project follow-ups etc. Project monitoring is thereby less internalized than expected. The project teams in the respective countries are only paid allowances, minimizing fixed costs.
- Given FAIR's two main areas of operations, one more commercially based, it is recommended that Norad enters into a dialogue with FAIR to clarify how costs are distributed between the two areas. Possibly a more transparent cost distribution system should be developed.
- The way planning, budgeting and monitoring is carried out in Zambia seem to contribute to local ownership, given the country director's close cooperation with the partner. However, no general guidelines or procedures were identified in FAIR, and should be developed. As for the financial management (accounting, authorizations ect.) seem to be in place in Norway. However, FAIR management could benefit from closer relations with the respective projects, as well as develop a reporting and financial monitoring routine. The team found systematic over planning in the Zambia project. Norad should enquire updated plans and output targets according to revised allocations for the respective year. Now only revised budgets are required, making Norad's comparison of plans and actual results difficult.
- FAIR should ensure that the partner institution has in place a monitoring, reporting and quality assurance system, in line with FAIR's own rules and procedures, before shipment is done. It has not been possible for the team to verify the number of computers distributed in Zambia compared to FAIR's reports to Norad. The discrepancies are related to the first shipment in 2006. FAIR should make investigations on this issue, and document their findings.
- Training should be given more emphasis. Priority must be given to ensure adequate training along with the distribution of PCs. The team can not verify the training reported to Norad.
- Two issues of principle need to be dealt with. First, will FAIR allow partner institutions to charge end-users for the computers/training? (Ref. Zambia and administration fees paid by every participating school to the project. Introducing fees could be an element in a sustainability plan and therefore justified.) Second, will FAIR widen their target beneficiaries to also include NGOs as end-users? (Ref. Zambia, and need for criteria in selection.) These are general policy issues for FAIR's follow-up.
- The return scheme is not institutionalized, end-users in Zambia were not aware of their responsibility to return old equipment to FAIR for environmentally safe destruction. FAIR's board decision on return of ICT equipment, regardless of origin, does not seem to be implemented.

- FAIR emphasizes their gender focus in the applications to Norad. Throughout the organization/project gender has been given limited attention. FAIR's own organization and the project team in Zambia mainly consist of men. However, out of 24 recipient schools 5 are girls' schools, and about one third of the teachers trained are women. The computer lab for women has not been implemented. FAIR should include gender statistics in their reporting system.
- Does FAIR bring value added in developing countries? In Zambia, FAIR is one out of several organizations providing used ICT equipment to the country. FAIR's distribution is limited, but the non-commercial profile and the training and follow-up of schools, seem to be an advantage when fully implemented. Also, the capacity developed at the partner institution, Evelyn Hone College, is an important contribution. Making the free software, Open Source System, known to people, is a positive factor and in line with the Government of Zambia's ICT policy.
- The cost-efficiency of FAIR's operations is difficult to measure. According to FAIR's total accounts the consultancy fees and commission paid in Norway are substantial. Adding salaries/social costs, these costs actually exceed last year's income. The team has taken note of the fact that only one third of the total Zambia project budget is transferred to the project office. The team was not given an impression of low cost-efficiency in the running of project operations in Zambia as of today.

## 1. THE ORGANIZATION FAIR

FAIR is a non-governmental member-based organization. FAIR is a recursive acronym for Fair Allocation of Infotech Resources. FAIR's vision is mainly to deliver high standard Information and Communication Technology (ICT) with cost-efficient programmes, as well as narrowing the digital gap globally (goal). The organization applies an environmental thinking in collecting and recycling of ICT from Norwegian private and public businesses, as well as contribute to narrowing the digital gap between developed and developing countries. Its main focus is reuse of computers in developing countries and to provide relevant training to recipients.

- Code of conduct

The FAIR administration developed a Code of Conduct for the organization in the end of 2007. The document has not been subject to board approval. FAIR's Code of Conduct is almost identical to the one in Fredskorpset. The Code of Conduct has guided FAIR's decision-making in cases of employment and conflict. The areas covered are respect for human dignity, cultural sensitivity, security aspects, environmental considerations, corruption, and confidence and good will.

The project director in Zambia informs the team that he is not aware of FAIR's Code of Conduct.

- Organizational structure

FAIR was established in Norway in 2002. The two founders are Vegard Munthe and Knut Foseide. Later, FAIR Sweden and FAIR Denmark have been established, as legal and economically independent organizations. However, they have a common mission, and employees/board members cross over between the three units. The three FAIR organizations

in Scandinavia are combined in FAIR International, with FAIR Norway representing its governing body. This report will focus on FAIR Norway.

FAIR Norway is governed by a board of directors. The board has 7 members, with representation from the FAIR organization (Norway, Sweden and Denmark) and from private businesses in Norway. Board meetings are organized every other month. FAIR's director general was also a member of the board until change of director in February 2008. The current director general has a perception of ample room for manoeuvring the organization's daily business.

FAIR used to employ up to 15 people, with a peak in 2007. However, in order to cut costs FAIR reorganized by drastically cutting back on the number of employees and outsourced part of the return scheme. The organization is now down to 1 full time employee (return scheme and logistics), a director general (80%), and 2 part time employees on administrative office work and accounting (50%). In addition FAIR is hiring consultants (basically former employees), some as country directors for the four country based aid projects (Zambia, Eritrea, Madagascar and Guatemala). The consultants are on average hired for one to two work months a year. However, the country director for Zambia currently work on a voluntary basis out of Sweden, only being reimbursed expenses. It is not clear whether this is a permanent agreement or temporary, due to financial constrains in FAIR.

FAIR's workforces mostly have their background in computer science. None of the employees or consultants have extensive background from development work or working in developing countries, with the exception of one country director. The director general has extensive experience in management and marketing. His main focus so far has been to cut back costs, balance spending and income and gradually improve routines for reporting, archives etc. By mid 2009 improved administrative routines are to be in place.

An extensive annual report was made for 2005, but no annual report for the public has been made since. The director general is planning a report for 2008. FAIR has developed a website, professionally made although not fully updated.

FAIR's organizational setup in Zambia consists of one country director, Mr. Rolf Svanstrøm since August 2007. Svanstrøm reports to FAIR's director general, Mr. Snorre Østlund. Svanstrøm has also been attached to FAIR Sweden, and is currently also working for the Svenska-Zambiska Föreningen. This organization is supported under the SIDA umbrella Forum Süd. Forum Süd has an office in Lusaka, and Mr. Svanstrøm is able to combine follow-up visits to the FAIR project and to Svenska-Zambiska Föreningen. FAIR has also appointed a project director, Mr. Crispin Libimba. Mr. Libimba is currently employed by the partner institution Evelyn Hone College, as Head of Business studies department. He reports both to FAIR and the Principal of the College regarding the project. Mr. Libimba and 5 other staff in the Business studies department are undertaking the work in the college as well as in all the end-user schools, i.e. implementing at country level. They are not employees of FAIR, but are given an allowance for their work.

## **2. FAIR'S ECONOMY**

FAIR is based on the principles of a non-profit organization. The organization could be divided into two. First, a Norway based business which focuses on collection and recycling of



computers and other ICT equipment from Norwegian private and public businesses. This part of the business generates about half of FAIR's total income, although said to be commercially viable only in one to two years. Second part of FAIR focuses on redistribution of part of the collected computers and equipment to developing countries, and returning old hardware beyond repair to Norway for recycling. In addition the organization is doing software installation, maintenance of computers and training of teachers in the recipient countries. This part of the business is financed by aid money, i.e. Norad and Fredskorpset. From FAIR's own estimates the aid money is currently subsidizing the commercial part of the organization, however hoping to break even in the next one to two years in the Norway based recycling business.

A few points to be noted after going through the 2008 accounts:

- For 2008 FAIR has a net negative result of NOK 1.866.988 (income abt. NOK 3.7 mill., expenditures abt. NOK 5,5 mill.) FAIR estimates additional NOK 1.4 mill. in income, which due to newly applied accounting principles only will be accounted for in 2009. Thereby the real deficits for 2008 is in the range of NOK 400.000-500.000.

- FAIR's balance sheet is not prepared for 2008, as the opening balance can not be worked out as of today. The team can thereby not comment on the balance sheet. However, it is explained by FAIR management that the assets basically consist of containers and a number of computers currently in stock, estimated to a total value of NOK 300.000.

- FAIR has a cost in their accounts of NOK 1.379.610, which is fees paid to the company Nordisk Markedskontakt AS, for their sales work to Norwegian businesses and organizations. The product is recycling of computers, and the pay to Nordisk Markedskontakt AS is done on commission basis from their sales. The company has existed for a number of years, and is owned by FAIR's current director general, and FAIR's former director general and founder is the Chairman of the board. The company currently employs FAIR's director general, the accountant and the sales person (the two first ones also on FAIR's pay list, the last one keeping an office in FAIR's localities). Income from the collection and recycling part of FAIR's business was NOK 1.550.000 according to accounts, although more than twice the amount if former accounting principles were to be applied. Another company selling their services to FAIR is IBSEN Data, owned by FAIR's former director general, mainly consisting of former FAIR employees. NOK 324.450 was paid by FAIR in consultancy fees in 2008. In addition Munthe International, owned by the founder and current part time employee of FAIR, received consultancy fees of NOK 57.688. FAIR's management reorganized the organization in 2007, reducing the number of staff and rather bought their services on consultancy basis.

- Out of the total income in 2008 (abt. NOK 3,7 mill.) about 50% was spent on salaries/social costs (abt. NOK 1.8 mill.) and approx. NOK 2 mill. was spent on various consultancy fees and on commission to Nordisk Markedskontakt.

#### **Conclusion/recommendation:**

- It is recommended that Norad enters into a dialogue with FAIR regarding its accounting. A better overview of costs pertaining to the aid part of FAIR (projects in developing countries) would be possible if the business part in Norway (collection and recycling scheme) was kept separate from the aid financed development part of the organization.

### 3. FAIR'S MANAGEMENT SYSTEMS

- Planning and budgeting

Planning and budgeting routines in FAIR have been developed as they went along. Administrative routines in general is a weak point, also acknowledged by FAIR administration and board members. This pertains both to the Oslo office, as well as the interaction between Oslo and the partner institution in the respective project countries. As mentioned, the current administration is working on this challenge, with a target of systems and procedures in place by mid 2009. (See paragraph on FAIR's project management system.)

As for planning procedures for activities and budgets, FAIR management confirmed that how to involve the partner varies from country to country. No general routines have so far been established as to how the dialogue and interaction with the partner should be.

In Zambia there seems to be a bottom-up model applied, ensuring local ownership. The country director together with the partner institution make a detailed budget and work plan. Based on board-approval these are included in the Norad application. Depending on the size of Norad's grant, a revised work plan and budget is developed by the country- and project-directors. Norad only asks for the revised budget, i.e. new targets in adjusted activity plans are never seen by Norad. This is a weak point in terms of measuring results from subsequent reports.

A challenge for the organization is the time lag in planning and budgeting in the organization and Norad's allocation of funds. This does not follow the calendar year, and in FAIR's case has not take place at a fixed time. Partly, the delay from Norad has been due to the processing of FAIR's complaint on Norad's decision to cut back on their funding. If funding is only transferred from Norad in May/June, mid-term reporting will only take place in December. The variation in Norad's transfer of funds made long-term planning difficult for FAIR, where planned activities were kept on hold for months due to lack of funding. The consequences were also noted at country level.

- Financial management

Only the director general in FAIR authorizes transfer of funds. It was confirmed that with some partners expenditures are reimbursed upon receipt of documentation/invoices, for others funds are transferred up front based on approved budgets. FAIR management states that the country director is responsible for checking the funds spent and activities implemented, including going through the accounts with the partner institution. This is expected to be carried out at least every half year, before new funding is transferred. FAIR Oslo does not see the accounts, with few exceptions. The accountant in FAIR Oslo for example, does not see the accounts in Zambia. FAIR informs the team that the Oslo office gets confirmation that funds are received by the partner institution, through an e-mail. The project director in Zambia informs the team that such confirmation of funds received is only sent from EHC to the country director. In Rules of Procedures for Distribution, developed by EHC, the college commits itself to provide FAIR with an account of income and expenditures relating to the grants received from FAIR.

FAIR's management put an emphasis on scrutinizing the budget proposal from the partners, and cut unrealistic costs. The control by FAIR Oslo is done at the budgeting stage, and not in terms of monitoring of accounts. FAIR's philosophy is that observing planned activities actually take place in the recipient country is the main thing.

FAIR's country director for Zambia confirmed his practice in line with the above procedures. The country director requests FAIR Oslo to transfer money according to the request made from the local project director at EHC, within the limits of the approved budget. When the project account is empty (about every 6 months), fresh funds are transferred from FAIR Oslo to the project account in Zambia on the country director's order. The country director is basing his financial monitoring on random testing, when visiting the project. He has developed and keeps updated a planning and accounting sheet. The country director is not clear on who is entitled to draw money from the project account at EHC, but assumes this follows standard EHC procedures. This is confirmed by EHC's finance manager. FAIR has not developed procedures for receipt of funds or accounting, and the country director does not assume any responsibility in this regard. He refers to the Norad agreement, noting that Norad is not explicit about FAIR's responsibility on this point. The country director notes that SIDA applies more strict routines for accounting and holding the Swedish NGO responsible for documentation of financial flows, all the way to the end user.

From EHC's Finance Manager the team learned that at country level the following system applies. Funds are transferred directly from FAIR Oslo to a separate FAIR project account in EHC's local bank. The financial procedures applied in the project are the general routines used in EHC. This goes for accounting and auditing. Funds are received in local currency. Transfer from FAIR Oslo to the project is done about every 6 months, and a debit receipt is sent from EHC's finance section to the project director upon receipt of funds. In order to withdraw from the account, 3 signatories are needed, including the project director, principal and EHC's Finance Manager. Drawings are done based upon availability of funds in the project account, as well as the expense being recognized in the approved budget and activity plan. The finance manager of EHC informed the team of a substantial backlog in the auditor general's office. The last accounts audited in EHC dates back to 2005. This could call for a separate project audit to be initiated by FAIR.

As for other income in the FAIR project at EHC, the fees that students pay for using the computer lab outside of classes are paid directly by the student to the finance section, and a receipt issued. The administration fees from the recipient schools are also paid by the individual school directly to EHC's finance section. All income is transferred to the FAIR project account.

The team asked for a statement of accounts for 2008 (income/expenditures). Only part of the 2008 accounts were available to the team, and it could therefore not be confirmed that the figures correspond with the 2008 project budget. Underlying documentation (receipts etc.) was not looked into. From FAIR's 2008 budget, about NOK 85.000 in total was transferred in two batches to the Zambia project. Due to delays in allocations from Norad, the last transfer of the 2008 allocation from FAIR to Zambia was only done in March this year. The total Zambia project budget 2008 (from Norad) was NOK 250.000.

As for FAIR's anti-corruption measures, these constitute the budget- and spending-reports described above, as well as track keeping of computers. FAIR Oslo has not institutionalized

any anticorruption-measures for the organization as such. At country level the utilization of EHC's own financial procedures and services, could represent a precaution in this regard. Further, the registration of all income in the project account, and Rules and Procedures for Distribution, could be preventive measures. However, the project has not developed an explicit anti-corruption policy or system as such.

- Cost efficiency

FAIR's rough cost estimate of reusing one computer, including teacher training, return to Norway and destruction, is in the range of NOK 800-1000. The cost estimate was 20% higher before FAIR outsourced part of the operations to Miljøfabrikken (now Veolia). FAIR has set a target of NOK 500 as total cost for one computer. According to FAIR's own estimates, Norwegian companies finance about 1/3 of the cost, i.e. NOK 275 pr computer. According to the total statement of accounts, grants from Norad today cover about half of FAIR's total costs.

Looking at the total costs of the Zambia project compared to the number of computers actually distributed, it is clear that FAIR's cost estimate of NOK 800-1000 per computer, has been overdrawn substantially. In addition, the remaining training and future return costs will further increase the cost per computer. However, the team has no basis for questioning the cost-efficiency of operations in Zambia. As mentioned, only about one third of the Zambia project funds are actually transferred and spent in Zambia. It should also be noted that the partner, EHC, contribute in kind to the project. This in terms of manpower, localities, transport, etc.

#### **Conclusion/recommendation:**

- As for planning and budgeting, the process seems to secure ownership in recipient organization (EHC) in the case of Zambia. Planning is initiated locally, and adjustments done locally when funding for the respective period is secured.
- The project's financial management system seems sufficient.
- FAIR could consider a separate audit of the project account, given the backlog at the Government of Zambia's Auditor General's.
- Anti-corruption measures should be developed for the organization, even though some preventive systems are in place already. Transparency in distribution and track-keeping of computers, should be part of such measures.
- The overall cost-efficiency of FAIR's operations has not been assessed. However, the running costs of operations in Zambia seem to be acceptable.

- Monitoring- and control system

FAIR Oslo base their monitoring of country level activities on the individual country director's follow-up and the system he has introduced. There seem to be neither direct reporting nor monitoring between the Oslo management and the partner in Zambia, EHC. The project director at EHC regards the country director in Sweden as his FAIR-contact in all matters. There seem to be a good flow in communication between country director and project director. The Zambia country director visits EHC twice a year. Short reports are written to FAIR's management from visits, but a more formal system of annual/semi-annual meetings with agreed minutes is not introduced. During the country director's visit the annual/semi-annual activity plan is adjusted, and a random check is done on the accounts.

Another matter pertaining to control systems, is tracking of serial numbers on computers. Every computer is given a serial number at Viola. This in order to track the computer all the way until destruction (pt. at Veolia). However, when received by the project in Zambia the serial numbers are no longer kept track of, so the project has no registration of the particular machine. The project director was aware of this, and would consider introducing a register, also at country level.

See also paragraph on Planning and budgeting and Financial management.

**Conclusion/recommendation:**

- The fact that all communication to and from the project director in Zambia is done with the country director (in Sweden) could represent a challenge in monitoring of the project for FAIR Oslo.
  - In order to ensure control of each computer until return and destruction in Norway, the project in Zambia should keep track of the serial numbers. Also, Fair Oslo should equip the project in Zambia with serial numbers in the list of computers in the container sent to Zambia.
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- FAIR’s project management system

FAIR does not have a consistent project management system in place. It is a relatively newly established NGO and it is the team’s impression that FAIR has learnt along the way, though the main idea and the justification for FAIR was quite clear from the very beginning. Norad applications and reports show that the organisation had very high ambitions to start with, both regarding number of countries, number of PC distributed/installed, number of schools to be included in the program, teachers trained and so forth. In Zambia those high ambitions seem to some extent to have been modified over time and through experience.

In order for FAIR to operate as a professional organization, there is a lot of “nitty-gritty” that has to be in place. The organization seems to have come to a point where the management realizes the need for getting in place their own modus operandi. The team received a very first draft of “Guidelines and routines for development projects”. This “management manual” describes the various steps FAIR needs to go through in a project, from the early Analysing phase, through Preparation (finance, order and ship equipment), to Implementation (MoU, activity plan, reporting, installation, maintenance, results, monitoring mechanism, risks), Return of hardware and finally the Evaluation-phase.

Examples of various formats (already in use/some new) will be included in the manual in addition to the description of the various steps and procedures to be followed. The work seems to be at an early stage, but when finished will be a useful tool for FAIR in developing a consistent project management system. Elements in the management system has been described and assessed in other paragraphs in this report.

**Conclusion/recommendation:**

- Norad should follow up FAIR’s development of the procedure manual.
- FAIR/Norad should discuss ambition, targets and capacity in connection with future applications.

- Reporting

It is stated in the contract FAIR signs with Norad, that the organization shall send audited accounts for the organization as such and reports on the individual projects annually by May 31st the subsequent year. The short status report on each project receiving funds from Norad shall contain a summary of the progress and deviations from planned results if relevant. Norad has developed a format for such reports. The team was informed that FAIR on several occasions has not been able to meet the deadline, except from the 2008 report received on time. The team was informed that the annual reports to Norad from the various projects are written by FAIR's country directors.

FAIR's management confirmed that the organisation at this point in time had not developed any consistent reporting system to be applied in each country of operation. Much seems to have been left to the individual country director to decide. The MoUs that FAIR signs with every cooperating partner regulates requirements for reporting, but without further specifications. The management informed, however, that it is FAIR's intention to develop a more consistent and reliable reporting system (formats, content, regularity, etc.) as part of their work on the routines and guidelines for the organisation as such. A draft for these guidelines/routines has already been made. See paragraph on FAIR's Project management system.

From the files, meetings and visits to EHC and schools, the reporting routines applied in Zambia seems to be as follows:

- The Zambia country director has since mid 2008 sent several status reports to FAIR's management on what he has done, what has happened in the Zambia project and other matters of common interest.
- The country director sends reports on Zambia to FAIR's Board meetings every other month.
- In the annual activity plan prepared by EHC and approved by FAIR's country director and EHC Principal, the deadlines for reporting is agreed.
- EHC has to send a mid-term report to the country director as a requirement for disbursement of funds.
- As per the MoU between EHC and receiving institutions, half yearly reports on the status of the ICT equipment should be prepared and forwarded to EHC. In the MoUs that FAIR's former partner in Zambia - One World Africa - has signed, the reporting requirements were quarterly.

The team found no reports in the files at FAIR Oslo, from end-user school/receiving institutions to the cooperating partner EHC. EHC project director confirmed that no schools/institutions where reporting was due, had so far sent reports. The team found comprehensive reports from EHC to FAIR's country director. These reports are not sent to FAIR's management in Oslo on a routine basis.

**Conclusion/recommendation:**

- Norad should keep a dialogue with FAIR on improving the administrative routines in general, including scheduling the organization's reporting in order to keep deadlines.

- FAIR should ensure a common format and frequency for the partners' reporting to Oslo. Also, they should develop a central filing system (in Oslo) of all reports sent from the partner institutions.
- The project director should work closely with the recipient schools/NGOs, to institutionalize timely and relevant reporting as stated in the respective MoUs.

- Risk assessment

FAIR's management is aware of various risk factors, to a large extent based on the organization's experience so far. Two important risk factors were voiced by FAIR's management: use of funds transferred and distribution of PCs.

Regarding quality of ICT equipment shipped to cooperating partners, the management believes that through the agreement with Veolia (earlier Miljøfabrikken AS) as well as FAIR's own additional quality control, risk factors have been minimized.

As to risk factors and risk assessment in connection with selection of various partners, distribution of ICT to end users and training of teachers/system manager, no systematic risk assessment system seems to be in place. As to the distribution of ICT equipment to end users, FAIR receives unsystematic reports from cooperating partners and make random checks when possible.

Even if FAIR's management confirmed that use of funds transferred represents a risk, its agreement/MoU with their partner e.g. in Zambia does not demand/require statements of account/ audit account or any other documentation for the funds disbursed to its partner. However, the country director confirmed that he makes a random check of receipts etc. when visiting EHC.

**Conclusion/recommendation:**

- No system for risk management was identified.
- FAIR should consider to systematize internal (project) and external risk factors and include these in the planned Management guidelines/manual presently being worked on.
- The Management guidelines should be referred to in future MoUs.

- Quality assurance system

As referred to above, FAIR considers the agreement with Veolia and the organisation's own control to be a sufficient quality assurance system for the hardware. In other words ICT equipment shipped to partners should function when packed and shipped. In the discussions the team had at EHC it was made clear that the transport of the ICT equipment was a risk factor. EHC claims that the packing in the 2008 container was not done properly and increased the risk of damaging the PCs. At an average 10 % of the received PCs were not working, a rate that should be reduced to 2 %, according to FAIR Oslo. Necessary power packs should be sent/packed together with the PCs as well as some basic spare parts.

The next phase of transport from EHC to the receiving institutions is another risk factor demonstrated to the team. It happened that functioning PCs when picked up by the school,

were not working when installed. How to ensure that damage is not done during transport to end user is a challenge for EHC/FAIR.

FAIR Oslo keeps detailed lists of the ICT equipment received and in stock at Veolia, including the serial numbers on each computer. When shipment takes place only the quantity and type of equipment is registered and forwarded to the cooperating partner. The team was informed that EHC did not receive lists of, nor register, the serial numbers when equipment was handed out to the end-user institutions. The project director admitted that this should have been done, but for practical reasons had not so far been institutionalized. This could create a problem in the return scheme and could make maintenance and repair work more difficult. (See paragraph on Monitoring- and control system)

As to type of computers sent, the team was informed that in the first container in 2006 a large part of the computers did not have sufficient capacity even for the Open Source software to be installed. Also the 2008 container had some PCs with insufficient memory. EHC staff underlined that only Pentium 3 and 4 machines should be sent in order to facilitate the installation of software.

Through FAIR's agreement with Veolia on destruction of returned ICT equipment, quality in relation to environmental challenges is ensured. The team has not done any further enquiries in this regard. Also, Veolia's safe removal of all software, files etc., is not looked into by the team.

Regarding quality of the training component and how the training is done, this varies from country to country. FAIR primarily identify qualified trainers within the relevant country. Another option is to send trainers from Norway. In some countries FAIR develop their own training material. The team was informed that FAIR has developed some training material to be used in secondary schools, whereas in the applications to Norad for 2007 and 2008 it is stated that FAIR conducts the ICT training based on their own developed material of various categories - from the basic to more advanced. The team has not been able to assess how the training is organized in other countries than Zambia. In the discussions the team had with FAIR Oslo, it was underlined that training was very important, but also the most difficult element in the implementation of the projects.

In Zambia, FAIR had observed that good teaching material was available. It is the team's impression that FAIR therefore trusts the competence of EHC and relies on their training curriculum. No training material is developed by FAIR for the Zambia project, but EHC staff has developed their own teaching material. The team observed training of teachers, and were informed from other sources that EHC has a good reputation as a teaching institution in general. The team met with students from one of EHC's student associations. They confirmed that the computer training they received at EHC was very relevant when they join the workforce.

#### **Conclusion/recommendation:**

- Important elements in a quality assurance system is in place, but some weak elements were observed, such as transportation of equipment, registration of serial numbers, needs assessment when selecting computers, and possibly development of training materials.



- System for monitoring results/end user relevance

According to FAIR's policy it is the cooperating partner (EHC in Zambia) that is responsible for keeping track of received ICT equipment from FAIR Oslo, the distribution of equipment to end-user and eventually return of waist. As described under "Reporting" it is the country director who is responsible for establishing a reporting system with the cooperating partner to e.g. document results.

While visiting EHC the team received copies of the various formats and lists prepared to make it easy for the College to have an overview and document distribution of number of PCs, what type of PCs, to which school/institution, and at what date picked up. An updated inventory list for the 2008 container was kept. The remaining ICT equipment/PCs in stock, some ready for distribution, some not working to be repaired by EHC staff, was kept in a separate, locked room in the Business Studies Department building. Laptops were kept in the project director's office. The project director documented a good overview of the received equipment, PCs not working and the repair challenges.

A list of persons who had received training was also available.

In the process of selecting schools/institutions for receiving PCs, an application form had been developed. Information given in the application together with a distribution assessment form that was filled out by the Selection Committee, gave the project director a basis for deciding what equipment would go where.

No standard format for reporting had been developed for the receiving school/institution's semi-annual report back to EHC. The project director confirmed that such standard format would be worked out to ensure consistent and useful information from end-user as part of the monitoring system. The schools visited by the team had received some technical backstopping and one or several visits by the project director or his team. However, the need for follow-up visits was clear.

As for relevance of the equipment for end-user, it was confirmed that the project director selects the relevant equipment from a "menu" of machines available at FAIR Oslo. This practice seems to have been applied only to the 2008 container. However, in a number of the computers (50) received at EHC in 2006, the Open Source system could not be installed. Open Source is the only software system that is applied in this project at EHC. Also, a few of the machines were said not to have adequate capacity. Another issue was lack of parts to make the equipment complete and ready to install.

It has not been possible for the team to assess the relevance of the training to the needs of the teachers or other beneficiaries.

#### **Conclusion/recommendation:**

- The monitoring system at country level seems partly to be in place. Reporting from end-user to the project director in EHC must be institutionalized.
- End-user relevance will also be ensured by regular visits to the schools/institutions by the country director.
- Some direct contact between the project director and FAIR Oslo should be considered.

#### 4. RESULTS ACHIEVED

- Plans and targets vs. reported results to Norad

The team has done a detailed assessment of the figures in the applications for 2006-2008 compared to the reports on actual delivery sent to Norad (see Annex 1). Overall, the ambitious targets set, were not reached. FAIR's justification for the reduced results compared to targets, is a substantial reduction in the budget allocation from Norad, to an allocation of 44% of the original application over the three year period. In addition FAIR explains that problems in relation to its first partner (One World Africa) and efforts to find a new partner (EHC), was energy and time consuming. Also, the poor quality of the first container of equipment sent to Zambia, could be a factor. The team will add that maybe FAIR had too high ambitions when starting the operations in Zambia, not being fully aware of the complexity involved in their project as well as insight into the time factor – “things take time”!

First, a few comments on the planning. Planned outputs for the Zambia project during the whole project period 2006-2008 have been adjusted every year in connection with the annual application to Norad, from a total over the three year period of 3500 PCs in the 2006 application, to 2000 PCs in 2007 down to finally only 1600 computers for the three year period in the 2008 application. Planned total number of schools to be included in the three year project period is 40 in the 2007 and 2008 application respectively. Planned training outputs every year is 2 system administrators as well as 1 of 5 teachers trained at every school/end user.

The team found few reports in the files as to document the background for reports to Norad on the actual results in 2006 and 2007. The accuracy of the reporting could be questioned. It is clear that out of the 400 computers sent in the first container (2006), only 34% has been identified by the current partner, EHC. More than half of the identified shipment was not suitable, either because of damage or insufficient capacity/ type of equipment. Part of the 2006 shipment is said to be stored in the return container, i.e. not functioning. No equipment was sent to Zambia in 2007.

FAIR's planned output for 2008 as per Norad application was: 800 PC installed at minimum 25 schools including training done. In addition free ICT training should be offered to women in Lusaka and an ICT knowledge centre/lab established at Evelyn Hone College (EHC). FAIR received less funds from Norad than requested (applied for NOK 750 000, received NOK 250 000), therefore targets for 2008 were reduced accordingly to: 265 computers in 8 schools, while the standard training should be offered (2 system administrators trained and 1 of 5 teacher trained in every school) and ICT knowledge centre established at EHC. Free training to women in Lusaka was put on hold.

In the 2008 report to Norad FAIR reports that 360 PCs have been distributed to 16 participating institutions, 30 staff received training and 5 system administrators at EHC have been trained. In addition the ICT knowledge centre/lab at EHC has been established with 50 PCs. The team found lists at EHC documenting the distribution of PCs, but only one list of 19 persons trained. The ICT knowledge centre was visited.

The actual results for the whole project period 2006-2008 are reported to Norad as: 560 PCs distributed to 24 participating institutions (19 schools, 5 NGOs); 38 staff trained; 10 system

administrators received training and finally the ICT knowledge centre at EHC has been established.

The team has tried to get a total overview of schools/institutions as likely recipients. A list has been worked out and is included as Annex 2. From this list a total of 30 recipients are identified, 25 schools (5 girls schools) including EHC and 5 NGOs. The team showed the list to the project director who confirmed that names on the list were known to him, but all of those schools had not been visited and the status for the delivered or anticipated delivered ICT equipment was not known.

**Conclusion/recommendation:**

- Systematic over planning is observed, however less in the last part of the project period.
- Weak documentation for the reporting to Norad is observed. There are some discrepancies in the figures. The planned targets as stated in the application to Norad have not been achieved within the three year project period. FAIR gives a justification for that.
- FAIR seems to have been more successful in distributing PCs to end user than to follow up on the training. FAIR acknowledges the great backlog in training and in the 2008 report to Norad commits itself to fulfil the training obligations with its own resources.

- Details on computers distributed

The actual distribution of computers and equipment can only partly be confirmed by the team, as only four of the receiving schools and EHC were visited. The visits to schools were made unannounced. A short summary of observations is given in Annex 3.

As per proforma invoices FAIR has sent 900 PCs (workstations/desktops/laptops) to Zambia in 2 containers – one in 2006 containing 400, the other in 2008 with 500 PCs. No container has been returned. 29 schools/institutions/NGOs have been identified by the team as receivers of ICT equipment of various types. The partner institution Evelyn Hone College has in addition received ICT equipment. Based on reports, information and visit to Zambia a total number of 565 PCs seems to have been distributed over the three year project period.

It is not clear how many out of the 400 PCs were distributed from the 2006 container to the first 8-9 schools identified as end users in 2006/2007, when OWA was the partner. Reliable data is not available. From the information found it is highly likely that at least 175 PCs were distributed to 9 recipients (including EHC). EHC received 50 PCs in 2006 to be used at the College, none of them are today working and are stored in the container for return to Oslo. The location of the remaining 225 PCs that were shipped in 2006, has not been possible to confirm during the review. The current project director could not provide information on this point. FAIR Oslo has not reported or given the team clarification why their quality assurance system failed on this point. They suspect a mix-up was done before the container left Oslo, and that wrong PCs were sent.

From the 2008 container, a total of 410 PCs have been distributed to 16 end-users of which 3 are girl schools. The remaining number in stock at EHC is 90 PCs of which 65 are not working. Not all of the distributed PCs have been installed (in store at schools until the data

lab is ready) and some are most likely not working after they have been delivered (transport damage?). Updated data on this is not available as per today, but will most likely be included in the expected semi-annual report from EHC.

It should be noted that FAIR's cooperating partner EHC has received all together 180 PCs of which 50 (from 2006) are not working and are in the return container. The distribution overview that EHC gave the team shows that out of the 180 machines, 30 laptops have been distributed to EHC teachers. The team noticed that in the country director's accounts the laptops are registered together with allowance to EHC project staff. A computer lab has been established at EHC with 50 PCs to be used by students and lecturers at the College and for training of teachers/staff from recipient schools. The remaining 50 thin clients with a server are in stock waiting to be installed in the planned second Lab at EHC.

Among the institutions to receive equipment late 2008/early 2009 were 5 NGOs, receiving a total of 55 PCs (39 desk tops, 16 laptops). According to the Zambia country director this was decided since there was a surplus of PCs available and it was not possible to find enough receiving schools. It was the country director who identified the NGOs (all partners to Svenska Zambiska Föreningen). The decision to provide the 5 NGOs with computers was taken by FAIR's management in Oslo upon recommendation from the country director, and only taken note of by the project director at EHC.

#### **Conclusion/recommendation:**

- The distribution of the first shipment of equipment to Zambia (2006 container) is not documented and can only partly be traced.
- The team recommends that FAIR Oslo share the limited documentation with the project in Zambia and make funds available, to enable them to identify and follow up as many end-users as possible from the OWA period 2006/2007.
- If NGOs are to be beneficiaries in the future, FAIR is recommended to develop a policy to this effect.
- FAIR should have a clear policy on how large a proportion of the computers should be distributed to the cooperating partner themselves (as EHC), and also a policy of giving laptops or other equipment to teachers.
- Increased priority should be given to include girl schools as recipients.
- Since early 2007 when the MoU was signed and after the second container arrived in August 2008, the project has been handled by EHC. It is the team's impression that the project director and his colleagues have done a decent job in developing a system for distribution and follow up. More needs to be done to streamline the work and there is a training backlog also among the recent end-users.

- Training

As referred earlier in this report, the content of training, how it is done and by whom, varies from country to country. However FAIR seems to have decided on a policy of offering training to two system administrators and one out of five teachers/employees at every receiving school/institution.

According to FAIR's 2008 report training results for the whole project period (2006-2008) in Zambia are: 10 system administrators and 38 employees. This is much less than planned, also acknowledged by FAIR.

The team found one list prepared by EHC with 19 persons identified for one week's training in Open Source in November 2008. The participants represented some of the schools and NGOs that received PCs in October 2008. No other lists of trained persons were identified. The project director told the team, however, that 5 Heads of Sections at EHC had been trained as well as the ongoing training of students in ICT technology, including Open Source.

No training of system administrators had taken place. But a planned training session was postponed to week 25 this year.

The project director confirmed that they ask the receiving institution to nominate two teachers/persons for training as reflected in the MoU between EHC and the receiving institution. He further informed that most likely the schools/institutions would nominate the teachers already given Open Source training for the system administrator training. He also informed that at some schools the trained teachers had offered training to other/all colleagues.

In addition to one week training every participant receives a CD containing information on Open Source and basic information on how to operate a computer with Open Source software.

It also seems from one of the reports found, that hardly any teachers from the early schools (OWA-schools) had been trained.

FAIR's country director informed the team and the Zambia project director confirmed, that there are no plans as of today to catch up on the training back log related to the OWA-schools. However, in the 2008 report to Norad FAIR commits itself to fulfil the training.

#### **Conclusion/recommendation:**

- There is a large back log of training particularly related to the distribution of the ICT equipment from 2006. No system administrators have so far been trained, but a one week course in June is planned for teachers from some schools. Of the 16 schools/NGOs receiving equipment from the 2008 container some training is still due.
- EHC project director does not seem to be fully aware of FAIR's training policy. A transparent system for registration of number of trained persons is recommended.
- More emphasis should be given to monitor and follow-up on the training element.

- Gender

According to FAIR's recent application to Norad, the gender aspect is given high priority in line with St. meld 11, 2008-2009. FAIR commits itself to ensure equal or more access to ICT technology for females/ girls than men/boys; focus on training of women in general and to give priority to training of women system administrators.

With reference to these ambitions the team has observed:

- limited gender based statistics is applied which means that it is not possible to document how many women teachers or female students have been trained
- girl schools were registered as recipients in Zambia, although more girl schools could/should have been included
- in FAIR's organization: one woman out of 6 men in the Board, one woman on part time in FAIR Oslo, no women involved in the project team at EHC.

### **Conclusion/recommendations**

- FAIR should introduce systematic gender based statistics.
- Ensure that at least one female teacher from each school receives training in Open Source Software.

## **5. PARTNERS IN SOUTH**

FAIR's country director usually identifies the partner institution for the country. Experience and capacity are key criteria in selecting the partner, as well as transparency in management and decision making, result-based, and good records on reporting and financial management. No-tolerance for corruption is applied. There are no principles in FAIR with regard to public or private partner institution. Norad has at one occasion interfered with regard to selection of partner in one of the countries. FAIR describes this as a complicating factor. There is no particular poverty focus applied in the selection of beneficiaries (schools to receive computers).

Normally FAIR does not hire own staff in the various countries of operation, but could in special cases do so. In Eritrea a local person had been identified, paid by FAIR and attached to the cooperating partner. In Zambia this was not an option.

FAIR received funding from Fredskorpset for an exchange program in 2008/2009. One student from EHC was given job experience in Norway, while a Norwegian stayed for several months at EHC. The Zambian student is now a lecturer at EHC and member of the project team. It is the team impression from meetings both with the project director and the Principal that a continuation of this exchange program would be welcomed, even extended to include a South-South exchange.

The team has noted that FAIR in Zambia and Guatemala changed cooperating partner after a short while. In Zambia FAIR's first partner was One World Africa (OWA), a NGO. OWA was recommended by individual contacts FAIR had. FAIR Oslo confirmed that the planned partnership with OWA did not, for various reasons, develop as anticipated. FAIR looked for an alternative partner and decided to sign a MoU with Evelyn Hone College in February 2007. The team did not visit OWA while in Zambia but has been given access to some of the e-mail communication between OWA and FAIR. It seems from this communication that there could have been some differences between the two parties on what to expect from the partnership, what practise to follow in addition to how to interpret and understand formulations used in the communication.

In connection with FAIR's change of partner in Zambia the team observed that EHC had not received copies of any documents from the "OWA-period". Only a letter from OWA confirming that EHC was to be FAIR's new partner came as late as second half of 2008. The

team found copies of MoUs that OWA and recipients had signed and other relevant documents in FAIR Oslo, however, the project director at EHC had not received copies of such documents.

Since the team did not meet with OWA, it is difficult to judge why the partnership did not work out. During the visit to Zambia the team received information that OWA did not have any experience or technical know-how on ICT, though were experienced in other fields.

It seems that when entering into a partnership it is important to use necessary time to understand each other, to develop a common understanding of what should be the aim of the partnership, ensure that one is “talking” the same language also on practical matters and that trust and mutual respect is built. A common understanding of FAIR’s procedures and practices is also a premise.

### **Conclusions/recommendation:**

- When change of partner takes place FAIR must ensure that copies of all relevant documents are forwarded to the new partner to facilitate the follow up of the project.
- Time should be invested in building a partnership where trust and mutual respect are the building blocks.

- Relation FAIR – EHC

FAIR has an established practise of entering into a MoU with its partner in the respective country of work. This MoU clarifies the purpose and common ground for the partnership agreement.

In the MoU between Evelyn Hone College and FAIR the common goal is “work to promote ICT development by delivering computer access and education to schools in Zambia, as well as offer students at Evelyn Hone College access to ICT tools, education and practical experience with implementation and support. Evelyn Hone College and FAIR will work to supply schools with computer equipment, maintenance, support and training.” The MoU further details Partnership Duties and Responsibilities as well as Partnership Details and Procedures. It spells out clearly FAIR and EHC’s respective obligations. The overall responsibility for funding, implementation, providing hardware as gifts and necessary expertise to the project rests with FAIR, whereas EHC’s main tasks are identifying receiving schools with particular focus on girls’ access to the computer network, distribution and maintenance of equipment, training and coordination of computer support.

No issues pertaining to funds are included in the MoU, and the detailed procedures require adequate funding from Norway. The procedures outlines various steps to be taken starting from FAIR’s forwarding of the Activity Plan to EHC, via agreement on activity plan, budget, shipment procedures until received hardware is confirmed by EHC. The procedures states EHC’s responsibility for sending reports and evaluation of project progress to FAIR, but no deadlines, content of reporting or frequency is mentioned. Nothing is agreed regarding return of hardware or recycling. It is an open-ended MoU with no termination date. The parties must agree to terminate the cooperation or proceed with improved plans.

FAIR Oslo recognizes the need for more details on reporting as well as a paragraph on control and return of hardware in the MoU. In EHC's project proposal input for 2009 the need for including also NGOs/other civil organisations in the MoU is mentioned. In the team's view the MoU should also include a paragraph on corruption, including clarifying that equipment should not be for sale. Since this MoU includes detailed procedures such as transfer of funds, a paragraph on statements of account/audit is expected. Reference to the planned Procedure Manual and FAIR's Code of Conduct should also be included. In case of disagreement or conflict it could also be wise to have a paragraph on how to handle disputes. Annual meetings are often used as a control and stocktaking mechanism. The MoU could be used as a regulating mechanism for such an "Annual meeting".

So far it seems as if this MoU has functioned for the participating partners. EHC confirmed that they are very satisfied with the cooperation with FAIR which in practical terms means the country director. Most of the communication takes place between EHC and the country director. FAIR's management and the country director have also expressed general satisfaction with the work EHC has done as their new cooperating partner in Zambia.

#### **Conclusion/recommendation:**

- In the standard MoU between FAIR and cooperating partner paragraphs on the following topics should be considered included: details on reporting, return scheme, equipment not for sale, annual meetings, statements of account, FAIR's management procedures, Code of Conduct and dispute of settlement.

- Relation EHC – end-user schools

FAIR has also used MoUs to regulate the formality between the receiving institution (school/NGO) and FAIR's co-operating partner. In Zambia the country director has approved a format for MoU between EHC and the receiving institution. FAIR Oslo's management has received a copy but not formally approved this format. How this relationship is formalized in other countries, has not been assessed by the team.

The MoU states the objective of the co-operation, EHC's and the receiving institution's obligations as well as Terms of the MoU. EHC's obligations are the following: to provide 20 either Thin Client and one Thin client server or 20 stand alone computers (as a standard), provide training in Open Source Software for two IT teachers, provide back-up/technical support when necessary, make follow ups to ensure proper use of equipment and receive non working computers and replace those with new ones if available (new consignments or in stock).

The receiving institution commits itself to the following: provide a sustainability plan outlining how the students will access and use the IT laboratory, provide adequate secure room for the PCs, use the laboratory and donated computers for promoting Free and Open Source Software (no other operating system allowed on the machines), submit a written report every six months on the usage of the equipment, cover security and insurance costs for the computers, ensure proper use of the equipment, prevent misuse, damage or lack of student access to the equipment, and finally provide own transport and collect the equipment from EHC.



The MoU clarifies that the donated computers shall not be for sale or donation at anytime by the receiving institution, secures EHC's access to computer laboratory for monitoring and evaluation, failure to comply with obligations will result in termination of the contract and withdrawal of donated equipment. Finally the MoU will be in effect for two years and subject to renegotiation and renewal at the end of that period.

The MoUs entered into by FAIR's first co-operating partner One World Africa in Zambia are more or less in line with the ones EHC now are using. The difference relates mainly to frequency of reporting, obligation to use Open Source Software and regulation of return of equipment.

- Procedures for distribution of ICT

Since it is FAIR's practice to delegate to the respective country director how the partnership is regulated locally, and since the team concentrated on Zambia as a case, it is assumed that the procedures for distribution of ICT could vary from country to country.

In Zambia, the partner institution (EHC) has developed Rules of Procedure for Distribution. The procedures were approved by FAIR's country director. These rules governs the manner in which computers will be received, stored, distributed, maintained, collected and shipped back to FAIR's office in Norway. It further states that "receiving institutions will be required to pay K 1 mill (roughly NOK 1300-1400) as administrative costs."

When selecting schools/ NGOs EHC Management is given the authority to select the most "deserving learning institutions based on the information on the distribution assessment form". The project director and his team constitute the Selection Committee.

The practical steps when identifying recipient schools are the following: announcements are made through various networks and for the container in 2008, EHC's own FM-radio channel was used. An application form is to be filled in by the schools and sent to EHC. The Selection Committee makes an assessment of the applicant by use of a format and recommends for final approval by EHC's principal and FAIR's country director. According to Rules of Procedure EHC Management may also select non learning institutions based on the assessed need, number of machines required and availability of computers. So far FAIR's project description does not include NGOs as end-users. However the divergence that took place in Zambia recently, was acknowledged by the director general in FAIR Oslo.

The visit to Zambia confirmed to a large extent that these procedures were known to the receiving schools and followed by involved partners. The justification for introducing an administrative fee was, according to the project director, budget constraints on FAIR's side and the need for maintenance funds. For schools receiving less than the standard 20 PCs, the administration fee would be reduced accordingly. Regarding the return scheme there seemed to be lack of awareness and knowledge among the receiving institution. The requirement for a sustainability plan seemed also less known to the visited schools. Requirements for reporting was known, but no reports had been prepared so far (though for some schools, the deadline for reporting was due).

### **Conclusion/recommendations:**

- Since administration fees has been introduced in Zambia, FAIR should decide on a policy regarding this matter.
- Information to the end user on the return scheme must be improved.
- Cooperating partner should ensure that recipients comply with the reporting obligations in the MoU, such as the sustainability plan and half yearly reporting on equipment status.

The costs for the receiving schools/NGOs in Zambia are as follows:

- a. the cost for a secure room for the equipment ( bars, furniture etc)
- b. transport for the equipment from EHC
- c. necessary insurance for the equipment
- d. pay a fee of 1 mill K to EHC
- e. cover allowances and transport for teachers receiving training at EHC
- f. cover running costs such as electricity etc when equipments have been installed

These costs are in line with FAIR's general policy except for the fee charged to cover administrative expenses for the partner EHC.

- Coordination with national stakeholders

The team has been able to observe the following:

- The project director at EHC and his colleagues belong to Open Source Zambia (OSZ) a network which is a forum for individuals who are committed to use and promote Open Source Software.
- The project in Zambia does not seem to have any direct, practical cooperation with other ICT stakeholders except for Commonwealth Youth Programme (CYP) which conducts training in Open Source and network-administration. This organization provided, on consultancy basis, some training on behalf of the project in the fall 2008.
- The team had a short meeting with Computers for Zambian Schools, see details in Annex 4. This NGO distributes PCs to secondary schools and operates on a commercial basis. In FAIR's application to Norad for 2009 it reads that FAIR has an intention of some cooperation with this NGO at technical level. Computers for Zambian Schools rents office space at EHC's premises. The team was told that so far no cooperation has taken place between the project and this NGO.
- As 5 NGOs are among the recipients it gives the project a link to the Zambian civil society which can be used to promote Open Source Software.

- Alignment with national plans and standards

FAIR does not have any direct contact with the Government of Zambia (GOZ). Indirectly this is done through the partnership with Evelyn Hone College.

The MoU between FAIR and Evelyn Hone College states that EHC will work in close cooperation with the Ministry of Science Technology and Vocational Training and the Ministry of Education of Zambia and work to become an example of successful implementation of ICT in the education sector. EHC will “focus on gender equal access to the

computers and sustainable models for lowest continuous costs”. In practise Evelyn Hone College has great autonomy e.g. to develop and use their own curriculum. However, this curriculum follows GOZ general ICT policy. The Principal confirmed that to promote the use of Open Source Software is part of GOZ ICT policy and also a part of the College’s own policy.

Impressions from the schools visited confirmed that GOZ does not have a standard curriculum for teaching ICT in basic schools. Thus some of the schools had developed their own curriculum for teaching of basic ICT knowledge and, if relevant, Open Source System.

Most of the software installed in computers to be used in developing countries, is free on the market or done through FAIR’s arrangements with for example Windows. In Zambia the EHC project director informed the team that the PCs they receive are blank, all data are deleted. Initially FAIR Oslo provided EHC with a CD containing Open Source Software, for EHC to install before distributing PCs to end-user. However, EHC technical staff now downloads the updated software from Internet. The team was informed by FAIR Oslo that 60 programmes are installed by FAIR Oslo, and software updates at end-users are done by FAIR personnel or FAIR trained partners on need basis. Some software is developed by FAIR themselves. The software is in conformity with possible official standards for the particular recipient country/institution.

## **6. COLLECTION AND RETURN OF EQUIPMENT**

FAIR have an agreement with Veolia Miljø Metall AS (VMM). Veolia is responsible for collecting ICT equipment in and around Oslo while for equipment from other parts of Norway FAIR has to arrange delivery at Fornebu. Veolia is receiving ICT for clearance, deleting all data/software/etc., and packing for further distribution. It provides FAIR with statistics on received equipment and the treatment it has gone through. The employee at FAIR who is responsible for return scheme and logistics, makes a monthly check of the stock at Fornebu. In addition Veolia is responsible for receiving ICT equipment for final destruction. The agreement gives FAIR an option of buying collected ICT products from VMM.

Veolia is further responsible for obtaining all necessary licenses and is ISO certified. FAIR guaranties that all units handled by VMM will be used for humanitarian purposes and that outdated products are treated in accordance with rules and regulations. FAIR is responsible for the software tools used for deleting of data in the ICT equipment that will be reused.

The return of old computers and ICT equipment for safe and environmentally sound destruction is regarded as an important part of FAIR’s operations. The same amount of equipment sent out to the four project countries, is to be sent back to Norway/Veolia for safe destruction. Some of the machines are dismantled in the recipient country and used for spare parts in other FAIR machines. The project director in Zambia states that no equipment will be allowed used for any other purposes. FAIR informed the team of a more liberal policy in Kenya, where part of the equipment is allowed to be recirculated locally. FAIR is currently considering an alternative company to handle the waist in South-Africa. This could be more cost-efficient.

So far, one container is sent in return from Kenya to Veolia in Norway. No containers are sent from the other project countries. However, FAIR is expecting one more container from

Kenya, one from Madagascar and one from Eritrea within the next year. For 2009 FAIR has set a target of 1 return container.

There is a natural time lag before return for the majority of computers sent from Norway. In Zambia computers beyond repair (due to transportation damages etc.), go straight into the return-container placed at the EHC premises. For functioning equipment it could take up to one year from the equipment is sent from Norway until the computers actually are installed and utilized in recipient institutions. The life span of these computers was estimated by FAIR to 3-5 years. When beyond repair, the computer is to be delivered back to EHC by the recipient schools, stored in a container, and shipped back to Norway only after the container has been filled up. This could add another year before the equipment is back in Veolia. So all in all, a 4 to 7 years time lag before destruction in Norway should be considered normal.

FAIR's Board made a decision in February 2006, that not only FAIR equipment, but also ICT equipment from other sources, could be included in the return-containers. The same amount of kilos and type of equipment shall be returned as FAIR has sent out. This will also make up for the above described time lag. In Zambia, this is not yet practices. When the team visited the return-container, it was less than half full. However, the project director indicated that if FAIR could guarantee funds for return of the container to Norway, EHC would announce more generally the return scheme and within only a few weeks the container would be filled up with equipment to be returned to Norway for destruction.

The return scheme is actually not part of the MoU between FAIR and EHC, however there is a common understanding of the return arrangements. The return scheme is part of the MoU between EHC and the individual schools, but the visited schools' management, as already mentioned, was not aware of their responsibility in this respect.

In order to ensure return of equipment in future even if FAIR were to cease, a return-fund was established. However, this fund no longer exists.

**Conclusion/recommendation:**

- The partner schools and NGOs in Zambia need to be made aware of the return scheme.
- Veolia must ensure proper storage/packing for the equipment under transport from Norway to the recipient country.



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