Final Report
of
Mid-Term Review of the Empowerment & Livelihood Improvement “Niton Jibon” Project

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EXECUTIVE SUMMARY

The community driven development (CDD) approach adopted by the Social Development Foundation (SDF) in implementing the IDA-financed Social Investment Program Project (SIPP-I) since 2003 and the Empowerment and Livelihood Improvement “Nuton Jibon” Project (SIPP-II) since 2011 has for the first time put the poor, hardcore poor and vulnerable & the youth at the center of project implementation process. The essence of this CDD approach as adopted by SDF has been the belief that the poor if left alone to plan, decide, design and implement their own self-development projects, have the infused willingness and ability to uplift the life and livelihoods, but prior to that, what is needed is to empower them with skills and capacity building in respect to project planning and implementation.

The main objective of the Mid-Term Review (MTR) has been to assess the extent to which the concept, approach and delivery of the “Nuton Jibon” Project (SIPP-II) and its components are still relevant to the key stakeholders in respect to effectiveness and efficiency of service delivery. The methodology adopted in the MTR includes review of the secondary project documents as well as solicitation of the perceptions of the project stakeholders, namely the Gram Parishad members (demand side) and the SDF program managers from all levels (supply side) through the instruments of Focus Group Discussions (FGD) and Key Informant Interview (KII) respectively. A set of structured questionnaire was also administered among the randomly selected beneficiaries. Additionally the MTR team also observed the physical structures in the villages.

While details of the progress of all project components and the stakeholders’ views on these as well as the analysis and the related recommendations are provided in Chapter-3 and Chapter-4 respectively, a summary of the findings and recommendations on some important issues are serialized below:

MTR Findings & Recommendations:

Concept and design

Adoption of the concept and design by SIPP-II in implementing the project activities has been able to place the rural poor and hardcore poor segments of the community at the center of all decision making process as related to planning and implementation of the self-development sub-projects. As such, the design of the project as followed in the first three years of SIPP-II should be continued for the remaining project period and even beyond, albeit with a few modifications in staffing positions.

Village level institutional development

Under the project, the rural poor and hardcore poor including the youth have been mobilized into Gram Parishad (GP) and the members are pre-dominantly women representing more 95% of the total members. Various functional committees have also been formed under the GPs in the project villages. Facilitated by SDF, these committees are functioning following the COM guidelines. The GP members were found to be very much enthusiastic over the fact that the project has enabled them to plan, design and implement their own developmental activities collectively. Appreciating the financial modalities, the members took pride for being able to be the sole owner and arbiters of the fund use. It appeared from BIDS that Nuton Jibon Group (NJGs) are engaged more in community/social works than the non-members. Gram Samity has earned the reputation of ‘problem solver’ as 40 percent of treatment households have reported that they would go to Gram Samity first for any kind of help. This also reflects the extent of trust Gram Samity has acquired by its members.

The findings of BIDS ‘Impact Assessment Study’ also complement the Project Development Objectives (PODs) of Nuton Jibon Project and it is found that 83 percent of village institutions are functioning in a transparent, inclusive and accountable manner that means the PDOs are fulfilled, as against the project target of 75 percent at end of the project. It is
also observed that about 56 percent of vulnerable households from SIPP-I and 40 percent from SIPP-II have graduated to hard core poor and have been able to start savings and undertake small scale IGAs. BIDS report also stated that according to the PDO, about 70 percent village institutions should take decision based on PVA. Therefore, it can be concluded that the project is in the right direction in achieving its development objectives.

- As the village institutions developed under SIPP-II have evidently been a useful platform for the rural poor and hardcore poor women, SDF should develop time bound exit plant to phase out from the old villages.

**Capacity building of the village level institutions**

The SIPP-II implementation modalities demand the village institutions to play a central role in the planning and implementation of the sub-projects. But in view of their current level of academic background and development exposure, SDF was given the responsibility of facilitating the capacity building efforts. SDF no doubt has organized a number of training/workshops, but the quality and effectiveness of such efforts has not been as expected. There are still scope and opportunity for SDF to strengthen the community members’ working skills and capabilities. In view of this, the following recommendations may be considered:

- Along with quantitative coverage under the training programs, SDF should put more emphasis on quality and effectiveness. This can be attained by substituting the classical patron-client approach with client supportive training programs along with topic specific training modules, audio-visual presentation and practical demonstration of project related activities.
- SDF should ensure that the field level subject matter specialists should go beyond just organizing the class level training sessions and engage with the community members at project sites as follow-up of the training sessions.
- In view of the importance of sound village matrix in the context of MIS, SDF should organize more intensive training sessions on the village matrix for at least two educated GS members. In this case, emphasis should be given to practical working sessions.
- The COM booklets should be more users friendly and be revised in light of the recommendations of the two workshops held in Rangpur and Jamalpur regions. SDF should expedite the revision process.

**Strengthening of the inter-village organizations**

Activities under this component are aimed at promoting inter-village development for consolidating and sustaining the village level investments. To achieve the objective, the graduated villages are federated under “Nuton Jibon” Community Society (NJCS) first at the Cluster level and at the District level. As of June 2013, a total 286 out of 420 villages in Gaibandha district and 286 out of 435 villages in Jamalpur district have graduated and become full member of the respective NJCS. Another 160 villages are presently the Associate members. However, the institutional set-up and the organizational capacity have not yet reached the level, scale and standard to address the collective needs of the community, where the second generation activities were started lately in Phase I villages. More concerted efforts are needed to strengthen the inter-village organizations.

- SDF should execute the project cycle to proper implementation of second generation activities, which leads SDF to phase out from matured villages.
- At this initial stage of second generation activities, SDF should strengthen the mobilization and awareness building activities among the constituent villages so that the GS members understand the benefits of being united under the federal umbrella and take pro-active part in strengthening the federation.
- SDF has already initiated networking activities with some service providing authorities. The focus of such networking should be on IGA and entrepreneurship activities such as making broader marketing outlets for the goods and services. SDF’s networking
activities should also focus on training as well as meaningful employment generation activities.

- Formation and functioning of “Nuton Jibon” Community Information Center (CIC) has been an innovative addition to the second generation activities and it was found that these centers are providing useful services to the community members, particularly the youths and the students. This activity should be expanded to other clusters.
- Last but not the least, SDF should continue monitoring of the second generation activities so as to ensure that these federated village institutions remain as cohesive units representing the interest of the poor and hardcore poor without any outside interference and influence by any vested groups.

Livelihood improvement

Poverty reduction: The use of Sabolombi Fund (SF) by the target beneficiaries has been able to bring noticeable improvement in the livelihood means through their involvement in the preferred income generating activities (IGAs). Their family income has increased resulting in corresponding decrease in the poverty level. The community members have also earned a substantial amount of income from participating in the infrastructural activities. Armed with increased income level, these hitherto poor and hardcore poor people could now save some of their additional income for re-investment purpose. According to BIDS ‘Impact Assessment Study’, it is observed that the income of the households in the project area has increased significantly compared to baseline survey and control households. Major sources of income of the households are agriculture, business, livestock and poultry and salary/wages, which accounts for about 90 percent. It is also revealed from the BIDS ‘Impact Assessment Study’ that the annual income of the hardcore poor has been increased which is ranged from 12.7 to 15.3% as against the baseline survey which was ranged from 0.0 to 9.9% and this higher income is attributed due to project interventions. BIDS study report also complement the Project Development Objectives of Nuton Jibon Project, where about 35 percent of the households have been able to increase their incomes by 40 - 50 percent which compares to the project target i.e 50 percent at the end of the project as mentioned in the Project Development Objectives (PDOs).

According to the findings of BIDS study it is revealed that almost 100 percent of target households save money against about 64 percent for control households, of which about 90 percent of the households in the project areas save money in Nuton Jibon Groups (NJGs). It is observed that on an average per household amount saved in last year accounts about BDT 730, which is higher in project areas than control areas. The borrowers take loan and invest in IGAs—their income increases—and they become capable in handling larger loan and invest in larger project. This is an indication of some kind of graduation from smaller-loan-handling capacity to larger-loan-handling capacity. The use of other two loans namely skill development loan and youth employment loan are also found to be well targeted. About 90 percent of skill development loans are used for various training purposes such as sewing/tailoring, driving, motor mechanic etc. About 10 percent loans diverted to other purposes. About 56 percent of the youths entered into regular employment process with a start-up capital ranging between BDT 5000 - 7000. This estimate would have even been higher, had the team be able to interview the youth who left the village for wage employment.

- SDF should ensure that the IGAs funded with SF should be utilized only for productive income generating activities.

Women’s empowerment: The members of the village institutions essentially being the females, the livelihood improvement has led to women’s empowerment in many respects. These erstwhile left-out women have been mobilized and trained by the SDF and were given the responsibility to run the village institutions. They have now acquired the ability to plan and implement the sub-projects, credit operation, maintain books & accounts, registers,
conduct meetings and a host of other developmental activities. Their social mobility and leadership quality has also increased through such involvements. They are now more respected and valued by their family and community members. The project has been able to ensure empowerment of women not only in economic, but also in social term. However, although there has been remarkable measure of women’s empowerment but this is limited only to a minor proportion of the community members. It is also revealed from the BIDS ‘Impact Assessment Study’ report that the members of the NJG are found to be more empowered than the non-participant, especially women. The results suggest that 89 percent of women have played role in decision making upon joining NJGs against only 48 percent at baseline. Women are not only taking loans, they are also the decision makers even on issues related to investment such as livestock and poultry. Results also indicate that women of NJG are more connected to markets than the non participants primarily because of their greater involvement in market. Econometric analysis also corroborates these findings. A large number of participant women reported that now their husbands and relatives valued their opinions, suggestions, decisions and comments more than before. They have now some ‘say’ in family matters such as buying and selling properties, schooling decisions of children, medical treatment, etc.

- SDF through strengthening its mobilization and capacity building activities should focus on all the women members so as to enable them to pro-actively take part in their own development activity.

**Socio-economic improvement of youth**

One of the objectives of the project has been to provide the youth from the poor and hardcore poor segment of community people, particularly the unemployed youth, with livelihood improvement means and opportunities. Towards this end, as of June 2013, SIPP-II has mobilized as many as 50,302 youths into 3,881 youth NJGs and so far 28,561 youths have been provided with a larger amount of such grants.

Appreciating the usefulness of grant money for the disadvantage people, the GS members many of them initiated small scale IGAs to complement their family income. While recipients of the grant money used the amount to meet up their immediate needs, while many of them initiated small scale IGAs to complement their family income. Some of the opinion that the target beneficiaries could benefit more from their IGAs had they been provided with a larger amount of such grants.

- Creating meaningful employment opportunities being one of the major objectives of the project, SDF should ensure matching of specific skill development with enough funds.
- As mentioned earlier under the second generation section, SDF should strengthen networking with service providing organizations towards ensuring long term employment opportunities of the trained youth. In this connection SDF may initiate dialogue with WB-financed Skills and Training Enhancement Project (STEP) being implemented in 93 Polytechnic Institutes under Directorate of Technical Education.

**Socio-economic improvement of vulnerable group**

Under the project, a provision for onetime grants to vulnerable poor has been kept so as to enable them to take up income generating activities appropriate to them. As of June 2013, a total of 33373 (80% of the target) most vulnerable beneficiaries were provided onetime grant and of them a total of 30999 (87% of the target) took up IGAs with the grant money. Some recipients of the grant money used the amount to meet up their immediate needs, while many of them initiated small scale IGAs to complement their family income. While appreciating the usefulness of grant money for the disadvantage people, the GS members were of the opinion that the target beneficiaries could benefit more from their IGAs had they been provided with a larger amount of such grants.
The amount of grant money to the vulnerable beneficiaries should also be enough to take up meaningful IGAs.

Community Infrastructure and Social Services

The infrastructural development activities have proven to be useful for the community in terms of livelihood improvement through employment generation and increasing social mobility. The design, drawing and specifications of Gram Samity Office Building are found to contain factor of safety which made structurally consistent, safe, sound and appropriate.

It is revealed from the findings from BIDS study that more than 50 percent households are now taking advantages of community infrastructure built by the project as target 80 percent by the end of the project. About 60 percent of the respondents now use sanitary latrine, while only about 28% of the poor and hardcore poor had used sanitary latrine during baseline survey conducted in 2010.

However, the high cost issue regarding the purchase of land and construction of GS office building as well as 5% contribution by the community against these activities can be reconsidered. There is no provision of repair and maintenance cost against infrastructural development works.

- SDF should keep some provision for repair and maintenance cost against some constructed structures namely roads, culverts, GS offices and tube wells.
- SDF should revise the GS office building design in favor of a low-cost office building.
- The tin shed GS offices constructed in old villages should be replaced with semi-pucca building as done in case of the new villages.
- As GS offices in the old villages are constructed on donated but not registered land, SDF should ensure registration of the donated land for GS offices, which are not yet registered.

Program management and operation

Community-driven development (CDD) involves a degree of devolution of responsibility to communities for managing their development projects. It also requires a culture of public administration that views communities as development partners in their own right, rather than as simply recipients of benefits through public expenditure. Reflected against the implications of the above content, the MTR team feels about the necessity of re-adjusting the organizational culture and project implementation modalities of SDF as a whole in favor of an engaging and participatory as well as cooperative approach, rather than a top-down regulatory one.

The MTR team has reviewed and examined the SDF’s institutional arrangements in implementing the SIPP-II activities. It is to be admitted that over the years SDF has been able to successfully implement the program activities to the benefits and satisfaction of the targeted poor and the hardcore poor segment of the rural people. However, through engaging with the target population as well as the implementing SDF staffs from all levels, the MTR team feels the necessity of some re-adjustments in the management and operational modalities of project implementation.

Headquarters level

- A position of Director (Training) may be created. The Mobile CB Cell will operate under this Director.
- The Specialist (Technical Infrastructure) and Specialist (ECCRR) under Senior Director (Programs) should be merged into one specialist namely Specialist (Technical).

Regional level
• The position of Regional Program Director (RPD) is proposed to be re-designated as **Regional Director** with functional responsibility of administration & coordination only. He will be supported by one **Administrative Officer** and one **HR Officer**.

• At the regional level, instead of current large number of specialists, the MTR team suggests only four manager positions namely **Regional Manager (Finance)**, **Regional Manager (Livelihood & Employment)**, **Regional Manager (Community Finance)** and **Regional Manager (Technical)** with their current rank and status. The Manager (Technical) position should be filled by a B.Sc. Civil Engineer.

• The **Appraisal Monitoring Team (AMT)** with its current composition will remain same as before. However, during pre-appraisal exercise, they should be careful to ensure that non-productive sub-projects are not approved.

**District level**

• The current structure of district level SDF office will remain same, with more focus on community level facilitation activities. However, there will be a few changes as proposed under:
  - The current position of DPO (Technical) and DPO (ECCRR) should be merged into one position namely **DPO (Technical)**.
  - Similarly, the current position of DPO (Community Finance) and DPO (Village Fund) should be merged into one position namely **DPO (Community Finance)**.
  - The current position of both DPO (Livelihood) and DPO (Youth and Employment) will remain as before.

**Cluster Level**

• The position of Community Facilitator (Book Keeping) and Community Facilitator (Accounting) should be merged into one position namely **Community Facilitator (Book Keeping and Accounting)**.

• In view of academic qualification and workload of the **Community Facilitators (CFs)**, this post should be upgraded to **Grade-I of Level 8**.

**Community Level**

• SDF should take initiative to fill up at least one of the two **Office Bearers** positions as originally proposed in PAD to assist the GP members in their day-to-day activities.

• The financial compensation package for this Office Bearer may be determined through consultation with the GP members and this may be paid from the GS’s own fund or any other source.

• The number of Sanchay Sangrakkhon Committee (SSC) should be only one in a village as is the case with VCO. This will enable the GSs to avoid maintaining a number of similar savings and internal lending registers.

**Management Information System (MIS)**

There is a comprehensive web-based online MIS that connect the headquarters with the field offices. Under the SDF-MIS, 5 (five) modules have been developed with huge financial investments. Under MIS modules, only the Project Monitoring System (PMS) has been fully operationalized in all 124 Cluster Offices. Use of the web-based PMS has enabled all the SDF offices to share project activity related data and information. Similarly, Financial Information System (FIS) is also functional, but other three modules have not yet been used fully.

In spite of operationalization of the PMS, the validity and reliability of the reported data still remains an overwhelming concern for the project management. The responsibility of ensuring the data quality obviously lies with the field level supervisors, but MTR team feels that the responsibility was not perfectly done and there remain some inbuilt imperfection in the system.

• **SDF management should take immediate step to fully operationalize the other three MIS modules.**
The data validation process and methodology introduced by M&EL division should be strictly followed by the all level officials. The relevant all officials should also undertake field visits at random to verify and check the data at the entry level as well as original data source level. They should take relevant hard copy of the VM.

Financial Management

Up to September 2013, a total of BDT 5447.09 million has been disbursed for SIPP-II project consisting of BDT 4880.73 million for Community and Livelihood Development at Village Level; BDT 15.87 million for Institution Development and Livelihood Promotion; BDT 162.65 million for Capacity Development of SDF staffs and Partnership building and finally, BDT 387.84 million for Project Management, Monitoring and Coordination component (Source: SDF document). As such the total investment for each of the 3262 project villages stands at BDT 1.67 million and for 583407 NJG members the amount is BDT 9336 per member. At the same time, the average cost for each of the 1756 SDF staffs is BDT 3.13 lacs.

The community finance representing a lion share of the project cost has some management and procedural problems. Likewise the administering procedure of the Sabolombi Fund (SF) has also some issues which need to be resolved.

- In view of the finding that although there is a huge demand for Sabolombi Fund (SF) and at the same time there is substantial amount of the unutilized fund, the following steps are suggested:
  - Complicated procedures and cumbersome criteria should be simplified for SF loan by decreasing the frequency of appraisal of the sub-projects.
  - The package for SF loan should be sufficient so that the borrowers can initiate economically sustainable and viable livelihood activities.
  - The competence of the VCO members should be further enhanced in respect to documentation of the credit operation.

- The competence of the Social Audit Committees (SACs) in respect to making assessment and audit activities should be further strengthened through involvement of the thematic specialists.

- The SDF’s field level staff should make more frequent visit to village institutions to ensure timely recovery of loans advance to the members.

Sustainability

Sustainability of the village institutions developed and being nurtured by SDF has been a priority issue for the policy makers and implementers, and the donor as well. Towards achieving this goal, SDF has been working since 2003 when SIPP-I was initiated. However, the emphasis on attaining village institutions’ sustainability was renewed with the initiation of the SIPP-II in 2011. A number of trainings and workshops were organized aimed at mobilization and capacity-building of the community members, as it is believed that empowering the members with skills and capacities on sub-project management is a prerequisite to sustainable development. But it is to be admitted here that the Gram Parishad members are overwhelmingly women and youths coming from the poor and the hardcore poor segment of the community people with little or no education and a backward socio-economic and cultural background. As such, the goal of achieving sustainability is indeed challenging. At the same time, the SDF staffs also expressed their apprehension about SDF’s own sustainability as an organization as well as their own career prospects.

- The first and foremost recommendation would be for SDF to set a time-bound graduation milestone for the village institutions. If the project goal is to lift the poor and the hardcore poor above the poverty level, SDF’s current level of engagement with the village institutions should be scaled down once the members are lifted out of their poverty level.

- The timeframe for graduation should be set at four years (48 months) after ending of one project cycle instead of current three years (36 months).
• SDF should develop a phase-out plan or bring revision in any such existing plan in light of the above recommendation.

• Concurrent to such phasing out from one area, SDF should go for horizontal expansion of the project activities in new areas along with same set of project inputs and interventions.

• Capacity building of the village institutions being the sine qua non for sustainability of these entities, SDF should strengthen its efforts to empower the community members with skills and capacities.

• Under the proposed 4-year project cycle, at least 6 months of the first year should be devoted to community mobilization, awareness building and skills development.

• No fund for the village institutions should be released prior to the capacity building phase.

• SDF should facilitate the village institutions towards strengthening the second generation activities such as establishing linkage with service providers and employers, formation and activation of producer groups, market development etc.

• SDF should plan for wider utilization of the Community Professionals (CPs). Their services can be utilized by the Gram Parishads in the existing villages after phase-out. Additionally, SDF can utilize their services in the newly covered areas.

• SDF should expedite its current initiative to allow some financial benefit on special occasion from the fund accrued from service charges. This will ensure members' continued and sustained interest in the project activities by way of rendering ownership of the fund to them.

• Last but not the least, steps should be initiated to give a permanent structure to SDF as well as the staffs working under the organization. To achieve this goal, SDF should have to develop a Proven-Attractive-Poverty reduction model as well as search for multi-donors. A well defined career path within the organization need to be delineated to avoid staff discontent and frustration.